

How to Win A Revolution and Enjoy It.

by Norman G. Kurland, 1972.

"The path the [expanded ownership] revolution will take faces in exactly the opposite direction from that taken by the communist revolution. It seeks to diffuse the private ownership of capital instead of abolishing it entirely. It seeks to make all men [capital owners] instead of preventing anyone from being a [capital owner] by making the State the only [capital owner]."

"The theory of [expanded capital ownership] makes two assumptions about the good society. One is that its most important value is freedom. . . . Never in history has universal suffrage been built on a sound economic foundation; it is this defect, not the ordinary man's inability to cope with freedom, that accounts for the notorious fragility of democratic institutions. Secondly, it is assumed that leisure is essential to a civilized definition of affluence. . . . Today, in Western industrial society, we see toil advancing claims on the whole life at the very moment of history when technology offers liberation. Leisure and the liberal-arts tradition are giving way to the totalitarian work state which has no place for whole men, only "human resources" and servile functionaries. The totalitarian toil state originates in the propertylessness of the majority."

Louis O. Kelso and Mortimer J. Adler
The Capitalist Manifesto

"Alternative is indeed the crux of the matter, and here it is that youth is vulnerable. . . . While the moral convictions of individuals are important in the long run, it is institutions that determine the immediate course of events—particularly the institutions of finance."

"Not an evil conspiracy, but defective financial institutions have delivered us to the door of the total work state. This book has attempted to present the alternatives, founded on the missing logic of an industrial economy."

Louis O. Kelso and Patricia Hetter
Two-Factor Theory: The Economics of Reality

"There is one thing stronger than all the armies in the world;
and that is an idea whose time has come."

Victor Hugo

Introduction

"O.K., I'm convinced—but where do we go from here?"

"What can I personally do to help restructure our institutions, our economy, our

Editor's Note - June 1989

"How to Win a Revolution" was written in 1972; much of the original text has been left unchanged in this edition to preserve its historical flavor. As the reader will see, there have been many advances over these initial successes in expanded capital ownership.

Some of the terminology in this document, however, has been updated and revised to strengthen its semantic underpinnings. For example, in recognizing the polarizing impact and negative connotations that the word "capitalism" has held for many people since its inception, the term "universal capitalism" has been replaced by "expanded capital ownership."

Along these lines, the "Second Income Plan" referred to in this document is now the "Capital Homestead Act;" and today, CESJ (the Center for Economic and Social Justice) has assumed the role that ISES (the Institute for the Study of Economic Systems) formerly had served for disseminating these ideas.

Finally, and perhaps most importantly, this paper was written prior to the author's exposure to the profound writings of Rev. William Ferree on Social Justice and the Act of Social Justice

corporate and union strategies, and the mind-set of most people along the lines of expanded capital ownership?"

These are frequent comments expressed by committed Kelsonians. This paper will attempt to respond in a preliminary way to such comments.

If you are not already one of the "convinced," however, little that follows will be of any functional value to you. We would simply suggest that you read *The Capitalist Manifesto*, *The New Capitalists*, and *Two-Factor Theory: The Economics of Reality* and other writings of Louis O. Kelso to discover why others have become committed to the Kelsonian alternative for achieving real economic justice and positive movement toward a more democratic social order.

We will not repeat in this paper those revolutionary concepts or the practical tools and strategies of expanded capital ownership. Suffice it to say that we consider pre-existing blueprints for structuring economic change-whether such designs stem from any of the schools of Marxism, laissez-faire economics, or Keynesian economics -as being unsystematic and irrational, basically reactionary, devoid of universally appealing moral standards, and totally irrelevant for coping with the most fundamental of social issues facing modern man. That fundamental issue is the powerlessness, poverty, and mounting alienation of the many in every modern society, a condition that naturally and inevitably follows from concentrated ownership of capital.

If you view every economic system in the world as simply a different form of "industrial feudalism" and are troubled by the realization that most of us are merely "industrial serfs", you owe it to yourself to become acquainted with expanded capital ownership as a new alternative.

This paper is also not addressed to moral "fence-straddlers" or "bandwagon-jumpers" who have already been exposed to the concepts and programs of expanded capital ownership and may tacitly support our efforts, but who are not yet ready to rise, body and soul, to the hard and perhaps even dangerous struggle ahead to convert our unique message of reason and hope into new and successful policies and social action.

Given today's highly authoritarian, feudalistic and violence-prone society, we can understand and even feel some compassion for those who fear the thought of radical change, no matter how non-violent the means, how evolutionary the process, or how constructive the end. Nevertheless, such persons represent as much of a problem to activists struggling for social justice and peace as those who are simply ignorant or those few who mistakenly think that they have a vested interest in preserving today's perilous status quo.

On the other hand, if you are already one of the pioneers of the Kelsonian alternative, you may have little need for advice on possible courses of action to gain widespread implementation of our approach. In fact, you might be able to offer constructive criticisms of this paper or you might even suggest your own action alternatives for hastening the day when expanded capital ownership becomes widely adopted as a matter of course.

You might even be one of those self-starting individuals who is already in the movement but who believes he can function most effectively in an independent manner. If so, you have our comradeship and support. If you run into trouble personally or need the reinforcement of others in any effort for advancing our common cause, you can be assured that you will have friends on call within our movement.

(see Ferree's "Introduction to Social Justice"). Ferree, a scholar in the social encyclicals of Pius XI, points out that no individual acting alone can effectively change the system to correct defective or inadequate institutions which have become barriers to human development. The Act of Social Justice goes beyond isolated and individualistic efforts to right the wrongs of society. Indeed, it involves a moral imperative for people to work together in an organized way for the common good of every member of society. It is in the spirit of organizing for the common good that "How to Win a Revolution" was written. We believe that even today-nearly two decades later-it offers some useful ideas and a spur to action for those committed to building economic and social justice for every person.

What follows is aimed mainly at those (1) who share our view that the world is a structurally weak and rapidly deteriorating "pressure cooker"; (2) who feel a greater personal threat from the escalating social and technological forces that threaten everyone's survival than from any possible reprisals from irrational defenders of the status quo; (3) who have studied, understand, and are dedicated to the principles and programs of expanded capital ownership; (4) who have faith that the vast majority of people will respond spontaneously, enthusiastically, and with unparalleled solidarity, if exposed effectively to a reasonable plan for radical economic reconstruction; and (5) who are now prepared to combine their time and resources with others for developing a political strategy and carrying on tactical, non-violent direct actions (or what William Domhoff has called "psychic guerrilla warfare") to communicate and gain widespread acceptance of expanded capital ownership.

If the above five points describe your present state-of-mind,

WE NEED YOU IN THE THIRD MOVEMENT FOR ECONOMIC AND SOCIAL JUSTICE.

What is The Third Movement for Economic and Social Justice?

"The Third Movement for Economic and Social Justice," or more simply, "The Third Movement," was the name chosen to describe the growing number of individuals of widely diverse ideological, age, economic, religious, racial, professional, national, and cultural backgrounds who have joined forces to mount an ambitious, non-partisan social action movement, one uniquely dedicated to instituting a workable system of economic justice and other political/economic goals of expanded capital ownership as first outlined in The Capitalist Manifesto by Louis O. Kelso and Mortimer J. Adler.

The basic philosophy of this movement, which also explains the name we have chosen, is perhaps best expressed in these words of the philosopher Hegel:

**"The History of the world is none other than
the progress of the consciousness of Freedom."**

Within the last 200 years the world has experienced two historically fundamental social movements. Both of these movements were sparked by the hunger of all persons to escape from a society full of daily tyrannies, deprivations, and hope-shattering class structures imposed by a self-perpetuating ruling elite, toward a new society within which everyone could work together to build the highest humanly possible social order of justice, freedom, and genuine equality of opportunity for each of its members. Neither of these movements reached that goal, but for different reasons.

The first of these great social movements was the American Revolution of 1776. This movement, whose major focus was on political, rather than social or economic, goals and principles, took almost two centuries to reach its ultimate climax in America. Not before 1964 could we claim that the basic and

universally respected political imperative of "one-man, one-vote" had become an accepted reality for all Americans within the Federal Courts, the Congress, and the White House.

But we have also come to learn what our Founding Fathers understood so well, that the ballot by itself was insufficient to guarantee justice for all. Not having an equally sound economic base upon which a citizen's political rights could rest, this First Movement soon discovered that its truly monumental victory had a bitter after-taste.

Nevertheless, despite the inevitable frustration felt by those who led and worked in the final phases of the First Movement, no one can deny that it was an essential step toward a free and just society. To understand its failure, one need only remember that the First Movement was conceived on the basis of pre-industrial economic assumptions, assumptions which had not been fully dispelled even in the final stages of the First Movement.

The Second Movement was the Socialist Revolution, the world's most influential social and ideological force during the last century. Unlike the First Movement, Socialism did attempt to address itself to the realities of a rapidly industrializing world and was dedicated to economic and social justice for all. Although Socialism's ultimate goals were sound and inspiring to many alienated persons, the means and the route the Second Movement adopted to reach those goals were, unfortunately, not as sound or as inspiring.

Unlike the First Movement, the Second Movement has always been more a protest than a program. This led to another rude awakening for many Americans who thought that these two movements were one and the same. In fact, Socialism in practice has inevitably generated greater social conflict and bloodshed among the working classes, enormous inefficiencies and waste of human talent and resources, and totalitarian elites vastly more corrupt and repressive than within even the defective social systems that Socialism so rightfully sought to change.

In short, the Second Movement for a world-wide Socialist Revolution not only lacked the solid though incomplete theoretical base and programmatic appeal of "one-man, one-vote"-it has turned out to be structurally counter-productive in terms of improving human freedom and justice.

As Milovan Djilas, Vice President of Yugoslavia's first socialist revolutionary government, learned to his dismay (as he reported in his best-seller *The New Class*), even the ballot extended to all citizens was not sufficient to prevent bureaucrats and party bosses from becoming a new ruling elite. This new elite, through their own monopolistic ownership and control of the means of production as well as their control over the military, the police and other coercive powers of government, had thereby become worse oppressors of the rank-and-file they were supposed to "represent"...always, of course, in the name of "the people." This corruption of goals was certainly not a result intended by Karl Marx and other great Marxist scholars.

Based on the momentum and strengths, while taking into account the weaknesses of the First and Second Movements, a new movement in behalf of human liberation has become not only an urgent necessity for mankind's survival and reconciliation in this dangerous yet still hopeful Age of the Machine. It has finally become a deep-rooted though still incipient reality...in

the American corporate world...in Puerto Rico where Governor Ferre has revealed his new program to build capital ownership into the poor and middle-income workers through the Proprietary Fund for the Progress of Puerto Rico designed by Louis Kelso...in Guatemala where The Third Movement for Expanded Capital Ownership is known as "El Tercer Camino" ("the third road")...in the Philippines, in Canada, in Mexico, and in several other strategically vital places around the globe.

The Third Movement is designed to reverse the present course of Socialism, not because Socialism is evil but because Socialism's present approach to human problems is defective and counter-productive. The Third Movement will build the more democratic order and more harmonious social value system for which the original American revolutionaries fought, but also one that the truly great Socialist thinkers like Marx would have understood and subscribed to, had expanded capital ownership been conceived a century ago.

Instead of being preoccupied with the "inevitable" antagonisms between Labor and Capital, a basic and erroneous assumption of both Socialism and primitive capitalism, The Third Movement will demonstrate how Labor and Capital can be united by guaranteeing everyone the equal right and an effective means to own capital.

This will not be through empty White House and Wall Street rhetoric about "people's capitalism" ...but through new and improved financing structures and institutions, new corporate and labor policies, new tax and other basic legislative reforms, new government land-use and planning mechanisms, new Federal credit and monetary policies, all structurally designed to diffuse broadly and equitably the base of capital ownership and corporate accountability.

The Capital Homestead Act is The Third Movement's major advantage over Socialism. That's because it is a program that will work, that people will understand, and that will not have to sacrifice freedom in the process of making economic progress.

It is also interesting to note that the phrase, "The Third Movement", parallels the three theoretical alternatives for structuring an economic system for an industrial world, as well as the three cardinal principles of "Economic Justice" as outlined in The Capitalist Manifesto by Kelso and Adler.

What Are the Three Logical Alternatives for Structuring Modern Industrial Economies?

Expanded capital ownership represents a third theoretical alternative for structuring the ownership and wealth distribution systems of a world already faced with cybernated production systems. One of The Third Movement's basic premises is that concentrated capital ownership is a structural flaw found equally under laissez-faire or class capitalism, under the state capitalism of Socialist economies, and under the unstable "mixed capitalism" of the modern welfare state, such as in the United States, Sweden, and Great Britain. (This "mixed capitalism" simply drifts in disorderly fashion between the first two theoretical "ideals").

Those committed to The Third Movement, each on the basis of his own objective study and analysis of reality, unanimously have concluded that

pinnacle capital ownership or monopoly capitalism is a reality today within [all] of the world's political systems (even in those that claim to have abandoned the institution of "private property") and that this inequity is the economic root cause of the social problems faced by most families in the world.

The "third alternative" offered by The Third Movement calls for universal participation in capital ownership, an approach uniquely focused on both factors of production rather than on Labor alone. This approach would make every person an owner of Capital, systematically and without taking wealth or property rights away from the fortunate few who own and control industrial capital today. The earnings of Capital could then be distributed directly, rather than through government, to each family as an increasingly important source of its buying power and "social security", as technology continues to make economic work (Labor) less and less relevant and less and less valuable in the marketplace.

The Three Kelsonian Principles of Economic Justice: The Key "Weapons" of The Third Movement.

A major thrust of The Third Movement is to engage in bold and positive challenges on many fronts, exposing the contradictions and glaring failure of intellectuals--particularly economists and social scientists, and decision-makers generally--to advance economic justice for the ordinary citizen. But it is not enough to attack the establishment's failure to act and fulfill its social responsibilities. And genuine populists need more than their inherent sense of injustice to turn the situation around.

Every child can understand when something is unjust. Yet few in history have offered mankind practical guidance for what constitutes "justice" and how to shape the institutions that promote and secure justice. The Third Movement finds itself in that rather enviable and challenging position.

As such, it will advocate three easy-to-understand principles of "economic justice", all preconditions to building the "invisible structures" of a truly just society and restoring real power to the people. These interlocking principles, which also serve as moral yardsticks for measuring specific actions and policy decisions of the establishment, are defined in The Capitalist Manifesto as follows:

1. The Input or "Participation" Principle.

"Everyone has a fundamental human right to earn a living; hence, all persons must be afforded an equal opportunity to participate in production, through their Labor, to the extent there is an economic demand for one's Labor, and vicariously through one's ownership of Capital."

2. The Outtake or "Private Property" Principle of Distribution.

"Everyone is entitled to the full rewards of his contributions to production, both from one's Labor and from one's Capital inputs." (Economic value for each input would be determined by the most objective and democratic yardstick available, namely, the workably competitive marketplace. All other alternatives for distributing wealth are more arbitrary and thus foster conflicts, coercive settlements, and paternalism.)

3. The Limitation or Anti-Monopoly (also Anti-Greed Principle).

"No one should be allowed to produce radically more than he can consume, since this would automatically deny others the opportunity to earn a living by participating in production." (Limiting the ownership of Capital to a few necessarily produces this result.)

Editor's note: This principle is now referred to as the Principle of Harmony; as such, its focus is less on limiting any person's capital accumulations-no matter how large-and more on eliminating the barriers and expanding the means for non-owners to become self-sufficient capital owners. For further discussion on this point, see CESJ's "Toward Economic and Social Justice."

To the extent that any or all of these three cardinal principles of a just economy are violated,

- Economic justice is thereby denied.
- The natural input-outtake logic of a market economy collapses.
- Production and consumption become mismatched.
- Social power balances become aggravated.
- Social conflicts heighten and authoritarianism and redistribution become inevitable.

Once people are made aware of these principles and learn to apply them in given crisis situations, the grotesque intellectual and moral bankruptcy of many of our "high priests" and decision-makers will be open for public scrutiny. Just turning the spotlight on the power elite is itself a revolutionary act. Remember that logic is still the most devastating weapon for destroying the arrogance and illegitimate power of anyone with an elitist mentality.

The Kelsonian principles of economic justice are also powerful tools of persuasion ("social litmus paper") for separating persons of genuine revolutionary calibre from phony "pragmatists," "experts," and even self-proclaimed "revolutionaries" and one-factor "radicals" who are really frustrated elitists in disguise. These moral lepers deserve to have their public credentials stripped away by the people victimized by the injustices perpetuated by them as self-appointed "whistle-blowers" tolerated and abetted by the establishment press.

What is the Program Objective of The Third Movement?

This movement will strive to gain widespread public understanding and support, leading to adoption, of the Capital Homestead Act as the basic national economic strategy for the United States and for the peoples of other nations seeking peaceful, non-totalitarian solutions to their economic problems. (See "The Capital Homestead Act: National Infrastructural Reforms to Make Every Citizen a Shareholder," by Norman G. Kurland. Also see chapters 9 through 17, plus "The Full Employment Act" in the Appendix of Two-Factor Theory: The Economics of Reality by Louis O. Kelso and Patricia Hetter, Vintage V-482.)

This strategy incorporates the "invisible structures" (i.e., the institutional and

legal mechanisms) and logic of two-factor theory that are required for launching and building a sound "second economy" capable of producing a satisfactory standard-of-living, more time for leisure work, and greater personal autonomy for everyone. This task will absorb all of our talent for several decades and will involve planning and mobilization of resources on a scale not repeated since World War II.

As such, the ideas of other "post-scarcity philosophers" like R. Buckminster Fuller must be integrated into the planning and action process. In Fuller's *Utopia or Oblivion* is a logic for redesigning our physical tools and technological network that closely parallels the logic and social objectives of expanded capital ownership. (Fuller's genius unfortunately is on shaky ground when he discusses economics and "social inventions" but his contributions are nevertheless indispensable for The Third Movement.)

The best discussion of the environmental and ecological implications of the Capital Homestead Act [previously called the "Second Income Plan"] is contained in the "debate" between Louis Kelso and the environmentalist Barry Commoner. ("Closing the Circle on Environmental Economics" by Thomas T. Bradshaw, *Chemical and Engineering News*, February 21, 1972, The American Chemical Society, 1155 16th Street, N. W., Washington, D. C. 20036.)

Since its program and social objectives would strike on a massive and comprehensive basis at the root causes of mass powerlessness, poverty, economic alienation, and other hard-core social problems, the Capital Homestead Act could, indeed, be described as radical. It is also conservative, however, because it rests on our private property, free enterprise traditions and firmly ingrained moral standards; it would simply up-date basically sound democratic institutions and principles to the new realities of a cybernated world.

Although the Capital Homestead Act is calculated to produce revolutionary results more rapidly and with less social friction and resource waste than any known alternative strategy of the Socialist and non-Socialist world, its process is necessarily evolutionary. It is fully consistent with widely accepted business logic and proven business practices. But it would complete the half-fulfilled destiny of the corporation by extending its social functions beyond the realm of economic production to include building ownership into all families as a primary and direct source of mass purchasing power.

Thus, the Capital Homestead Act goes far beyond mere reformist expedients. The radical reforms we propose would aim directly at the fundamental structural flaw of present market economies--maldistribution of economic wealth and power--an issue that has been conspicuously ignored by moderates and Keynesian liberals. We would simply use better tools, some new and some old, to produce fundamental solutions, rather than more "sugar pills," for the income distribution problems of an industrial world.

To Whom is The Third Movement Addressing its Message?

The Third Movement appeals for support mainly from those without a stake in the status quo--that is, the ninety-five percent of our population who are effectively barred by defective corporate and financial institutions from earning a living through capital ownership. These are the victims and the potential victims of the Age of the Machine.

We will also appeal to potential allies among the already affluent five percent who have exclusively enjoyed the personal independence and other "fruits" of capital ownership and who stand to lose the source of their own economic power to a new political elite unless the institution of private property in capital is revitalized and made accessible to all.

Since present owners-with few rare exceptions-are more comfortable with business as usual, we cannot count on dedicated and sustained leadership from these quarters. But since today's haves are not our enemies-we simply want to break down the exclusionary membership bars to Capital, U.S.A.-they are welcome to join The Third Movement.

By sheer numbers alone, we will lay the cornerstone for history's first economic foundation for a universally free and leisured industrial society. We are convinced that the logic, practicality and inherent justice in our message will invite virtually universal support and, through our growing and combined persistence, will neutralize and overcome irrational opposition and defenders of the status quo.

If Our Program is So Good, What's Holding It Back?

The idea of expanded capital ownership, like any other quantum jump in human thought, suffers from normal human resistances to innovation. We're all creatures of habit, in varying degrees. Few are willing to look beyond their immediate problems or to think in such global terms--except perhaps until they [perceive] that human society is literally caving in, as it is threatening to do now.

But even more fundamental is a basic problem of communications, how best to bring expanded capital ownership to the attention of ordinary citizens where it can be widely debated on its own merits. The force of reason alone can then carry these ideas forward on their own momentum, a necessary precondition to effective social action.

Today's channels of mass communications are so jammed with "intellectual garbage," that a new and truly radical social idea has little chance to reach a broad spectrum of people. We have had some small measure of success, but our elitist opposition (by trying to ignore our existence--a typical tactic of well-entrenched establishments throughout history--and refusing to engage us in public debate) still dominates the most influential channels of the mass media. When we solve this problem The Third Movement can celebrate victory.

What is Our Strategy for Bridging the Communications Gap?

The communications strategy of The Third Movement centers on a simple goal that everyone in the movement can do something about. The goal is to interest one or more serious Presidential candidates to adopt the Capital Homestead Act as their major economic plank, optimistically by the 1972 party conventions but no later than the 1976 campaigns. Achieving that goal, of course, is easier said than done.

We consider the White House as the ultimate and most appropriate launching platform for unleashing the renaissance of thought and action that is inherent in expanded capital ownership. Searchers for freedom around the world still

glance at that platform, hoping for some leadership to be forthcoming to restore the American Dream as the "last best hope for mankind."

To lay an adequate foundation for White House support for expanded capital ownership (all known aspirants to the Presidency are aware of Kelso's ideas but are reluctant to support them over opposition from the "high priests" that advise them), a four-pronged, closely coordinated strategy leading to that objective is crucial. The four interrelated and mutually reinforcing avenues of our communications strategy are:

1. EDUCATIONAL. To sell our ideas purely on the basis of reason is vital over the long run. But this will probably be the slowest and most difficult path for us to follow, given the abandonment of reason by virtually our entire educational system, particularly in the social sciences as taught from kindergarten to graduate levels. This shortcoming is understandable once one recognizes that the field of economics is the oldest and most basic of the social sciences.

The primary vehicle for carrying out a wholly educational and research function is the Center for Economic and Social Justice (CESJ). CESJ will continue to publish and disseminate educational materials, promote debates, and seek to infuse expanded ownership economics into the main arteries of the American educational system. Key targets of this approach are young people not yet brainwashed by the outdated ideologies permeating today's system.

Courses on expanded capital ownership taught in the Cybernetics Program of the School of Engineering at San Jose State College, to graduate planning students at Berkeley, and in several other universities, plus others offered through the "free universities" of Washington and Berkeley are models for this approach. Seminars, lectures, educational TV are also recommended for dealing directly at the cerebral level.

2. POLITICAL/ORGANIZATIONAL. A second avenue for reaching our goal is to mobilize 10,000 highly committed, disciplined, and articulate members of The Third Movement, working in small groups (see discussion of "Tribunes" below), capable of carrying on spontaneous, locally directed social actions, all directed toward the same general objectives.

Here the medium -- in this case, a tight-knit organization with a simple, easily understood, and universally appealing program in the midst of today's general chaos, confusion, and programmatic disorder--will be its own message. More on this later.

In addition, members should begin to influence people in other action-oriented organizations, including students, politicians, congressmen and senators, the "anti-war" and "anti-corporation" movement, women's liberation, ecology activists, taxpayer groups like the National Taxpayers Union, religious leaders, troubled labor unions, etc. Remember that we have something positive to offer activists on the left, on the right, and in the middle. It is possible to reach virtually every person on his own terms with our message, except perhaps certain self-proclaimed "intellectuals" and "liberals" whose arrogance and secured status have closed their minds to new ideas.

Especially among economists who have a vested interest in protecting obsolete ideas upon which their credentials as "high priests" depend, only the younger

ones are worth approaching. Your best counter-attack when confronted with a hostile economist is to ask whether he has read Kelso's books, and, if so, with what degree of care. They are also vulnerable on their understanding of "private property", on their treatment of the issue of concentrated capital ownership, and two-factor theory generally.

The Third Movement must seize every opportunity to address new questions to potential Presidential candidates before and during the primaries and general elections. Try to arrange for maximum public exposure, preferably before the mass media. A sample question might be, "If capital ownership is a good thing for some of your biggest supporters, what are you doing to broaden the base of capital ownership?" or "Do you really believe that 'full employment' is more desirable than 'full ownership' of industrial capital?"

3. FIGUREHEADS. Some members of The Third Movement are their own "media for the message"-that is, they are considered to have credentials with either the general public or certain influential segments of society. Any person with relatively easy access to the mass media must be encouraged to write, speak out, act out, communicate on expanded capital ownership in any way that is effective for reaching a broad audience, at every opportunity.

Some of us have already done so when the opportunity has presented itself. But we must begin to generate our own opportunities. We must begin to encourage other "high visibility" friends to support our program publicly. Persons need not be experts on all details to support our goals. Everyone can at least write notes to open up opportunities for willing spokesmen for our cause.

There are many people who will "tune-in" on a new idea if it comes from an "authority figure"-which unfortunately includes figureheads who have been artificially and cynically created by manipulators of the mass media. To succeed we can learn a lesson from these exploiters of the media: A good idea is useless if it is not even heard.

The "figurehead" approach has enormous potential for creating the favorable atmosphere needed for reopening people's minds and flushing new figureheads to the surface. Leaders tend to follow other leaders and are swayed by credentials, no matter how undeserved. True pioneers-particularly in the world of ideas-are by definition rarities among human beings.

As mentioned earlier, the ultimate "figurehead" to be encouraged to carry our message to the people is the President. Every move we take should be considered a building block to gain an endorsement of our cause from persons worthy of that office.

4. MODEL BUILDING. Many people reject reason, distrust all organizations, movements, and "authorities" and will begin responding to a new message, no matter how beneficial it might be for them personally, only on the basis of "seeing it work." Hence, the fourth and probably the most effective path for closing the communications gap is to develop and spread information about successful models of expanded capital ownership. Such models, constructed by persons with unquestioned know-how, experience, and delivery capability, have been and will continue to be designed to demonstrate the "tools" of expanded capital ownership at four basic levels: (1) the corporate level, (2) the "community" level, (3) the national level, and (4) the multi-national level.

The Corporate Level. On the corporate level, over the past ten years expanded capital ownership mechanisms (in particular, Employee Stock Ownership Plans or ESOPs) have been successfully case-tested in such companies as The Statesman Group (a large Mid-West Insurance holding company that built sizable ownership stakes into its 1,300 employees); Valley Nitrogen Producers (California's leading producer of agricultural fertilizers, with over \$55 million in capital assets owned by 4,000 farmers); First California Company (an employee-owned investment banking firm with 55 offices that was once owned by Bank of America, with acquisition financing under a loan from Bank of America); the Watts Manufacturing Company (a former subsidiary of Aerojet General, acquired by its employees under financing from the Chase Manhattan Capital Corporation; and Peninsula Newspapers Inc. (a chain with six unions that was sold to its employees).

Several dozen other enterprises are using or planning to use an Employee Stock Ownership Trust for turning their workers into shareholders on credit repayable entirely out of future corporate earnings. The Ford Foundation used a ESOP Trust in making a loan to the Congaree Steel Corporation.

Floyd McKissick, former head of CORE, announced that his Soul City project would be financed through expanded ownership techniques in order to make all residents and workers into owners.

On February 28, 1972, Joseph Curran, president of the National Maritime Union, testified before the Senate Finance Committee that his members were considering the ESOP as a last-ditch effort to save the American passenger ship industry.

SETUFCO, the union representing Guatemalan banana workers of United Fruit, are attempting to acquire the company's Guatemalan division, which is subject to a U. S. anti-trust divestiture decree, for its membership through ESOP financing. Other major U.S. unions are beginning to study the ESOP approach as a possible new collective bargaining demand.

The Third Movement's main thrust on the corporate level must be directed toward the top 1,000 U.S. corporations, representing about 80 percent of our economy's total output. In other words, by restructuring their ownership patterns, we will have restructured the U.S. economy. When one or more of these major corporations adopt a Employee Stock Ownership Trust, their competitive advantages alone will force other corporate giants to respond in true "domino" fashion.

GM, Ford, ITT, ATT, IBM, GE, U.S. Steel, Boeing, Lockheed, Standard Oil, DuPont, Bank of America, First National City Bank of New York, Chase Manhattan, Aetna, Prudential, Sears, A & P, Penn Central, United and major utility companies are among the most obvious targets to be approached, from many directions: directly to top management, to middle management, to union leaders, through shareholder meetings, through regulatory hearings, through public interest and consumer advocates, through "wildcat" strikers, through laid-off workers and the unemployed, and through the mass media.

Unless management, workers, and present shareholders can come to understand why the ESOP approach makes good pocketbook sense from each of their respective standpoints and, at the same time, is good for the economy in general, they cannot be expected to budge. Hence, highly aggressive but

carefully controlled actions by supporters of The Third Movement to score a victory with major corporations and major unions can have enormous payoff. But such moves must be preceded by careful analysis of each "target" corporation's financing, marketing and employee problems and be backed-up by professional competency in the use of the Employee Stock Ownership Trust.

Another major corporate and major union thrust would be aimed at future-oriented industries in need of expansion capital, such as pollution control, power companies, machine tool manufacturers, industrial housing, cablevision, new health technology, and mass transit. This thrust should not ignore how present defense contractors could be redirected into these areas through ESOP financing techniques. Construction companies should be encouraged to adopt expanded ownership techniques to help lower their labor costs. Mass transit utilities and other enterprises subject to natural monopolies should be required to be financed so that they can become privately owned by members of the only three groups with a vested interest in their success: the workers, including management; the regular users or customers; and the construction employees who build their structures and facilities.

It is important to recognize that the major corporations and major unions are "up against the wall" due mainly to defective national economic policies. Contrary to popular belief, the bigger the corporation, the softer the target.

It is also more effective to operate initially on the presumption that corporate leaders would like to grow and sell better products, if there were customers with buying power; they would like to increase the take-home pay of their workers, if it would increase output without raising costs; they would like to help clean up the environment, if the added costs could be absorbed...but that they have no solutions.

Our movement holds the key to addressing these problems and revitalizing the modern corporation and the labor movement. Our job is to interest managers, workers, labor leaders, and share-holders to study and adopt our approach for their own self-interest.

The Community Level. Models on the "community" level might involve residential, commercial, and industrial development within a single neighborhood, an inner-city area slated for redevelopment, a satellite city linked to an existing urban center, a new regional development program, or even a frontier new city as part of a national land-use program. (Agenda 2000 Incorporated, a professional planning firm formed by several Kelsonians has developed a comprehensive 30-year strategy for the New England Regional Office of the U.S. Office of Economic Opportunity centered around a unique Community Investment Corporation (CIC).

The CIC is a new "invisible structure" for planning, financing, and developing "new communities" with the participation of major corporations, designed to generate widespread capital ownership among workers and other residents. Several cities and groups are considering the adoption of this approach to building an expanded ownership economy in microcosm.

The Third Movement should concentrate and mobilize its efforts on those community models which would provide the highest potential for visibility, replication, and success in furthering understanding of the movement's communications goal.

The National and Multi-National Levels. "Total economy" models in other nations will be promoted concurrently with our efforts in the United States, since full implementation of the Capital Homestead Act involves "pure credit" techniques and national planning. These depend ultimately on new legislation affecting taxation, monetary and credit controls, government investment insurance, resource conservation, regulation of domestic and foreign commerce, national labor policy, and other powers that only a national government can exercise.

On January 14, 1972, Governor Luis Ferre of Puerto Rico outlined his new economic thrust, inspired and designed by Louis Kelso, to revitalize the weakening Puerto Rican economy and move beyond the outdated development "model" of Operation Bootstrap. Governor Ferre's Proprietary Fund for the Progress of Puerto Rico is the most important Kelsonian precedent encompassing an entire economy and is especially relevant in terms of Third World development.

The plan outlined in "Uprooting World Poverty: A Job for Business" by Kelso and Hetter (Business Horizons, Fall 1964) affords multi-national corporations a new opportunity to participate in the industrialization of the world in ways that would end foreign domination and exploitation, building private economic security and ownership power into new constituents and new customers everywhere. This alternative would allow governments to recede into the background for purposes of direct economic management and income distribution policies.

When the first nation announces its adoption of the Capital Homestead Act, the spark will be lit for an immediate chain reaction that could hardly be ignored in Washington, Moscow, Peking, and other centers of world power. The Third Movement should therefore encourage competition among all nations to break the ice in adopting "the third alternative." Although every economy in the world today is in trouble for reasons that only Kelsonians can fully understand, the United States (as we were told by officials of the Soviet Union, for obvious ideological reasons) is still in the most natural position to lead the world toward expanded capital ownership.

Paradoxically, the ideological vacuum produced by America's confused and reactionary foreign policy today largely explains our demoralizing failures in Vietnam and in every other place ripe for revolution. Instead of supplying the liberation forces with truly revolutionary ideas and our technological potential for peaceful change, we have sought to counter defective competing ideological forces with empty rhetoric and massive military force. Our own experience in the American Revolution against overwhelming British military forces should not have been so easily forgotten.

The Third Movement will offer a positive and peaceful alternative to substitute for America's present bankrupt "national security" policies, by filling our unnatural ideological vacuum with an idea more powerful than all the weapons of destruction ever invested. (This can be linked with our Marshall Plan promises to the peoples of Southeast Asia and China, for example.)

The Third Movement will promote model-building on all four levels simultaneously. Because of our limited numbers and resources, we must select a limited number of targets and move forward in a coordinated, highly disciplined, and effective manner. A single major success on any of the four

levels of model-building, or within any of the other three thrusts of our overall "communications" strategy, may be all we need to communicate our message to people everywhere.

At that point, leaders everywhere will begin acting. At that point, we can expect people competing for the White House to advocate forcefully a program for reconstructing our economy along the lines of expanded capital ownership. A mere statement of goals from such a person would be sufficient.

There are many people with the ideas and talent for filling out any remaining details for launching such a program. If we can keep our common communications goal in mind and work relentlessly and creatively to reinforce each other's efforts, we cannot help but win and enjoy the "spoils" of our "happy revolution."

How is This Movement Organized and Controlled?

The Third Movement is a true peoples' revolution unified around an idea "whose time has come." As such, the movement is spontaneous and has emerged out of the utter failure of present ideologies and institutions to serve the needs of ordinary people anywhere. Because persons attracted to it reject the authoritarian and elitist nature of society today, The Third Movement will never be organized in any rigid or monolithic form. Our discipline will be totally voluntary and based upon principles to which we subscribe rather than imposed by any leadership elite. Both admission and withdrawal from its ranks will always be voluntary, in the true spirit of the goals of expanded capital ownership.

We therefore have no final organizational form in mind but expect that as our numbers increase and our action strategies begin to crystallize, a structure will emerge, incorporating traditional democratic safeguards and processes.

The source of our strength is in the people and in our commitment to expanded capital ownership. The sooner we band together to promote our objectives, the sooner we will succeed. Ten thousand truly dedicated revolutionaries should do the trick. (Because The Third Movement has a workable program with naturally appealing goals, our membership goal can afford to be more modest than the highly publicized, establishment-generated "movements" like John Gardner's Common Cause (150,000 members) whose programs are nebulous, often contradictory, reformist at best, and seemingly another cynical power play by the ruling elite to mask their own confusion and ineptitude.)

All successful movements start with well-knit local groups with locally conceived and directed programs designed to meet serious problems of local urgency. Each step should help build a "track record" of local successes to attract others into a growing membership base. These local programs should also be designed as stepping-stones along one or more of the four avenues of our national communications strategy (see above).

As local groups increase and begin to interact and communicate with each other, we would expect that The Third Movement would become structured almost naturally along regional lines to conform to congressional districts and the 12 Federal Reserve districts, crucial political pressure points for the reforms we are promoting. Any national, regional, or community federations would evolve.

Regional coordinators of The Third Movement will serve in the following ways: act as resource people for others working on projects in the region; distribute information; call regional conferences; help local groups organize; maintain and close gaps in the regional communications network; raise funds; edit newsletters; etc.

The "Tribune": A Model for Local Organization.

One revolutionary form for The Third Movement has evolved from a nucleus group within a class of the Washington Area Free University, whose members decided to organize themselves into bands or units of three people called "Tribunes." They chose the name "Tribunes" for its original meaning in Roman history, "defenders of the people", dispensers of justice in the Kelsonian sense.

The mission of each Tribune, according to its organizers, is to engage in political and social action to spread the philosophy and program of expanded capital ownership. As is the case of The Third Movement as a whole, each Tribune will only be as strong as the bodies and ideas that weld it together.

To illustrate, one Tribune can be made up of professional writers, formed for developing newsletters. Another can develop filmstrip presentations of the Capital Homestead Act. A third can "infiltrate" the ranks of a major Federal agency, spreading the gospel among important policy-makers.

Other tasks that have been assumed by Tribunes to further our communications strategy have included: promoting religious sermons (e.g., Unitarian churches in Washington, D. C., Arlington, Va. and Berkeley have devoted Sunday sermons to expanded capital ownership); promotion of the Capital Homestead Act by leaders of low-income groups in Harlem, Washington, D.C., Dallas, Cleveland, Seattle, Berkeley, Eastern Kentucky, and several other key cities; a class within the Free Universities of Washington and Berkeley; offering testimony before the City Council and County Commissioners in Dallas, negotiating with labor leaders and several international giant corporations in Guatemala; educating top management and union officials; and numerous other probes to move the establishment from its present disastrous course.

A Tribune should be composed of at least three mutually compatible persons, the minimum considered necessary for continuity and mutual support. The Tribune is basically a highly autonomous unit and is expected to develop its own action program and enforce its own code of discipline. Each Tribune member, however, assumes a personal obligation to:

- Study and understand the goals, philosophy, and programs of expanded capital ownership.
- Meet regularly with his Tribune, generally once a week.
- Carry out his assignments as unanimously agreed upon by his Tribune, guided by the spirit of the First Amendment and based on principles of non-violent direct action, except where self-protection becomes necessary.

- Form another Tribune of at least three other persons with whom he becomes the link in the movement's communication network.
- Be an alternate link in the communications network for one of the other members of his own Tribune.
- Set up study-action groups, concentrating on radical intellectuals and young people.
- Contribute a small sum (.50 to \$1.00 weekly) for Third Movement activities, half of which remains for local Tribune programs, the other half to be channeled to programs, communications, and meetings at the regional and national levels.

After a probationary period in which it develops its own program and demonstrates its capacity to sustain itself and achieve some degree of success and permanency, each Tribune will be chartered, initially by the Organizing Committee for The Third Movement upon recommendation of the Regional Coordinator. The Regional Coordinator will maintain the communications network for his region for continuing and ready contact with all Tribune members.

Denial or revocation of a Tribune's charter would be based solely on conduct or activities flagrantly inconsistent with the broad objectives and spirit of expanded capital ownership. Inactivity may result in the suspension of a Tribune's charter, if necessary to close gaps in the communications network.

As a voluntary people's movement, The Third Movement will attempt to embrace men and women from every cultural, ethnic, racial, religious, economic, national, educational, and ideological background. In general, an "open-door" policy will be maintained. We want our membership to reflect the universality of our message. We are also trying to bring together the expertise of individuals from varied professions and fields of interest, who can be drawn upon for special projects of the movement. Disenchanted young people from counter-culture groups and other social protest efforts will be encouraged and assisted in forming their own Tribunes.

When the occasion warrants, Tribunes will be encouraged to mobilize voluntarily for tactical displays of the movement's "People Power", again consistent with the communications strategy of The Third Movement.

In the beginning, a "show of numbers" to make a point will be infrequent, for obvious reasons. It is almost impossible to program in advance the timing for such a show of force. Each event will be as unpredictable as the specific economic crises we can anticipate responding to during the next several years. Nevertheless, our constructive proposals place us in a unique position for generating our own initiatives.

Suggestions for Working in Your Home Community.

This work can absorb as much of your time as you can afford to give.

Here are some suggestions which you can adapt to your own local situation and can easily reproduce for organizing purposes.

- **STUDY.** Study available books and materials on expanded capital ownership until you can articulately and concisely state the goals, the philosophy, the range of social problems affected, the basic action reforms of the Capital Homestead Act and how specific problems would be solved, using existing "models" for purposes of analogy.
- **DISCUSS.** Encourage your friends, discussion groups, local church groups, students, writers, social activists, etc. to consider those specific features of the Capital Homestead Act that are relevant to issues and problems of concern to that group or person. Be familiar with standard pros and cons on each issue. If you don't have an answer to a particular question, say so. Be confident that someone else in The Third Movement will provide a reasonable response, if it is not already provided in our books and other materials.
- **SPEAK OUT.** Shape your presentation to matters of immediate interest to the person or audience you are addressing. Be prepared to summarize your entire presentation in three minutes.
- **WRITE.** Develop one-page summaries designed for different groups to show "what's in it for them." Write letters to the editors of local newspapers and national publications. Plan letter-writing parties to members of Congress on specific issues. Encourage the writing of articles or republish existing articles on expanded capital ownership.
- **CONTACT.** Collect names of all concerned people in your area from newspaper ads, public statements, letters to the editors, etc. Try to contact them and find a way to call them together to plan joint action.
- **PUBLISH ADS.** Urge groups of local citizens and issue-oriented organizations to sponsor ads in local newspapers.
- **SAMPLE LOCAL OPINION.** Develop simple questionnaires and surveys to test your friends, fellow workers and associates and various groups in your community on their awareness and support for the economic and social goals of The Third Movement. Circulate the results; they reflect the effectiveness of our communications strategy and, if repeated, will show our progress.
- **SEND.** Circulate important articles, newsclips, books, speeches, and pamphlets on expanded capital ownership to key community leaders. Unless specifically requested not to, all materials sent to you from CESJ and The Third Movement may be reprinted locally for educational purposes. Send local materials in the opposite direction.
- **VISIT.** Encourage delegations of local Kelsonians to meet with community leaders and local members of Congress to urge them to take leadership in advocating our reforms. A delegation of four to five is generally the best size and it should be as broadly representative of the community as possible.

Before such meetings, the delegation should:

(1) Arrange an appointment, giving names on delegation, organizations represented, and the general topic to be discussed.

(2) Plan the interview in advance if possible.

-- Make sure each person knows the basic facts, the style and framework of the presentation you wish to make.

-- Select a spokesman to introduce the group, open the remarks, direct the questions.

-- Select a recorder to make mental or verbatim notes of the answers.

-- Be familiar with conventional pros and cons for specific issues or problems of immediate concern to the person with whom you are meeting, know how the Capital Homestead Act would make a difference, and choose your remarks and questions accordingly to solicit a positive stand and interest on his part, at least on the general goals of The Third Movement.

At the meeting:

(1) Be on time. Be friendly. Be brief. Be positive. Be constructive. Begin with areas of agreement. Commend the person for stands he has taken for which you approve.

(2) State your views clearly and concisely. Illustrate your points with personal experiences and working models. Tell the person which persons and organizations that he respects have taken a stand in support of your position. Congressmen are especially interested in what the people at home are thinking.

(3) Try to encourage an expression of support for the general goals and a promise to study the possible application of the Capital Homestead Act to problems he is wrestling with.

(4) Leave some printed material which summarizes at least some of the points you wish to make. Leave a copy of CESJ's EVERY WORKER AN OWNER if possible.

(5) Try to arrange a follow-up meeting within a few weeks leaving enough time for reading and reflection.

- **SHARE.** Share your local progress and the results of your meetings with your fellow citizens.
- **COMMUNICATE.** Keep The Third Movement informed on what is going on in your community, so that your experiences can help shape the course of our friends in other communities.
- **ORGANIZE.** Organize a Tribune or local study-action group for carrying on direct actions. Reserve the strength of these groups for occasions when conventional channels of communication break down. Confrontation actions are in order only as a last resort and will pay off only after a careful analysis of "targets," priorities, the institutional linkages affected, the main points of vulnerability of the "target" institutions and personalities, anticipated reactions, tactical options

available, and the potential communications risks and advantages involved with each tactical option. Timing is always a key factor to be weighed against the magnitude of the problem to be dealt with.

If you have already been active in movement politics, you will probably be familiar with organizing strategies and tactics. If you are new at this game, or want to gather some new insights, the resource materials listed below might be helpful for you and for the group's resource library.

"How to Commit Revolution," by William Domhoff. (Distributed by the Free University, 1061 El Camino Real, Menlo Park, California.

A Manual for Direct Action, by Martin Oppenheimer and George Lakey, Quadrangle Books, Chicago, 1965.

The Community Activist's Handbook, by John Huenfeld, Beacon Press, Boston, 1970.

Rules for Radicals, by Saul Alinsky, Vintage, 1972.

Ecotactics: The Sierra Club Handbook for Environmental Activists, Pocket Books, 1970.

QUESTIONS OFTEN POSED TO THE THIRD MOVEMENT BY OTHER ACTIVISTS.

Will the Ruling Elite Permit Such Revolutionary Changes?

They have no other choice. Ultimately, political power has always resided in the people, when they have become aroused to exercise it. The political force of the people, in the final analysis, is measured by a count of bodies willing to act in concert to further their mutual interests and sense of justice.

Ninety-five out of every 100 Americans, many without realizing why, have little if any vested interest in America's highly capital-intensive industrial system--except as consumers. These capital-less people include most of our high-salaried corporate managers (a strangely propertyless group of workers), most professionals, virtually all of our industrial and construction workers, all civil servants, police, educators, scientists, engineers, consultants, retired persons, students, and the many others who have built industry, who keep our economy operating, who protect and maintain it, and who will be charged with its future operation and growth.

All economically insecure people can be motivated to support a reasonable program which will enable everyone to share legitimately in the ownership, control, and profits of our major corporations.

Very few among the 5 percent who enjoy monopoly access to capital ownership today would dare publicly oppose and many would and already do (though perhaps not aggressively enough) support our program, at least in principle. Furthermore, by broadening the constituency for private property, the expanded ownership strategies of the Third Movement would make the property stakes of present owners more secure.

Once you understand any opponent's stake in perpetuating the status quo, he

becomes vulnerable to your arguments. From a revolutionary standpoint, the odds could hardly be more favorable.

The "one-man, one-vote" revolution of the 1960's, with a program of similar universal appeal, could hardly fail, despite warnings from the cautious that it would take at least another century to overcome segregationist resistance.

Regretfully, as noted earlier, that movement collapsed when it scored its final victory, for lack of an effective economic follow-up to "one-man, one-vote." "Power to the people" under expanded capital ownership and the Capital Homestead Act is destined to become the program for the 1970's that it should have been during the tragic last half of the 1960's. The historic advance of freedom has nowhere else to turn.

Is Our Revolution Out to Destroy the Giant Corporations?

No, this is another point where we depart radically from the New Left and the New Right. The modern corporation, as we see it, is one of mankind's greatest inventions, a social tool that has evolved over centuries to serve man. Like the wheel, there is no reason to re-invent the corporation as an organizational form that is highly functional for the efficient production and distribution of goods and services destined for customers with buying power.

The functional social weakness in the corporation results from its abdication to government of social responsibility for building buying power into potential customers. The flaw in the "invisible structure" of modern corporations can be traced to its highly concentrated ownership base, which is perpetuated by defective corporate finance practices and reinforced by equally faulty government tax and one-factor income maintenance policies.

The corporation could easily do directly what government has been forced to do indirectly through the many expedients of income redistribution: synchronize the economic power of society to consume with its industrial power to produce. The Capital Homestead Act offers the institutional changes that are essential to correcting the monopolistic ownership features of modern corporations so that everyone would have an equal opportunity to produce an income from capital within the best-managed corporations as well as from one's productive work.

With these changes, the corporations of today and tomorrow would become our major social vehicles for building the base for a truly democratic economy, accountable to all citizens through widespread ownership. In every sense, it could then be said that corporate power was in fact derived from the people.

The acts of corporations would then be the acts legitimated by the people themselves. Day-to-day control would remain in the hands of management, who would simply be accountable to a more broadly representative boards of directors and to a shareholder base from which no person was barred. If we draw an analogy from the evolution of democratic governments, the modern corporation is today at the primitive stage of the state in Ancient Greece, where only 10 percent of the population had access to the right of the ballot. The Capital Homestead Act would extend the right of capital ownership to the 95 percent of the population who must become constituents of our corporate sector so that the private corporation can fulfill its ultimate social destiny for the good of all persons everywhere.

Where Will Unions Fit Into the Picture?

Like the corporation, if we did not have unions, society would have to invent them. The ultimate social function of unions is to promote and secure economic justice and security for all members of society. They too will fulfill their social responsibilities best under expanded capital ownership, which will not be a world without economic problems.

Major unions are destined to become the natural catalysts of the transition to expanded capital ownership. In so doing they will acquire a new relevance to ordinary citizens. Unions will begin to broaden their bargaining jurisdiction beyond job incomes and working conditions to cover ownership rights and full dividend pay-outs. They will also enlarge their constituencies to include all unorganized potential shareholders-the 95 percent of Americans who are without capital today.

As representatives of a more democratic shareholder base, including workers, unions will institutionalize the functions that Ralph Nader and other gadflies of corporate accountability are so ineffectually performing today. But neither are today's unions fulfilling their roles as society's institutional watchdogs of economic justice. Their revitalization depends on their acceptance of the importance of the goal of broader capital ownership and the inescapable logic of two-factor theory. We think this acceptance is inevitable.

Should We Try to Form a New Political Party?

Not unless and until the Democrats and Republicans are given a fair opportunity to analyze and consider the programs of expanded capital ownership. In the meantime, we will organize ourselves so that we can more effectively communicate our message to both political parties and to political splinter groups that might be searching for a new economic blueprint.

If our efforts to convert all existing political bodies to our cause prove futile, we must then transform The Third Movement into a new political party, perhaps The American Revolutionary Party proposed by William Domhoff (the author of *Who Rules America* and *The Higher Circles* and professor at the University of California at Santa Barbara) in his provocative paper entitled, "How to Commit Revolution" (distributed by the Free University, 1061 El Camino Real, Menlo Park, California.)

A Parting Thought.

There are three keys to gaining acceptance of revolutionary ideas--

Persistence, Persistence, and Persistence.

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