Who Owns the World?

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by Garry Davis

> "The fact is that now -- for the first time in the history of man for the last ten years, all the political theories and all the concepts of political functions -- in any other than secondary roles as housekeeping organizations -- are completely obsolete. All of them were developed on the you-or-me basis. This whole realization that mankind can and may be comprehensively successful is startling."
>
> *- Buckminster Fuller,* ***Utopia or Oblivion***

In recognizing the human race as a viable species, a drastic revision in economic thinking is imposed. Referring to humankind as a fact deserving immediate attention, as do myriad organizations from the United Nations through UNESCO to religious, social, labor, and educational, implies global or total thinking to cure economic as well as other ills.

Nataraja Guru, in a remarkable essay on economics[1], wrote, "There is no textbook on world economics, though economics as a science -- if it is really a science -- should necessarily be most directly concerned with the happiness of humanity as a whole. Instead, economists visualize a world consisting of differently-colored Hitlerish patches of territories from within which each man is thinking hard economically so as to defeat his neighbor."

This conception of wholesale human welfare is even more explicitly spelled out by Buckminster Fuller when he writes:

"It is scientifically clear that we have the ability to make all of humanity physically successful. Industrialization itself relates to the resources of the entire earth, the entire universe. The industrial system is a comprehensive system and if reversingly fractionated will fail." [2]

HISTORICAL ANALYSIS

The religious worldview of former centuries endowed governments of the Western world and the political state system as it exists today with a quasi-divine character. The principle of "supreme authority," monopolized by the church and the monarchical system, was refashioned by the 18th and 19th century revolutions to serve as the moral basis of nation-state sovereignty.

World War I effectively eliminated the last remnants of the monarchical state which embodied the notion of divinity through the king and queen. What remained and remains is the "sovereign" state, each one a surrogate "world-state" of "absolute" power over the particular parcel of the planetary soil, wherein political democracy briefly flowered in exclusive nations only to flounder as the new "modern" institutions slowly bankrupted themselves in international wars.

Fuller writes that "The world's people and their politicians think erroneously in terms of sovereign states with colonial empires. . . Today's world people think naively that politicians have always run things. They never have and they never will. Politicians were only the pirates' visible stooges."[3]

The colonial empires, he claims, were never the product of the ambitions of the people of any nation. The British Empire was built on the greed of the great pirate's admirals and captains. It was the stock market crash of 1929 which eliminated the pirate's power, due principally to the breaking away of science from economic monopoly and mechanism which developed far beyond the financial capabilities of the old pirates to cope with. "Only nations and groups of nations could now cope with the magnitude of capital undertaking."[4]

Accelerated means of communication coupled with crisis survival conditions triggered by the '29 crash, precipitating ten years later World War II, leads Fuller to conclude that "... because of the dawning awareness that the weaponry phase and its quarter-century lag can be eliminated, the second half of the tool-invention revolution is to be identified as the consciously undertaken continuance of the accelerated doing-more-with-less by world society as world society. (Emphasis added.)[5]

Nation-State System An Anachronism

Thus it seems fairly obvious that a major if not the major problem in translating the theory of the human species as an economic reality into realisable fact is the necessity to reject a priori the notion of the absolute exclusive sovereignty, i.e., supreme authority, of the nation-state and its now anachronistic and suicidal system.

Economic analysts from hard-line socialists to monopolist capitalists and all grades in between operating from within the nationalistic framework stop far short of the obvious and vital relationship between global politics and global economics. While analyzing today's deteriorating economic situation as "crisis-ridden," with its soaring inflation, exorbitant interest rates, stagnating industrial productivity, ballooning national deficits[6], wobbling and absurd "floating exchange rates," rising unemployment, shortages of critical materials and parts, exponential increase in bankruptcies in both business and nations themselves, , and monstrous, futile and suicidal armament budgets in the midst of agonizing human misery and need, they myopically reject a world political government as "impractical," "utopian," or simply "irrelevant."

The World Revolution

During the first half of the century, little awareness percolated through either the public or official consciousness of the greatest revolution in history:

> "It is not surprising that man, burdened with obsolete 'knowledge' -- his spontaneous reflexing conditioned only by past experience, and as yet unable to realize himself as already a world man -- fails to comprehend and cope logically with the birth of Universe Man."[8]

Yet the dynamic relationship between economic failure and political failure is becoming highly visible even to those who still hold political power. National candidates for political office must address themselves, albeit somewhat mystically, to global economic problems speaking grandly and inconsistently of an "interdependent world economic order." Their very political framework, however, precludes realistic legislation capable of regulating such an "order" which could not exist in the first place without such legislative apparatus.

"National governments are inadequate when it comes to dealing with the planet's necessities, and we may legitimately wonder whether the importance of nation-states isn't greatly exaggerated and whether politicians deserve star status.[9]

"Established" economists, pretending to be experts in the dismal science, with rare exceptions, are beyond redemption, holding fast to antiquated and obtuse, even whimsical ideas, partial, grounded in scarcity, and basically unmindful of either political or moral realities.[10]

Yet, while hopelessly divided as to solutions, most economists are by now agreed, if only by sheer necessity, that world recession has reached a crisis stage where draconian and wholesale measures are necessary if total collapse is to be averted.

No less an expert than Lenin spelled out the consequences of unbridled inflation's consequences to citizens:[11]

> "By a continuous process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. And as the inflation proceeds and the real value of the currency fluctuates wildly from month to month, all permanent relations between debtors and creditors, which form the ultimate foundation of capitalism, become so utterly disorganized as to be almost meaningless."

National "Security" vs, Global Affluence

As national economics are increasingly linked with "national security" and yet the inevitable outcome of a total arms race between them is war, let us start from the opposite polarity: general and total disarmament strictly from an economic viewpoint.

"World military expenditures since 1960 reached the $3 trillion mark ($3,000,000,000,000) in 1975."[12] Then from 1975 to 1981, one-third the period, world military spending rose another $3 trillion. "National security" today costs the citizens of all states between 8 and 9% of the world's gross national product. Five nations, however, contribute 75% of the monstrous sum for sheer destruction: the U.S.A., the USSR, Great Britain, France and West Germany, the first two making up 60%.

The relationship between total disarmament and raised standards of living was indisputably established by a 1962 report[13] entitled "The Economic and Social Consequence of Disarmament," prepared by 25 leading economists from both socialist and free enterprise countries and commissioned by the Economic and Social Council of the United Nations.

"The present level of military expenditures not only represents a grave political danger but also imposes a heavy economic and social burden on most countries. It absorbs a large volume of human and material resources of all kinds which could be used to increase economic and social welfare throughout the world-- both in the industrialized countries which at the present time incur the bulk of the world's military expenditures and in the less developed areas."

The unanimous agreement "that the diversion to peaceful purposes of resources not absorbed by military expenditures can and should be of benefit to all countries and lead to improvements in the social and economic conditions for all mankind" led former U.N. Secretary-General U Thant, in transmitting the study to Member-States for comment, to state that "The most fundamental way in which disarmament affects economic life is through the liberation of the resources devoted to military use and their re-employment for peaceful purposes."

In that year, roughly $120 billion spent on armaments was at least two-thirds of the entire national income of all the developing countries, close to the value of the world's annual exports of all commodities, and corresponded to about one-half of the total resources set aside each year for gross capital formation throughout the world.

However, no decrease in military spending is envisaged by the Super-Powers themselves in the foreseeable future despite the common recognition of former as well as present leaders of both the U.S.A. and the Soviet Union of the absolute necessity for total disarmament if the human race is to survive.[14]

In its response to the 1962 Report, the U.S. delegation noted:

> "The motivating force behind the efforts of the United States to achieve general and complete disarmament is to save present and future generations from the scourge of war, and to attain for them more certain and beneficent security. This basic and vital objective completely overshadows any economic calculations of gain or loss connected with disarmament."[15]

The Soviet delegation, in perfect geo-dialectical harmony, echoed:

"The Soviet Union has resolutely and consistently championed the cause of disarmament. In our time, military technology has made colossal progress. States have stockpiled, and still are stockpiling, such vast quantities of nuclear and thermonuclear weapons, together with the means of delivering them to any point on the earth's surface, that this abnormal situation, if allowed to continue, will in itself constitute a mortal danger to peace and to the survival of entire countries and peoples. . . The world, therefore, is faced with a choice between two alternatives -- either a monstrous thermo-nuclear war or disarmament."[16]

We have the right to conclude that both the United States and the Soviet Union are unilaterally opposed to the arms race, both politically and economically. Further, neither sees any major problem in converting from a war to a peacetime economy."[17]

The Multinationals

The economic clout generated by the "multis" is too well-documented to bear repeating here. Suffice it to say that the annual sales volume of General Motors alone -- around $65 billion in 1982-- was greater than the gross national product of 130 developing states. In terms of the 100 world's largest economic units of 1980, GM rates 23rd. Thirty-nine of the hundred were multinational corporations![18]

Operating in many countries with diverse currencies, and subject to floating exchange rates, multinational corporate management can and does manipulate resources, accounting, revenue and even government -- as the recent ITT-Chilean episode revealed -- and for one purpose alone: to maximize short-term profit.

In its present "dinosaurean" state of development, the corporate "state" represents the most deadly and widespread exploitive tool ever devised, not only to protect the wealth of the few but to circumvent government control which has proven too narrow a base for modern technology.

National legislators, such as U.S. Senator Gary Hart (D. Colo.) have asked the obvious questions: Has concentrated economic power now extended its reach so far that no government can control it? And more to the point, does the scale of world trade necessitate giant conglomerates which their home government cannot afford to defy? The late Emmanuel Celler, U.S. congressional representative, in consideration of ITT's "extraordinary jumble" of companies, questioned "whether the good Lord has given anybody the prowess and the expertise, the ingenuity, to be able to control all these operations. . ." And Senator Estes Kefauver, as far back as the forties, in introducing the Celler-Kefauver Act to strengthen a controversial section of the Clayton Act, stated bluntly, "The people are losing the power to direct their own economic welfare."

Ralph Nader, along with consumer movements in other countries, attempts to instill in the popular consciousness that we, as consumers, are also part of the fundamental economic equation and the most important part. In his introduction to "America, Inc." by Morton Mintz he writes of the "sovereignty of the consumer" as the ultimate countervailing force to concentration of corporate power.

"Irresponsibility toward public interest becomes institutionalized whenever the making of decisions is so estranged from any accountability for their discernible consequences. . . The modern corporation is the engine of the world's largest production machine. If it is to be more than a mindless, parochial juggernaut, the hands of diverse values and trusteeships for future generations must be exerted on the steering wheel. There should no longer be victims without representation. In any just legal system a victim would have the right to decide with others the behavior of the perpetrator and his recompense."[19]

Nader claims that the "corporate involvement pervades every interstice of our society. Companies are deep in the dossier-credit, city, building, drug, medical, computer intelligence, military and education, health and military-theater contracting. . . and with these engagements come the parochial value system and insulation of the corporate structure."[20]

A United Nations report of August 12, 1973, stated that: "The question at issue is whether a set of institutions and devices can be worked out which will guide the multinational corporations' exercise of power and introduce some form of accountability to the international community into their activities." The report, while acknowledging that MNC's "are depicted in some quarters as key instruments for maximizing world welfare. . ." yet are seen in other quarters "as dangerous agents of imperialism," inadvertently admits the UN's own impotence as a global authority able to control the MNC's by concluding that ". . .Unlike national companies, they were not subject to control and regulation by a single authority which can aim at ensnaring a maximum degree of harmony between their operations and the public interest."

We may conclude with Anthony Sampson that ". . .The sovereignty of the multinational corporation has emerged. . .in its independence of government, in its self-contained organization and trade, in its private diplomacy and communications, in its avoidance of taxes, and in the security of the company record."[21]

Who Owns Them?

The underlying and largely ignored question concerning corporate accountability is: Who owns the corporations? In other words, where do the profits go?

Despite all the nonsense about people's capitalism and the millions of orphans, widows and wounded war veterans living off a share of America's capitalist pie, corporate profits go only to the stockholders and America's stockholders are mostly upper middle-class to rich. About 5.2% of America's adult population owns 66% of the privately-held shares of the nation's corporations.[22] The owner percentages in other countries are far less.

The Individual vs. the Multinational

How then can the multinationals be brought to accountability? Further, how can the "sovereign" consumer benefit from the phenomenon of the MNC's as the dominant economic factor of our century, given the two worlds of "haves" and "have-nots," that is, owners of corporate equity and non-owners of corporate equity?

Louis Kelso tells us in *Two-Factor Theory* that "Any society wishing to be free must structure its economic institutions so as to widely diffuse economic power while keeping it in the hands of individuals."[23]

The United Nations, in its Universal Declaration of Human Rights (UDHR), proclaimed by the General Assembly on December 10, 1948, defines the goal of global economics likewise in individual terms:

> "Everyone has the right to a standard of living for the health and well being of himself and his family including food, clothing, medical care, housing, social services and the right to security against unemployment, sickness, disability, widowhood, old age or lack of livelihood in circumstances beyond his control." [24]

With regard to the ownership of property, the same Declaration reaffirms George Mason's third "inalienable right" enshrined in Section 1 of the Virginia Declaration of Rights adopted on June 29, 1776 and for sectarian motives unfortunately omitted from the Declaration of Independence of July 4, 1776 of the Continental Congress: the inherent "right of acquiring and possessing property." Article 17 of the Universal Declaration of Human Rights states:

> "Everyone has the right to own property alone as well as in association with others." "No one shall be arbitrarily deprived of his property."

The definition and ownership or non-ownership of "property" would seem to be at the heart of the entire question of economics, whether worldly or local. Until we analyze this controversial word more closely in the light of today's technological society, any discussion of economics remains sterile.

What is Property?

What exactly is "property" in terms of economic theory? Is it a home, a car, a TV set, jewelry, clothes? Or is it a set of rights one has with respect to things owned? Karl Marx wrote that "The theory of the Communists may be summed up in a single sentence: Abolition of private property in the means of production." In Das Capital, he defines property as "an institution essential to controlling income distribution patterns."[25]

If a few individuals own and control industrial capital and the majority of workers own little or no capital, according to Norman Kurland[26] ". . .income patterns will become grossly distorted and lead necessarily to the abandonment of the orderly processes of supply and demand, and eventually to a breakdown of the property system itself."

In a paper delivered to the Eastern Economics Association of Hartford, Connecticut, April 15, 1977, Kurland minced no words as to property's meaning:

"Many people erroneously equate property with material objects, such as land, structures, machines, tools, things. In law, however, property is not the thing owned but rather a set of rights, powers and privileges that an individual enjoys in his relationship to things. It is the social 'link' between a particular human being and the social levers of power to choose and use particular things to meet one's needs. And property says who can share its profits. Since power [i.e., the means to influence change] exists in society whether or not particular individuals own property, those who are concerned about the corruptibility of concentrated power should be reminded of Daniel Webster's eloquent statement: 'Power naturally and inevitably follows the ownership of property.'"

The Homestead Act

In early America, the Homestead Act, under the genius of Abraham Lincoln, made it possible for men born without capital, by their courage and efforts, to acquire real property, i.e., capital. But when the land frontier ran out, the possibility of realizing this historic dream seemed to run out with it. The world was no longer primarily an agricultural world, but an industrial one, and the yearning of the average man for a "piece of the action" could only be satisfied within the context of industrial "land," i.e., capital tools.

No National Ownership Strategy

Despite the overwhelming importance of corporate-owned capital as a production input and means of income, however, no industrialized nation has ever adopted a democratic "ownership strategy," i.e., an institutional means of assuring popular private ownership of productive capital comparable to the now outdated Homestead Act. During the 130 years since its passage, the world experienced an enormous expansion of production capital formation, but contrary to pre-industrial efforts to diffuse capital ownership -- at least in the United States -- national economic policies and institutions have permitted massive amounts of productive capital to become owned by a small minority.

The consequences are paradoxical and appalling:

- A small minority earns income far in excess of their capacity and desire for consumption;
- A majority have unmet consumption desires and inadequate purchasing power;
- Yet we have unused and potential physical capacity and technical know-how to fulfill unmet consumption if only we had sufficient widespread purchasing power.

Outmoded Methods

The present inability of our national economies to achieve broad private ownership of productive capital and to significantly raise everyone's income, is largely the result of outmoded private capital investment financing methods -- the financing of new capital formation exclusively out of the accumulated financial savings of individuals and/or their narrowly-owned corporations. The consequence of this method of financing is to bring massive amounts of capital into existence without creating new owners. This conventional capital financing method virtually guarantees that all new capital formation will be owned by an existing minority of wealth-owning citizens.

The method further weakens an already weak market mechanism -- still the most democratic yardstick for measuring economic value -- since it limits purchasing power for the propertyless many. Lastly, it frustrates the economic growth necessary to permit the economy to be able physically to produce general affluence, the only humane and rational goal for a democratic, post-industrial economy.

Big Brother

As a counterforce to concentrated, economic power in corporations owned by only a handful of the total population, we have turned ironically to "big government" to protect the propertyless many. Once again, this development has demonstrated that power is linked to property. In a society where political and economic power is combined in the hands of a monolithic, elitist government, whether acting "in the name of the proletariat" or for "democracy," the future of individual freedom is dim indeed.

To rely on government bailouts from corporate oppression is tantamount to seeking judicial redress from the accomplice to the swindler who robs us in the first place. In this regard, Nader reminds us that ". . . there has emerged a fundamental change in our political economy. The arms-length relationship which must characterize any democratic government in its dealing with special interest groups has been replaced, and not just by ad hoc wheeling and dealing, which has been observed by generations. . ." but by . . . the institutionalized fusion of corporate desires with public bureaucracy -- where the national security is synonymous with the state of Lockheed and Litton, where career roles are interchangeable along the industry-to-government-to-industry shuttle, where corporate risks and losses become taxpayer obligation." [27]

And what is the major labor unions' reaction to this cozy, corporate/government incestuous relationship? "For the most part," Nader writes, "the large unions do not object to this situation, having become modest copartners, seeking derivative benefits from the government." [28]

Thus linked to big business including private banking interests as well as labor, national economic policy legislation of income in direct relationship to productive output makes no commitment to fostering widespread ownership of capital.

Full Employment A Panacea?

Economists as well as politicians like to promote "full employment" as a panacea for economic recovery. But full employment, without simultaneous redistribution of all the wealth or income produced by capital to the non-capital owning employed, will never provide the fully-employed with sufficient purchasing power to buy all the goods and services produced.

Furthermore, as an economic goal, full employment is deficient if the function of the economy is to provide general affluence instead of universal busywork and equalized poverty.

In plain fact, full employment in itself is a socially hazardous goal. It aspires to restore through political expedients the pre-industrial state of toil that science, engineering, technology and modern management are pledged to overcome. Thus national political leadership finds its prestige contingent upon the success of an unnatural policy against which the most rational forces of the economy are aligned, a policy which it cannot enforce except at the cost of the demoralization and ultimately the destruction of the economy's productive sector.

Every Man A Producer

In the uncomplicated pre-industrial world, every man not an invalid knew he was an economic producer, that he possessed in his own mind and body the power to produce wealth. Productive power was his as a gift of nature. He knew he was needed, and the knowledge gave him both dignity and self-assurance. Industrial man has lost that primal security. For while capital instruments are needed "extensions of man," as Marshall MacLuhan has pointed out, in the economic sense, they are extensions only of the man who owns them, and who, as a consequence of ownership, is entitled to receive the wealth his "extension" produces.

In a world where capital instruments are owned by the few, technology enhances the productive power of the few.

Thus, under today's "wage systems," where most people own little or no productive wealth, the great majority of men are robbed of their productive power by technological advance. They are deprived of their economic virility. This loss has disastrous social effects, especially on the family unit, first organism of social life.

Leaders of national society do not yet recognize their obligation, by deliberate social policy, to enable every man legitimately to acquire private ownership of viable holdings of productive capital, restoring thereby and indeed enhancing the productive power he has lost, or stands to lose, as technology shifts more and more the burden of production from men to machines. [29]

"We are, therefore, required by justice to do more than abolish chattel slavery. We are required to organize the economy in such a way that every man or family can use his or its property to participate in the production of wealth in a way that earns a living for that man or that family." [30]

The Human Right to Property

One of the new principles of economic justice in one physical world is that when wealth is produced primarily by non-human capital instruments, men must have the right to acquire viable amounts of capital as a supplement to their labor power. Thus economic opportunity in an industrial economy is not merely the opportunity to work, but the opportunity to own capital, and to acquire capital without having to invade the property of others, or to cut down on one's already inadequate consumption.

> "The harnessed energy, production, distribution, communication tools, and techno-scientific literacy thus inadvertently established -- all of which can produce peace- supporting -- is the wealth." [31]

Results of National Policies

Today's short-sighted and absurd national economic policies are in no small way contributing factors of:

- continued concentration of capital ownership;
- perpetuated class and group conflict and violence;
- rising crime against property;
- rising cost of living and uncontrollable inflationary forces;
- mounting tax rates and imminent taxpayer's rebellion worldwide;
- widespread alienation among the young, the working "class," minority groups, and the disadvantaged from the leaders of government, business and other basic institutions;
- resistance and fear among workers to new technology;
- self-defeating and harmful demands of organized labor for increased income through wages rather than through ownership of industry;
- loss of traditional autonomy of local government, business and the academic community because of the growing dependency on Big Government for economic survival;
- historically high interest rates;
- inability to plan rationally our economic growth and produce a more livable and humane environment;
- the "privileged class" mentality that says only an elitist few can take full advantage of leisure;
- failure to exploit fully the technological potential for improving the material lives of the general public.

In summation

1) Individual liberties and a democratic form of government cannot exist unless every person has the means to become a "have" rather than a "have-not;"
2) The nation-state, as an institution of economic legitimacy, has been overtaken by industry and technology in general and by rise of the multinational conglomerates in particular;
3) The multinational corporation, while effectively producing goods and services in quantities sufficient for the general needs of the public, has no countervailing equitable distributive philosophy or system whereby the worker can benefit directly from ownership of the corporate assets of the world's productive instruments.
4) The elimination of armaments from the national economic scene will result in the raising of living standards worldwide with social, cultural and spiritual benefits beyond measure;
5) A world government, representing the *sine qua non* not only of economic survival but of survival itself, is the goal of the 20th century; the alternative is possible extinction;
6) Neither doctrinaire Communism nor monopolistic Capitalism can encompass both the material as well as the spiritual needs of humankind as a species and as free individuals;
7) A distributive economy based on democratic ownership of the means of production emphasizing affluence while retaining contingent values of freedom, equality and justice, must be incorporated into the present-day situation without disruption.

The Global Mandate

The ownership of the world of tools and their institutional instruments of income-distribution, in other words, must now be considered globally "by world society as world society," translated by right into individual ownership of income-producing property by the sovereign individual, i.e., the world citizen.

Therefore, economically speaking, the World Citizen claims by right ownership of a share of the new industrial, wealth-producing frontier which, according to Buckminster Fuller, "can support all of the multiplying humanity at higher standards of living than anyone has ever experienced or dreamed."

To claim world citizenship is to claim partnership with the planet earth "homeship", with the world community as such and therefore possession of one's rightful domicile and all it contains. Just as no human can claim to have chosen his parents or place of birth, so no one can rationally justify exclusive ownership of resources needed by one and all. The atmosphere, the oceans, the soil, the water, the sun even, are common to the human species as much as to each and every individual human.

We must first assert that global citizenship, however, in order to acknowledge that ownership as our rightful heritage. No one will hand it to us. The claim of exclusive national citizenship perpetuates the philosophy of economic scarcity as defined by Malthus and later fortified by Darwin's survival-only-of-the-fittest. World citizenship, on the contrary, is the corollary of earth ownership as it is of human survival since, unless the individual human, who is the microcosm not only of the earth but of the cosmos itself, assumes ownership of his world, false ownership, i.e., exploitative, unjust, monopolistic, elitist, will soon destroy the earth itself and all humans thereon as it is already doing at an accelerated rate.

World Ownership

The new formula then for economic democracy and freedom for one and all becomes:

World Citizen = World Owner

No national leader would or indeed could oppose a global institution functioning with the sovereign support of declared world citizens, the raison d'etre of which was precisely to eliminate the necessity of armaments amongst states to the mutual economic, social and spiritual benefit of the entire human community.

The very nature of the common crisis facing humankind, as well as each individual is obviously beyond the mandated power of any national leader or group of national leaders to resolve. Former U.N. Secretary-General Dr. Kurt Waldheim, in addressing the opening session of the 29th General Assembly said that the world's problems "were beyond the control of any group or nation." He warned that "profound economic and social problems are threatening the world with a crisis of extraordinary dimensions."

Willy Brandt's introduction to the Brandt Commission's 1980 update on the global economy reconfirmed this dire warning:

> "The world's prospects have deteriorated rapidly; not only for improved relations between industrialized and developing countries, but for the outlook of the world economy as a whole. . . Further decline is likely to cause the disintegration of societies and create conditions of anarchy."

World citizenship as a dynamic concept and ownership of the earth have not so far been linked except in theory by such writers as Buckminster Fuller.[33] The reason is simple. Till now, no single global and sovereign organization existed which could translate theoretical ownership of the earth into practical ownership for the individual world citizen and humankind. Nations, caught in their dualistic, archaic, duel-to-the-death, oppose by definition world citizen ownership of the earth. Either nations are sovereign or humanity is. Either world law is valid or exclusive national law. . .but not both together.

The multinationals in their turn, with their pitifully few owners, are making a near-approach to total ownership, but with the built-in, self-defeating defects of specialization, maximizing short-term profit philosophy plus nationalistic political orientation. Even should they combine into one monolithic world corporation -- as Art Buchwald, tongue-in-cheek, prophesied for the United States -- the inevitable result would be violent world revolution between the billions of have-nots and the 5% or less haves, owners of the Total Corporation.

"Earth, Inc." is only valid if economic justice reigns as the guiding philosophy.

So if we refer back to Nataraja Guru's definition of economics as being concerned primarily with the happiness of humankind as a whole as well as each individual as its microcosm, and if we consider the two factors involved in the production of wealth, that is, capital and labor, it becomes clear that only through direct participation in the profits of the entire industrial machinery of the world, i.e., the capital assets, can everyone achieve affluence, or put negatively, eliminate disaffluence or poverty.

Mutual Affluence System

A global "mutual affluence system" therefore may be said to be the economic philosophy of the embryonic World government.

Its fundamental tenet is expressed in the geo-dialectical formula: "One for all and all for one."

As such, it is the logical extension of the fundamental human rights expressed by such documents as the Universal Declaration of Human Rights.

It correctly revises both Marxist and capitalist theories to provide the "synthesis" -- necessarily divorced from the vitiating nation-state system -- whereby Man's true nature is fully realized: spiritual, social, biological.

Capital Formation Process Defective

If everyone is to have a chance to own his share of capital, then the current process whereby most newly formed capital automatically flows into the hands of the upper 5 to 10 per cent of families who already own all the existing capital is defective. Ways must be devised to allow the acquisition of newly-formed capital to be acquired by the remaining 90% of families.

The single laborer, lacking capital, credit or effective political power as a consumer, is virtually helpless to pull himself up by his own economic bootstraps. True, he may organize into unions but only as a worker, neither as a consumer nor, more reasonably, as a potential owner. There is as yet no labor union advocating more purchasing power through capital ownership for less work. On the contrary, workers organize irrationally for higher wages and full employment thereby fueling the inflationary fire.

He already has the necessary potential power, however, if he combines his single identity/forces: consumer, worker, citizen, tax-payer with investor, i.e., owner. In other words, to counter-balance the now-monopolistic corporation, he must be allowed to share its profits as an "insider" or investor. The existence and growth of mutual funds and money market funds are highly instructive arguments for the creation of a worker/consumer global mutual fund to share a "piece of the world action." The details of the organization of such a mutual fund must be worked out and then made part of an overall economic strategy of the aggregate of world citizens of the World Government.

The Missing Link

Vital to any consideration of global economics is the one element which can make a "mutual influence system" actually work: world money, the "lubricant" without which no plan however just can be effected practically. While economists avoid the subject like the plague, I must try to demystify the word "money" since ostensibly this is the "name of the game."

What exactly is money? There is a subtle mystery here. Is it only, as Webster defines it, "metal as gold, silver or copper, coined or stamped, and issued as a medium of exchange"? Or "wealth reckoned in terms of money"? Or "any form or denomination of coin or paper lawfully current as money"? Or "Anything customarily used as a medium of exchange or measure of value, as sheep, wampum, gold dust, etc."?

Obviously, without exchange value, the coin or paper is not "money." But exchange value is not limited to single transactions; it is public and general. Enter the conceptual side of money: trust. Without trust or confidence in its exchange value in the market-place, the "medium" itself, be it shark's teeth, clay disks, or gold bullion, would be of ornamental value only or objects to hold paper in place.

The subject of money is disposed of by the United States Constitution with extreme brevity.

> "Article I, Section 8, Clause 5: The Congress shall have the power to coin money, regulate the value thereof and of foreign coins."

The fundamental definition of money is here taken for granted! And for good reason since trust as a psychological and emotional value cannot be legislated. And that leads to a startling fact: There is no legal definition for money!

Implicit in "medium of exchange" is the confidence that he who accepts a dollar bill, a kroner, franc, mark, ruble, rupee, yen or cedi can pass it on to another and receive commensurate value. A dollar bill, however, may circulate all week buying bread, light bulbs, toothpaste, and paying the rent but on Friday, at the bank, when the teller informs the last unfortunate holder that the bill is "no good," it suddenly loses its exchange value, its trust side. In other words, people's trust made it "work" despite its forgery. A Mickey Mouse certificate would also have worked if it had trust as a "medium of exchange."

The essence of money is therefore trust.

National money, historically, is as provisional as sea-shells, sperm-whale teeth, round stones with holes, mud tablets and even gold dust. While the actual or material side of national money still exists, its conceptual or trust side is fast disintegrating.[34]

If nations, as exclusive political and economic units, by definition don't trust one another, how can confidence exist for their respective monies? In Emery Reves' words:

> "What we usually call world economics, international trade, has little if anything to do with economics or trade. They are, in fact economic warfare, trade warfare. The dominating motive of all economic activity outside existing national barriers is not trade, is not production, is not consumption, is not even profit, but a determination to strengthen by all means the economic power of the nation-state."[35]

The "game" of money exchange is itself big business, a whole breed of men in exchange offices throughout the world parasitically engaged daily in reaping the benefits of this institutionalized distrust at the expense of the world public.

Central bankers, speculators, special departments of multinationals, in fact, anyone who understands there is a profit to be made from monetary distrust is in reality ripping off the public which naively considers money only as Webster did, a "medium of exchange."

The game aspect of money was brilliantly exposed by Adam Smith (a pseudonym) in "The Money Game," a biting satire of the daily play of the New York Stock Exchange: "The irony is that this is a money game and money is the way we keep score." As to the vital element of trust, Smith writes, "Markets only work when they believe, and this confidence is based on the idea that men can manage their affairs rationally."[36]

National citizens, today, more than ever, are being made aware by inflation that their particular national currency is literally unstable, no longer able to serve their economic interests as a constant thus valid means of exchange. The U.S. citizen in particular suffered as much a psychological as economic shock in the '70s by two dollar devaluations in less than three years due principally to massive national deficits and dollar drains to pay for foreign wars.[37]

The reestablishment of confidence in money in terms of public service as a medium of exchange for goods and services and not as a means of exploitation of the poor by the rich, can come about only on a global scale. For only globally can problems of exchange of goods, equitable distribution of wealth-producing capital and the elimination of the have-nots be accomplished.

> "American corporations are outwardly bound. Their evolution is, however, the evolutionary prototype for all of society. All of humanity are soon to become worldians."[38]

Contrary to what timid and inwardly-looking economists and finance ministers, not to mention the whole clique of central bankers and money changers admit, this implies -- as it did in 1787 for the separate states of the newly-formed United States of America -- the total relinquishment of money issuance and control by sovereign states. Conversely it means global and sovereign institutions designed to serve the citizens of the world in their entirety and to protect their individual rights.

The multinational corporations, no doubt inadvertently, are moving inexorably in this imperative direction:

> "National profiles are hard to distinguish in many cases because multinationals shy away from being identified with any one country; most are proud of the fact their subsidiaries are indigenous everywhere. . . The trend is toward increasingly global structures and decision-making, and toward allocating corporate resources on a world scale." [39]

As I have pointed out, world man and world ownership are indissolubly lined. World money, both conceptually and actually, is thus the indispensable -- and heretofore missing -- ingredient for the two to be joined and begin working.

Who Issues Money?

The key question remains, who or what can issue world money? The history of the contending forces at work in money issuance in the United States is highly illustrative. Contrary to the provisions of the U.S. Constitution which gives power to Congress alone to "coin money, regulate the value thereof, and of foreign coin," according to those who considered money as a profit-making commodity and method for gaining control of labor by capital, mostly London bankers at the time, the issuing institute must be in private hands.

Those who considered money -- as did most of the founding fathers, notably George Washington. Thomas Jefferson and Benjamin Franklin -- as only a medium of exchange for goods and services, that is, real wealth, at the service of the people, know that it had to be authorized and issued by representative public institutions, under public control since it was and is the general as much as the individual welfare which must be considered by any democratic government.

During America's development in the 18th and 19th centuries, the running battle between private banking interests and public spokesmen was bitter and often deadly. In Oliver Cushing Dwinnel's words:

> "There is little doubt but that the financial monopolists have brought about the wars when their control of the issuance of money was threatened. It was not a coincidence that the Revolutionary War took place after the British Empire was unable, after many years of effort to control the Colonies by controlling their money; and it was not a coincidence that the War of 1812 was prosecuted against us after Congress refused to renew the bank charter. Much of the stock had been bought by England. It is pretty obvious from our history that the financial hierarchy of the world will go to war if necessary to gain control of money issuance, and they will do so to renew control, and to maintain control, regardless of how many wars it may take."

Abraham Lincoln, Economist

The importance of government control of money issuance was endorsed by the great emancipator, Abraham Lincoln, who believed that the spending power of the government and the buying power of the consumer could and should be created and issued by the state free from interests, discounts and other charges imposed as a profit of the private money system. Lincoln's monetary program offered the means of paying debts and current expenses of government without profit to the bankers and without disaster to the taxpayer. As Gerald McGreer records:

> "Quite naturally the bankers opposed Lincoln's 'National currency Program,' for under it he proposed to take away from the bankers the privilege of issuing an effective substitute for money. The bankers' plan for controlling money was for the government . . . to farm out its power to issue money to the bankers. Having thus lost its power to issue money, the government would be reduced to the position of a perpetual borrower at interest from a private monopoly which secured its power to issue a SUBSTITUTE FOR MONEY FOR THE GOVERNMENT." [41]

The issue, then as now, was vital to economic well-being, the fundamental question being: Shall government be subordinate to moneypower with money changers ruling democracy, or shall democracy rule the money changes? Lincoln knew that it was upon the determination of the primal issue in favor of democracy that the progress, prosperity and peace of humanity depended.

In a Congressional Report to the 76th Congress of 1862 written by Robert L. Owens, then chairman of the Committee on Banking and Currency, was a summary of Lincoln's monetary views, as relevant today in the global context as they were then in the national:

"1. Money is the creature of law and the creation of the original issue of money should be maintained as an exclusive monopoly of. . .Government.
"2. Money possesses no value to the State other than given it by circulation.
"3. Capital has its proper place and is entitled to every protection. The wages of men should be recognized in the structure of and in the social order as more important than the wages of money. (In this vital recognition of the primacy of men's

'wages' over money's 'wages,' i.e., interest, Lincoln was laying the groundwork for ownership of capital by labor in which 'wages' were derived both from labor and wealth-producing capital instruments. Author's note.)

"4. No duty is more imperative on the Government than the duty it owes to the people to furnish them with a sound and uniform currency. . . so that labor will be protected from a vicious currency (controllable by private interests).

"5. The available supply of gold and silver being wholly inadequate to permit the issuance of coins of intrinsic value or paper currency convertible into coin in the volume required to serve the needs of the people, some other base for the issuance of currency must be developed. And some other means than that of convertibility of paper currency or any other substitute for money of intrinsic value that may come into use.

"6. The monetary needs of increasing numbers of people advancing toward higher standards of living can be served by the issuing of National currency and Credit through the operation of a National Banking System. The circulation of a medium of exchange issued and backed by the Government can be properly regulated. . . Government has the power to regulate the currency and credit of the Nation.

"7. Government should stand behind its currency and credit and the bank deposits of the Nations. No individual should suffer a loss of money through depreciated inflated currency or bank bankruptcy.

"8. Government, possessing the power to create and issue currency and credit as money, and enjoying the right to withdraw both currency and credit from circulation by taxation and otherwise, need not and should not borrow capital at interest as a means of financing governmental work and public enterprise.

"9. The Government should create, issue and circulate all the currency and credit need to satisfy the spending power of the Government and the buying power of the consumer.

"10. The privilege of creating and issuing money is not only the supreme prerogative of Government, but it is the Government's greatest creative opportunity.

"11. By the adoption of these principles, the long-felt need for an uniform medium of exchange will be satisfied. The tax-payers will be saved immense sums of interest, discounts and exchanges. The financing of all public enterprises. . . the maintenance of stable government and ordered process, and the conduct of the Treasury will become matters of practical administration.

"12. Money will cease to become the master and become the servant of humanity. Democracy will rise superior to the money power."

In his introduction[42], Owens summed up the underlying concept of trust in Lincoln's monetary views:

> "The plan is founded on benevolence, justice and righteousness. It is based on reason, on thoroughly well-established facts, and on sound precedents that cannot be disputed by intelligent men of good will and honest purpose. . . The plan is Constitutional. . . The Supreme Court of the United States has justified (if) on its

> opinion in the Legal Tender Cases. It is based on the exclusive right of the Government to create money and on the explicit duty 'to regulate the value thereof.' (The Plan) points the way by which the Government, representing all the people, shall prevent either inflation (which is indefensible expansion of credit or money or the corresponding undue and indefensible contraction of credit: deflation, through which people have suffered. . . The Plan proposes to end the suffering of one-third of the American people because of undeserved poverty."

This remarkable and superbly relevant testament could be considered the forerunner to modern economic democracy and finance. Oliver Dwinnel rightly concludes that "As Washington is the symbol of the political democracy of the coming world of his day, so Lincoln foreshadowed the economic and financial democracy of the world to be."

Gold

This brings us to the question of gold as a worldly "medium of exchange." Does it fulfill the exacting requirements?

According to Stuart Chase, "The international monetary problem will not be solved when the U.S. achieves a strong domestic economy with full employment. International trade is bound to expand in a shrinking world, but, as the New York Times has pointed out, 'any further expansion in the business that nations, and their citizens, do with each other would be limited by the newly-minted gold that enters the world's money system each year.' It isn't enough." The search is on, he adds, "for a new invention to make it enough, and to take the place of gold in international exchanges."[43]

There are many who think that a dynamic relationship exists between gold and one world economics. Was General de Gaulle correct in his famous press conference at the Palais Elysee in 1965 in announcing the monetary exchange standard between nations was no longer effective and that a "true gold standard" was essential? "We consider it necessary," he stated regally, "that international trade should rest, as before the two world wars, on an indisputable monetary basis having the mark of no particular country. What basis? Indeed there can be no other criterion, no other standard than gold. Yes, gold, which never changes, which can be shaped into ingots, bars, coins, which has no nationality and which is eternally accepted as an alternative fiduciary value par excellence."

The economic "warfare" between nations was never better illustrated than by this unilateral declaration of de Gaulle who then led a "run" on the gold in Fort Knox by Western European nations. This led inexorably to President Nixon's "unilateral" decision in August, 1971, when U.S. gold reserves had fallen from a record $24 billion in 1947 to $10 billion (due to concurrent deficits throughout the Vietnam War years), to declare that dollars would no longer be exchanged for gold. This in turn left billions of unwanted and unredeemable "Eurodollars" in central banks throughout Europe. Nixon's act, "to save the dollar" was as much directed against "friendly" as against "enemy" nations.

The hold gold retains on the public is more emotional than logical. "Apart from its aesthetic appeal," writes Timothy Green, "gold has no intrinsic value. It is hard to imagine being cast up on a desert island with anything more useless than a bar of gold."

Lord Keynes referred to gold as "that barbaric relic," while others have sung paeans of praise for its beauty, its indestructibility, its scarcity and its almost mystical appeal as a symbol of power. Ancient alchemists sought the "elixir of immortal life" by extracting the oligo-elements of gold for concocting the godlike ambrosia. Astrologers link gold with the sun and the nervous and circulatory system in a mystical triumvirate. Again, these are fascinating sidelights to gold's history and may serve to explain in part the tenacity with which it is considered of high value. But from a strictly economic viewpoint, it lacks vital factors to serve as a basis of a one world system.

To answer the "gold bugs" definitely as to why gold cannot adequately serve as a basis for a one world currency, we must again appreciate, in Arthur Kitson's words, that "The entire financial factor presents itself from two distinct and entirely opposite and conflicting standpoints. The one is the bankers as 'moneylenders;' the other, the producers. To the banker, money represents itself as a valuable commodity from which he must draw dividends in the shape of interest. . . For this reason the banking interests have waged unceasing warfare against State Banking and what they term 'cheap money expedients.' Moreover, the histories of cheap currency expedients have mostly been written by bankers, their employees, or hired professors, who have invariably presented the subject from this interested class' point of view. It is for this reason that so much importance has been attached to gold for currency purposes. Its scarcity, its dearness, gives weight to the demand for high interest charges. On the other hand, the producer regards money more from the standpoint of its utility-- his interest requires the cheapest form available -- consistent with its ability to perform its work."[44]

World Money

A true world currency, relating itself directly to world consumer needs vis-a-vis world production of goods and services, is not a commodity in itself like shoes, chewing-gum or computers, but a "medium of exchange," a convenience at the service strictly of the producer and consumer, made one by the aforementioned new right of world ownership for world man and woman.

World Economy - World Accounting System

Carried to its logical conclusion, "world money" becomes a simplified bookkeeping system which, according to Buckminster Fuller, "must be converted from agricultural metabolics to an eternal world-around accounting which includes all generations to come, and which is consistent with the cosmic accounting of an eternally regenerative physical universal system. The accounting system would include a redefinition of wealth with the scarcity model of economics to be made obsolete by the magnitude of man's participation in the irreversible amplification of the inventory of information, i.e., know-how."[45]

World or cosmic accounting then "assumes omnivalidity" which, translated into individual terms means the right to ownership of the means to wealth. While humans today, conditioned by the archaic "earning the right to live," scarcity-oriented ethic, still compete, ergo fight each other, as do states, for bare sustenance, World Citizen Fuller reminds us that:

> "The Universe is not operating on a basis in which the Star sun opines ignorantly that it can no longer afford to let Earth have the energy to keep life going because it hasn't paid its last bill."

The sun does not have to make a profit. And just as the world moral view is synergistic, that is, wealth-producing,[46] so an economic overview radically reverses the failure-prone Malthusian and Darwinian theories to support a totally successful and totally human economy. In Buckminster Fuller's words:

> "Ephemerization, a product of the metaphysical conservation being more effective and coherent than physical entropy, is the number one economic surprise of world man. Up to ten years ago, all world economists counseled the world political leaders that there never had been and never would be enough vital sustenance to support more than a very few. . . The invisible, inexorable evolution will soon convert all nationally and subnationally identified humanity into worldians, universally coordinate, individual 'people.' The inexorable trending to one-world citizenship is ignorantly and expeditiously opposed by the sovereign nations' self-perpetuating proclivities." [47]

International "Money" of States

In order to bring inter-national economic programs more in line with global needs, in March, 1967, the International Monetary Fund, an outgrowth of the Bretton Woods Agreements of 1944, following a meeting of the "Group of Ten," finance ministers and central bank governors of the ten most developed nations, announced a new "reserve asset," i.e., inter-national "currency" to supplement gold-- which accounted for a mere 30 per cent of the monetary reserves of the membership of the IMF dollars, sterling and existing IMF credits. There were the "Special Drawing Rights" (SDRs) which started out as a unit of credit based on the then official value of gold, $42.22 per Troy ounce. Once issued, however, they could not be reconverted into gold.

In other words, the States, through the IMF, created a new "legal tender" in order to increase liquidity between States. There was, and is, of course no single sovereign governmental authority sanctioning that creation. The concept is not new. Lord Keynes had proposed his "bancor," along with gold, would be the international reserves available to all States on a long-term, low interest basis, and, as with the SDRs, gold could buy "bancors," but "bancors" could not be reconverted into gold. Thus would be created a phony "paper" gold.

Some economists consider it excellent that nations "are acting together" because together they are bigger than the speculator or the businessmen hedging against currency problems. Adam Smith saw the SDRs however as "only a device which gives more time to resolve the problem." [48] "These problems," he claims, "are universal. They arise because governments are now held responsible for the welfare of the people. . . What this means is that if governments have a choice between attempting full employment and defending their economies, they will nearly always pick jobs over the worth of the currency. Currencies does not vote. . . the Full Employment Act (of the U.S.) spells this out. The government is committed to full employment and if it must pump money into the economy to achieve this, and if there isn't enough money, it creates the money. Long-range inflation is the policy, articulated or not, of every country in the world." [49] Timothy Green tells us that "so far, the SDRs represent a very small part of reserves, but their very existence is a significant step along the road that is gradually by-passing gold as a monetary metal." [50]

Of particular interest to world citizens in this monetary creation by States is the precedent which is pregnant with implications. I note in passing that the existence of SDRs has in no way relieved the individual of the inflationary crisis facing him presently since they are only a supplement to the entire State-oriented economy and not a true step toward a one world economy.

Neither gold nor "paper gold" can serve as a viable, permanent monetary base for a world market as such. It can at best be considered a stop-gap measure in lieu of a true world legal.

> "After all, if the mines are running out of gold, the problem of finding an alternative is all the more acute." [51]

Super-analysts like Dr. Harry Schultz, Harry Browne, James Dines and Louis Rukeyser propose an economy based on gold and a "new political system" though they fail to go the full way to world government. On the other hand, world government advocates sidestep the delicate question of world economics which requires a spelling-out in down-to-earth monetary terms how we get from here to there without blowing everything apart. Vague theory won't do. "Prayers will not make a mango fall."

In all fairness to the "gold bugs," they realistically assess the international muddle as it is with no holds barred. Dr. Schultz bluntly states that:

> "My job is not to idealize on what the world should be like. Those who think we've already evolved enough to do without gold discipline. . . will sink while singing their individual national anthems. . . My job is rather to offer a lead toward real patriotism, i.e., to humanity and to yourself & your family (not to a gov't. or nation). My job is to tell it like it is and show how to survive." [52]

We can only applaud and affirm patriotism to humanity and oneself at one and the same time which is the essence of world citizenship along with revealing the know-how of survival. What concerns us more directly, however, is not survival of the privileged few because, apart from considerations of simple justice and humanity, living on an island of plenty surrounded by a sea of misery is hardly conductive to happiness, economic or otherwise.

Only through survival of the Total Species can any single member of the human species survive in any manner resembling a human condition. The late Justice Wm. O. Douglas wrote prophetically, "The liberty of one man will hereafter be closely linked with the hunger of another. The world economy is more and more the testing ground for every man's freedom." [53]

Who or What Can Issue World Money?

Guru Nataraja's Memorandum on World Government gives the clue as to how world money can come about. "It would not be impossible for the World Government to have its own credit and currency the world over, and planned on some rational human basis."[54]

Travelers going abroad are urgently advised to convert their ready cash into traveler's checks which if lost are easily replaced. The largest bank in the world, BankAmerica, advertises its traveler's checks as "world money." Being backed by a negotiable currency, they are literally "mediums of exchange" for goods and services worldwide.

The extrapolation of this already recognized public service to a true global medium of exchange as envisaged by Lincoln is far simpler than generally realized requiring only the proper institutional framework for its immediate functioning.

Just as the SDRs are "legal tender" between nations, sanctioned by international "law," i.e., the Washington Agreement of March, 1968, and thus could be considered an "international money," so the Mondo, sanctioned by World Government, may be considered "legal tender" between world citizens "outside" the jurisdiction of national frontiers -- as is gold -- who seek a sound, global, real currency with which to do business and exchange needed goods and services. The Mondo will be initially an inter-world citizen money, legal, logical and functional. Whereas the SDRs only complement the economic warfare practised between nations and do not meet our needs, the Mondo, possessing immediate intrinsic value as a global medium of exchange, backed by today's "negotiable" currency and emitted by a legally-founded bank will supply the missing liquidity to lubricate the Mutual Affluence System.

Besides being a peace currency, further considerations will convince the public of the Mondo's value. As national currency preserves pockets of wealth for those who already possess far in excess for personal luxury, maintaining a system of economic serfdom for the rest of the populace, as exacting and degrading a condition as any of our ancestors faced under a despotic monarchy, the Mondo will be a general affluence currency, freeing us of our economic servitude, unattached to monopoly, ". . . founded on benevolence, justice and righteousness." In short, it will be the first truly human rights currency.[55]

The Duties of Economic Democracy

The right to economic democracy implies duties as well. Ownership of a piece of industry means owning equity or corporate shares in that industry. While it is no doubt true that we exercise "economic democracy" with our money as a consumer at the marketplace, that is not the whole story. It is an indirect "vote," not a controlling one. A true economic vote would be one linked directly to the entire productive apparatus just as a political vote relates to the entire governmental apparatus guaranteed by constitutional right.

If therefore we are all economic "citizens," what is the total economic framework in which we can exercise our "vote" for determining our personal and general economic well-being?

It must obviously be allied with the entire productive apparatus, not governmental. In brief, it must be as an economic world citizen with an across-the-multinational-corporation-board vote!

To illustrate, a share in one multinational corporation owned by a worker of that corporation is already an international economic vote by definition. If that same worker buys one share of other multinational corporations, he increases his international voting power horizontally in direct proportion to the number of corporations he buys into. This is the principle of the mutual fund, an across-the-corporate-board portfolio.

Now if he manages to buy a share in all the multinational corporations, his voting power in each is compounded by his ownership strategy which now includes all. But he is not only an international economic citizen. He is also an international economic legislator! His one vote permits him to introduce actual resolutions at the yearly general assembly of stockholders.[56]

Since his one vote permits him to propose policy changes in each corporation, should he introduce in each and every general assembly the same resolution, i.e., his economic "ticket," the very accumulative effect would reinforce the voting power of each separate introduction.

The Economic World "Ticket"

If the "ticket" were designed to upgrade his ownership stake as a worker-- along with his fellow workers-- by means of the widely-accepted Employee Stock Ownership Plan (ESOP), boards of directors, not to mention fellow shareholders, would quickly appreciate what real economic democratic power meant. The strike for higher wages would quickly be seen for what it was: an obsolete strategy for perpetuating the status quo inequality between owners of capital equity and the work-serf in the name of "justice." "Big labor" management must collude in this work-serf versus capital owners conflict otherwise it would lose its power hold over the individual worker.

A worker owning a share of shares in the corporation for which he works is already a potential world owner. No doubt he presently disregards totally his voting rights -- as do most shareholders -- turning his proxy back to management for their disposal as they see it. Viewed objectively, he thus deserves the economic rip-off of which he is the perpetual victim.

Shares Equal Votes Also

Although the United States vaunts itself as the most enlightened nation in the world as regards its economic philosophy, economic voting is not taught in schools or even universities. Perhaps the best kept secret among the financial elite is that "Shares represent ownership votes, i.e., control." But since no political party or labor union unites share owners in a common ownership front against elitist, monopolistic ownership -- the Communists and Socialists have captured in the public mind the notion of capital ownership by the "people" (read "State capitalism") -- single individual or even groups, such as religious bodies, cultural, educational, social or other organizations, are concerned mainly with their corporate investments as saleable capital, in other words, a commodity or as a producer of dividends, but not as a democratic economic voting right.

Second "Plank": World Public Order

Let us carry our worker/owner analogy a step farther. Realizing that his multinational ownership shares are highly vulnerable in an anarchic political world, in order to protect his stake -- which now crosses the economic "frontiers" between the multis -- he must introduce into his economic "ticket" the notion of overall political protection as a corporate policy. Not to seek such political protection in a world of over 170 nation-states would be in effect to deny his new global economic civic status. Indeed, the continuance of an anarchic political world in an interdependent economic industrial world where the right of ownership beyond national frontiers by the national citizen is increasingly apparent and exercised, is the guarantor of its eventual destruction. Common-sense alone dictate the protection of our productive tools, providing our well-being.[57]

No organization yet exists, however, to which our worker/owner can address his proxy which would represent him in the global manner described. A "World Citizens' Investors Corporation" -- a global, democratically "elected" economic congress -- designed so as to feed-back profits to the individual like the mutual funds is yet to be created though shareholders, especially those in certain religious institutions are becoming aware that economic ownership, however minor, of a multinational giant, connotes civic responsibility of a new order.[58]

General Citizenry Property Rights

The extrapolation of the ESOP to include the general citizenry in ownership of the expanding industrial "pie," thereby expanding affluence, is already theoretically developed in Kelsonian economics.[59] Various tentative proposals for direct civic ownership of the Washington, D.C. metro system, certain public utilities, the telephone company, certain bankrupt railroads, even such giants as the Chrysler Corporation have been developed by Kelso experts such as Norman Kurland.[60]

World Citizen "Labor" Union

The second economic prong necessary to complete the mechanism picture of creating personal affluence is the creation of a new-type "labor" union having as its goals: 1) increased purchasing power through ownership of capital equity by workers, and 2) increased reliance on modern science-design technology to decrease the toil side of "work" in order to decrease the actual work-time. This "labor" union would support the work ethic only so far as it included the machine work as an integral part of the worker's share. In other words, just as a journeyman or even a garage mechanic owns his own tools, so an industrial worker would "own" his own tools in the form of income-producing shares in the company for which he works.

Such a "world citizen's labor union," like the multinationals themselves, would cross national frontiers thus equalizing the now unequal power of the multis to bypass labor pressure in one country by switching production, resources and even whole plants to another.

The debate rages among statesmen, lawyers, jurists, and laymen around the question: Is there a body of international law, institutions, procedures and precedents which can appropriately be described as the "law" of human rights? We have dealt with the political side of this question in other chapters. But who is debating the question of the economic "law of human rights?" What labor union is representing the economic rights spelled out in the Universal Declaration of Human Rights?

> **Article 17:**
> [1] "Everyone has the right to own property alone as well as in association with others."
> [2] No one shall be arbitrarily deprived of his property. . ."
>
> **Article 23:**
> [1] "Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment."
> [2] "Everyone, without any discrimination, has the right to equal pay for equal work."
> [3] "Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection."
>
> **Article 24:**
> "Everyone has the right to rest and leisure, including reasonable limitations of working hours and periodic holidays with pay."

Are Labor Unions Thinking "Global"?

Under the rubrique, "Multinational Business Enterprises," the 1970-71 *Yearbook of the Union of International Associations* referred briefly to "the union point of view on industrial and commercial concentration."

> "A special August 1970 issue of the economic and social *Bulletin of the International Confederation of Free Trade Unions* was entitled: 'The International Free Trade Union Movement and Multinational Corporations.' It contains a report by Mr. Herbert Maier who, whilst acknowledging that the unions are not unaware of the positive aspects of the multinational corporations (improvement of employment and income levels, potential benefits arising from the application of new technologies, the help provided in developing and increasing both home and export markets, and speeding up the industrialization of developing countries), expressed a whole set of reservations, fears and demands which would be too long to mention here. He considered it fundamentally necessary to draw up a code of behavior to govern multinational company operations applicable both to the industrialized nations and to the developing countries. . ."

Eleven years later, in the July-August, 1982 edition of *Economic Notes*, editor Dr. Joseph Harris, Executive Director of the Labor Research Association, in an article entitled "Multinationals and U.S. Workers" writes ". . . in the era of multinational corporations, the closest cooperation between the various industrial unions in each country -- and with unions in other countries where the multinationals have spread their tentacles -- has become the necessary next step for the trade union movement." (Emphasis added.) In other words, to date, trade unions are still struggling to achieve a truly global viewpoint and thus unity. Where a "confederation" of trade unions remains the ultimate in cooperation between workers -- which, in plain language, means "equally sovereign" national trade unions, a sort of trade union United Nations, no "code of behavior" necessary to govern multinational company operations can be devised or implemented. [61]

Human economic rights can only be spoken for by representatives acting in the name of all concerned, individually and wholly.

> "A qualitative change that will enhance trade union effectiveness is coordinated union bargaining on a global scale with the MNCs on all matters relating to employment, wages and conditions." [62]

Who Can Represent the "Worker of the World"?

The worker/owner of the world, as an economic World Citizen, can only be represented by a global organization transcending national boundaries. This fundamental right of global association is sanctioned by Article 20, Universal Declaration of Human Rights:

> "Everyone has the right to freedom of peaceful assembly and association."

A world-wide trade union is likewise sanctioned by Article 23(4) of the same declaration:

> "Everyone has the right to form and to join trade unions for the protection of his interests."

Is the Mutual Affluence System Realizable?

Therefore the major elements required to evolve a "mutual affluence system" (MAS) worldwide are:

1. A legitimate world bank under the aegis of the World Government;

2. A global currency based on the conception of money as a "medium of exchange" between producers and consumers having no intrinsic value in itself, i.e., monetary world citizenship divorced essentially from monopolistic nation-state system;

3. A democratically-organized and controlled investment corporation of, for and by world citizens whereby they may cooperate and individually profit on the basis of economic justice (equity) in the purchase of approved securities of industries throughout the world; popular ownership of voting equity will lead inevitably to its legitimate protection on a global scale;

4. A world citizen labor union based on increased purchasing power through employee stock ownership plans with progressive decrease in the work/week due to full utilization of design-science, automation, ephemerization, robotics, and ecologically-sound energy sources;

5. A world institute of economic justice staffed by wholistic-thinking economists 1) to educate the world citizenry to the new global ownership philosophy and strategies, 2) to educate national and world leaders to the "new look" in affluent economic thinking as opposed to obsolete scarcity economic thinking, and 3) to educate multinational management and personnel as to the economic, social, technical, ecological and moral advantages of adopting the new economic philosophy and strategies.

Discerning readers will note there is no single element here incapable of practical realization. Indeed, the seeds of all have been sown many years ago and are already breaking ground.

Certain national, enlightened trade unions, for instance, are becoming sympathetic to ESOPs for their own members in the realization that the collision course between "big labor" and "big management", which encompasses government as well as industry, can and must be avoided at all costs. (The experience of Solidarity in Poland and industry-wide labor strikes in so-called capitalist countries leads to similar results in sheer economic terms, though not in political.)

Furthermore, both management and labor, given the totality of nuclear war, are beginning to assess their responsibility to a world public order to guarantee peace. Former president of IBM Thomas Watson's call for "World Peace Through World Trade" was a forerunner of multinational corporate recognition that war is a no-growth business, a truth which unfortunately has yet to penetrate the board rooms of many of Fortune's 500.

Labor representatives likewise, such as Ernest DeMaio, World Federation of Trade Unions representative to the United Nations, see the dead-end of the nationalistic arms race, no matter how lucrative to certain industries in the short term:

> "The military cost of bolstering deteriorating spheres of vital interests are counter-productive and can be maintained only by further reducing the living standards at home. Nor can this trend be reversed by military adventures abroad." [63]

The President of the United Electrical Workers of Canada, Dick Barry, in citing the conservatism of the national leaders of the major American labor unions, notably the AFL- CIO, as regards global responsibilities, writes that "In a climate where the peace question is coming increasingly to the forefront, we should be taking the lead to see to it that it gets discussed in our local unions." [64]

The Mutual Affluence System eliminates the need for nationalization, the chimera of old-line socialism, by implementing ownership directly to those concerned, the individual and his or her family.

As to the World Government, it already exists in the legitimate pledges of individuals throughout the world to the status of world citizen. Indeed, if human rights themselves are legitimate, then the human right to choose one's global political status is likewise legitimate.

> "Everyone is entitled to a social and international order so that the rights and freedoms set forth in this Declaration can be fully realized."

Article 28, UDHR

In sum, extending globally, there is no reason why, given our electronic, computerized, technically-advanced world that this individual ownership principle coupled with the dynamic fact of a political recognition of our species cannot transform the world in which we live so that promised land of general abundance and world peace with freedom in order to maintain the age-old thrust toward higher intellectual, cultural and spiritual worlds which have been revealed to us throughout the ages by the sages and poets.

Who owns the world?

The citizens thereof.

But we must claim it or there will be no one and nothing to claim.

NOTES AND REFERENCES

1 *Values Magazine*, Vol 4, No. 2, Gurukula Press, Varkala, India.

2 Buckminster Fuller, *Utopia or Oblivion*, (The Overlook Press, 1969), p. 242.

3 Ibid., p. 276

4 Ibid., p. 277

5 Ibid., p. 176

6 A 1982 study by the National Taxpayer's Union reveals that the U.S. Government is saddled with a "Taxpayer's Liability Index" (TLI) of over $11.6 trillion, a hidden burden of approximately $145,000 on each taxpayer. According to the report, there are now only an estimated 80 million real taxpayers left in the U.S. This TLI includes the public debt of $1,050 trillion; accounts payable, $167 billion; undelivered orders, $487 billion; long term contracts, $21 billion; loan and credit guarantees, $360 billion; insurance commitments, $2,227 billion; and annuity or pension programs, $7,281 billion. Interest payments alone on the "official" Federal debt of 1980 cost taxpayers an estimated $57 million, six times the Federal interest costs in 1960 and $14 billion more than the total Federal budget in 1950.

7 Third-world nation debt is now over $500 billion, up from roughly $100 billion a decade ago. Over 60% of that debt is owed to Western banks. Mexico is 60 billion in debt; Brazil, $87 billion; and Poland, $26 billion. With regard to African nations according to the Christian Science Monitor (February 3, 1983, p. 13), "What is significant about Africa's foreign indebtedness is not its size, but the rapidity of its growth -- from under $20 billion in 1975 to almost $45 billion in 1979 (reflecting the impact of the rise in oil prices), to $56 billion in 1981, and $66 billion in 1982." The debt problem threatens to overwhelm the world economic system. . . ." (*Christian Science Monitor*, January 25, editorial.)

9 Axel Madsen, *Private Power*, (Wm. Morrow & Co., NY, 1980), p. 11.

10 In a January 31, 1983 *U.S. News & World Report* article, "How To Get The Country Moving Again," six Nobel Prize economists, Milton Friedman, Paul Samuelson, George Stigler, Lawrence Klein, Kenneth Arrow and James Tobin expose their grasp of fundamental economic realities by ignoring: 1) the gross inequality of ownership of wealth-producing machines not only in the United States but in all other countries; 2) the dynamic relationship between war economy, i.e., the nation-state, and today's global recession; 3) the interdependence of all national economies implying that economic solutions must be wholistic or global to be realistic; 4) the imperative need for a world political order as concomitant to a world economic order.

11 J.M. Keynes, *The Economic Consequences of the Peace*, 1923.

12 *Stockholm International Peace Research Institute Yearbook*, 1979, MIT Press.

13 U.N. Publications, Sales No. 62.IX.1 (E/3593/Rev. 1).

14 Leonid Brezhnev on October 20, 1983 stated that "Only he who has decided to commit suicide can start a nuclear war." President Ronald Reagan on October 21, 1983 stated that "In a nuclear war, all mankind would lose."

16 Reply of the Government of the U.S.S.R., p. 194.

17 Stuart Chase interviewed Michael Bohr, a high official of Gosplan, the central planning agency of the Soviet Union, in Moscow in 1961. In his book *Money to Grow On*, p. 146, he recalls the following conversations: "What are you going to do about the transfer from bombs to butter; won't that bring economic disruption and unemployment?" The reply was, "Not too much. We have the transition pretty well planned. Besides, we've been through it before.... In 1959 we reduced the armed forces by two million, principally personnel for land armies and ships, now obsolete. Because of previous planning...we had no great trouble relocating the enlisted men... Placing the officers, however, gave us a good deal of trouble; they only knew how to do one thing...."
18 "Sixty firms control the capitalist system," Der Spiegel headlined a three- part inquiry into global enterprise in 1974. By 1985, the Organization for Economic Cooperation and Development (OECD) estimates, some 300 companies will produce more than half the world's goods and services, but already in 1967, *Fortune* magazine could say that the inner core of capitalism consisted of 60 enterprises, controlled by less than 1,000 individuals." Axel Madsen, *Private Power* (Wm. Morrow & Co., NY 1980), p. 40.
19 Morton Mintz, *America, Inc.*, (Dial Press, 1971), p. 12 & 18.
19a Ibid., p. 15 20 *Multi-national Corporations & World Development.*
21 Anthony Sampson, *The Sovereign-state of ITT* (Viking Press, NY 1975), p. 302.
22 M. Blume, S. Franklin, D. Wion, *The Distribution of Financial Assets*, 1973 Conference on Wealth Distribution, People's Policy Center, Wash., D.C. Also, *Broadening the Ownership of New Capital: ESOP & Other Alternatives*, Staff study, Congress of the United States, June 17, 1976, p. 13.
23 Louis O. Kelso & Patricia Hetter, *Two-Factor Theory* (Vintage Books, NYC, 1967), p. 11. "The heart of an economic system is its principle of distribution. Real wealth is goods and services; its production takes place in the physical world under natural laws that are everywhere the same. Regardless of an economy's political structure, production problems must be solved pragmatically through science, engineering, technology, management and skills of labor. Out of the production process, however, arises wealth or income, and distribution of this wealth or income involves problems of a different order. There is a political dimension to distribution as well as a physical one; its character is derived from the economy's principle of distribution." P. 12.
24 Article 24(1).
25 Karl Marx & Friedrich Engels, *The Communist Manifesto*, 1843.
26 President, Center for Economic & Social Justice, Arlington, VA.
27 Ralph Nader, *The Monopoly Makers*, (Grossman, NY, 1973), p. x.
28 Ibid., p. x.
29 The duplicity of national leaders was exposed by President Ronald Reagan in his January 25 State of the Union message wherein, with over 10 million unemployed in the U.S., he made no mention of the gross inequality of United States' ownership patterns whereas in a letter of June 12, 1981 to Delaware Governor Pierre du Pont IV, on the occasion of that state's General Assembly adoption of House Bill 31 making it the policy of the state to encourage broadening the base of capital ownership among the citizens, Reagan wrote that "I have long believed that the widespread distribution of private property ownership is essential to the preservation of individual liberty, to the strength of our competitive free enterprise economy and to our republican form of government."

30 Louis O. Kelso & Mortimer Adler, *The Capitalist Manifesto*, (Random House, 1958), p. 79.
31 Ibid., Note 2.
33 "Essence of the world's working will be to make every man able to become a world citizen and be able to enjoy the whole earth, going wherever he wants at any time, able to take care of all needs of all his forward days without any interference with any other man and never at the cost of another man's freedom and advantage." *Utopia or Oblivion*, p. 158.
34 "The war on (U.S.) inflation is not being won. Inflation at the fiscal level is simply being transferred from dollar inflation to interest rate inflation. This new inflation is clearly measured by ominous increases in budget deficits and national debt." ("Washington Wonderland", Sid Taylor, *Dollars & Sense*, Vol. 13, No. 6, National Taxpayers Union.)
35 Emery Reves, *Anatomy of Peace*, (Random House, Inc. 1945), p. 14.
36 Adam Smith, *The Money Game* (Dell, 1967), p. 20.
37 The U.S. military expenditures jumped from $44 billion in 1960 to $81 billion in 1970.
38 Ibid., Note 2, p. 262.
39 Axel Madsen, *Private Power* (Wm. Morrow & Co., 1980), p. 26.
40 Oliver Cushing Dwinnel, *The Story of Our Money*, (Meador Publishing Co., Boston, 1946), p. 88 (Note).
41 Gerald G. McGreer, *Conquest of Poverty*, (The Garden City Press, Gardenvale, Quebec, Canada), p. 174.
42 Congressional Report (Senate), Document No. 23, 76th Congress, 1st Session "The National Economy and Banking System of the United States." p. 80.
43 Stuart Chase, *Money to Grow On*, (Harper & Row, 1964), p. 79.
44 Arthur Kitson, *Trade Fallacies*, (P.S. King & Son, Ltd., Orchard House, London), p. 25.
45 Ibid., Note 2.
46 Sages express this notion as the law of fulfillment: "To he who has, it shall be given, etc." while modern-day psychologists call it the "Law of Expectations."
47 Ibid., Note 2, p. 302.
48 Ibid., Note 36.
49 See Note 34.
50 Timothy Green, *The World of Gold*, (Walker & Co., NY, 1968).
51 Ibid., Note 50, p. 217. "Even then, the SDRs will be introduced cautiously and will not provide enough liquidity to keep up with the expansion of world trade." Ibid., p. 216.
52 International Harry Schultz Letter, (July, 1975).
53 In 1974, the world's hungry totalled 740 million, according to President Carter's Commission on World Hunger, headed by Sol Linovitz. Three years later, after good world harvests, the hungry totalled 800 million. "The principal cause of world hunger," the Commission reported, "is not the occasional disaster that captures world attention, but the enduring condition of subhuman poverty that afflicts as many as 1 in 5 members of the human family." According to Linovitz, "While recent international events have heightened concern for national security, we as a people (USA) must understand that the

U.S. and other developed countries can never be secure in a world of widespread hunger and intensive poverty."
54 Nataraja Guru, Memorandum on World Government, Section V, Part 2.
55 In the words of United States Senator Charles Mathias, as quoted in today's *Monitor*, "The dilemma we face is not just an economic one, but also one of general confidence in our financial system." Editorial (*Christian Science Monitor*) January 24, 1983.
56 In 1975, only 370 shareholder proposals were submitted to the SEC of which half eventually appeared in the proxy statement. Ref.: *International Human Rights and Practice*, ABA, 1978.
57 "With the firm's (Lockheed Aircraft) resources spread out all over the world and the firm's threats and opportunities similarly dispersed, the managers have seen themselves as exposed and vulnerable. As they see it, the sovereign states can apply force with little or no restraint. With impunity, they can break previous commitments, raise taxes, cancel patents, nationalize properties, and expropriate assets." Raymond Vernon, Director, Harvard Center for International Affairs, Cambridge, Massachusetts.
58 Such as: The Religious Order for Corporate Responsibility, New York, NY.
59 Ibid., Note 23.
60 Ref.: Center for Economic & Social Justice, P.O.B. 40711, Wash., D.C. 20016.
61 "Theoretically, labor should have no difficulty countering the challenge of global enterprise. In reality, however, unions are stuck in neutral, benevolent monopolies too chauvinistic and too parochial to accommodate to modern economics. Although their early leaders called upon workers to unite, unions pay only lip service to the brotherhood of the laboring masses when it comes to risking jobs to support workers in other lands. In thinking, structure and goals, they are rooted in the last century." Axel Madsen, *Private Power*, p. 181.
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64 Ibid., p. 6.