

• Copies of CESJ's *Every Worker an Owner* were sent out on May 6 to every AID mission around the world, under the signature of USAID Administrator Alan Woods. (See attachment.) This is a significant first step by AID to promote among its own mission officers greater awareness of expanded capital ownership technologies such as the Employee Stock Ownership Plan (ESOP). The recent report of the President's Commission on Privatization recommended that AID promote ESOPs in developing countries as a means for privatizing state-owned enterprises. Unlike traditional methods of privatization, the ESOP would decentralize access to capital credit as a way of generating new ownership opportunities for workers and other non-owning citizens. This in turn would create a broader constituency for privatization and free market policies.

• Luis Alberto Monge, president of Costa Rica from 1982 to 1986, recently advocated employee ownership in Central America. In an article published in the Miami Herald (2/29/88), Monge proposed a five-point plan for economic cooperation and growth in Central America, stressing that "...countries of the region must adopt new and innovative plans to ensure that our workers have the opportunity to become shareholders in the enterprises they have worked so hard to make productive and successful." Noting that this strategy was proposed to President Reagan last summer by the Presidential Task Force on Project Economic Justice (initiated by CESJ), Monge added that the task force's report is creating "considerable interest" among Central American unions and labor-management groups.

• A Washington Post article (3/31/88) reports that the Soviet Union plans to set up a bank in 1989 to finance the many semi-independent cooperative businesses that are emerging in the U.S.S.R. (already over 14,000 according to the Soviet news agency Tass). Commenting on the government's recent encouragement of individual incentives through these cooperative (as opposed to collective) ventures, the Post noted, "Gorbachev...has defied orthodox

Soviet ideology by saying that individual profit is legitimate so long as workers are not exploited."

• Bruce Mazzie, manager of AID's Investment Promotion Program in Egypt, was awarded the first CESJ Soldier of Justice Certificate on April 16 at the Center's annual celebration in Virginia. Bruce, who served as the Executive Director of the PEJ Task Force, was recognized for his many contributions to the cause of economic justice. Bruce's recent efforts have been instrumental in establishing an ESOP joint venture between Pirelli Tire and Egyptian-owned TRENCO. The new company should provide 610 employees with a 30% ownership stake.

• Also honored at CESJ's celebration were Kris and Danuta Ludwiniak, who have now completed the Polish translation of *Every Worker an Owner*. The translated copy has been sent to Paris for final editing and is due for printing and mass distribution in Poland by the end of the year.

• CESJ Pres. Norman Kurland has been retained as principal advisor to the 800-member Dan River Employee Stockholders' Association. DRESA is now mobilizing a legal team in its bid to restore the private property rights of the Dan River employee-shareholders. The 8,500-employee Dan River, Inc., a 100-year-old textile plant in Danville, Va., "went private" in 1983 through a leveraged ESOP, in order to ward off corporate raider Carl Icahn. DRESA contends that even though the ESOP holds over 60% of company stock, employees had no voice in a recent decision to terminate the ESOP and sell shares to the public, nor can they vote for members of the Board of Directors.

• The American Freedom Coalition plans to form an Economic Justice Initiatives task force to promote expanded capital ownership as a grassroots political issue. They have also expressed interest in developing expanded ownership models for residents and workers within inner city areas.

• Congratulations to the recently formed Pittsburgh Chapter of CESJ for more than doubling its membership in the last few months (from 8 to 17 members).

• And many thanks to CESJ friend Humberto Rodriguez, President of the Dallas-based Free People Foundation, for distributing copies of the March *Newsbriefs* "to people in all levels of society" during his recent trip to Korea.

May Meeting of CESJ

When: Saturday, May 21, 9:30 a.m. - 2:00 p.m.

Where: National Graduate University

1101 N. Highland St., Arlington, VA

(across from the Clarendon Metro station)

Information: Call Dawn Kurland at (703) 243-5155

Bring your project ideas, questions, and creative input to this month's CESJ Brainstorming-Action Session. Some of the items on the agenda will include CESJ educational programs, "marketing" the Industrial Homestead Act, CESJ chapter development, and creating an Economic Justice Company Award.

*** Closing Thoughts ***

"Responsibility for a social system is the groundwork of civilization. Without a society in which life and property are to some extent secure, existence can continue only at the lowest levels--you cannot have a good life for those you love, nor can you devote your energies to activity on the higher level."

Alfred North Whitehead
(Dialogues of Alfred North Whitehead,
Atlantic Monthly Press, 1954.)