



The Just Third Way:

A Graphic Overview

THE JUST THIRD WAY: A GRAPHIC OVERVIEW



**“We the people of the
United States, in order to
form a more perfect union,
establish *justice*....”**

**Preamble to the Constitution
of the United States**



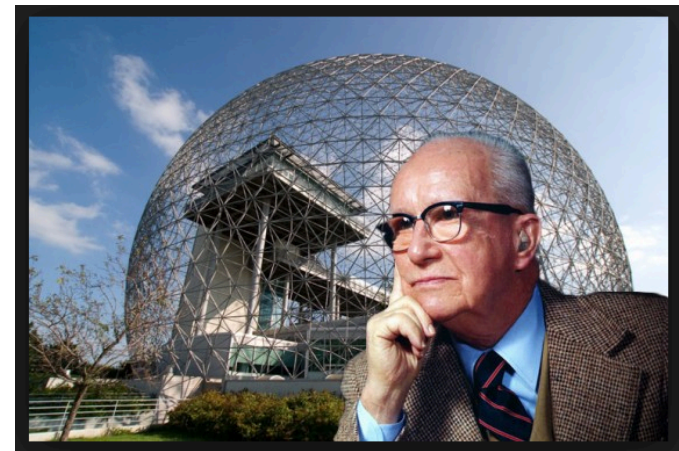
**“It is absurd to entrust
the defense of a
country to people who
own nothing in it.”**

Diodorus Siculus

THE JUST THIRD WAY: A GRAPHIC OVERVIEW

“We are called to be
architects of the future, not
its victims.”

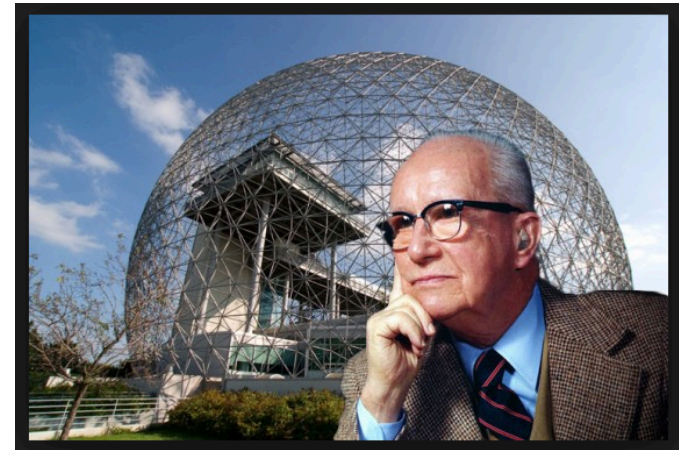
R. Buckminster Fuller



THE JUST THIRD WAY: A GRAPHIC OVERVIEW

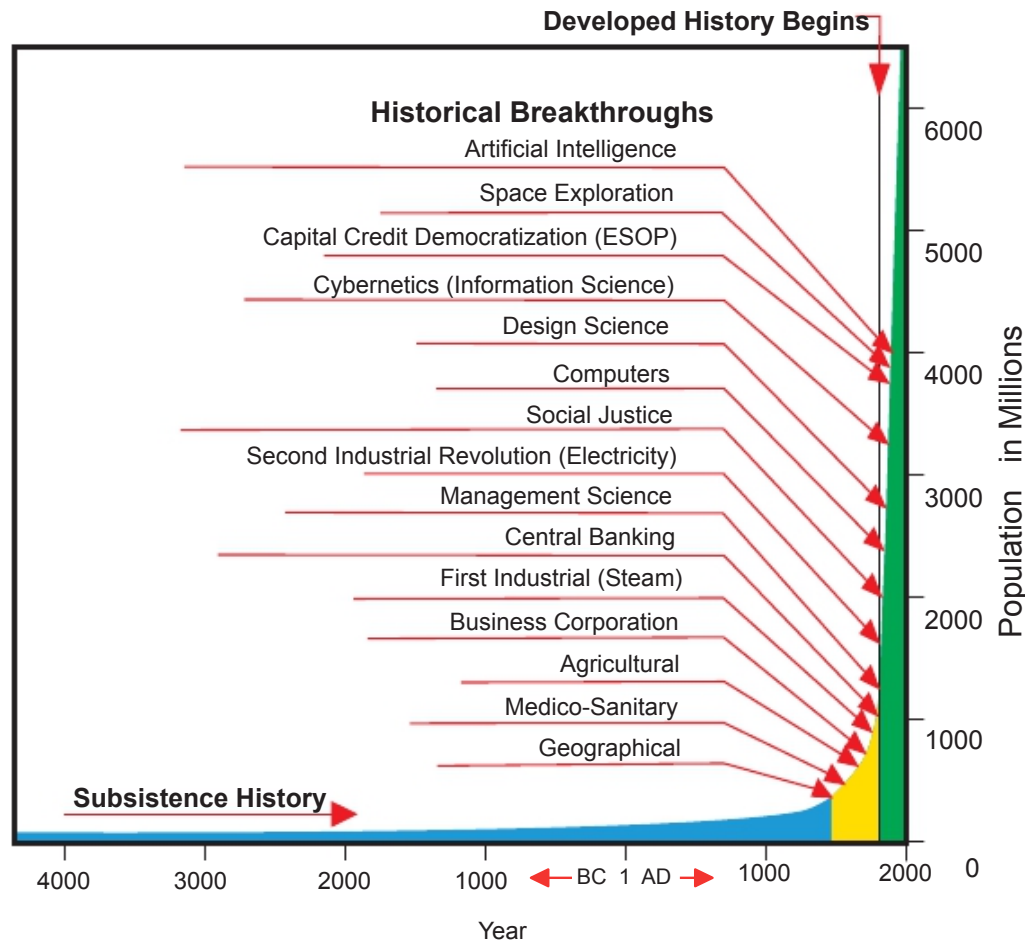
“[Our challenge is to] make the world work for 100% of humanity in the shortest possible time through spontaneous cooperation without ecological offense or the disadvantage of anyone. .”

R. Buckminster Fuller



THE JUST THIRD WAY: A GRAPHIC OVERVIEW

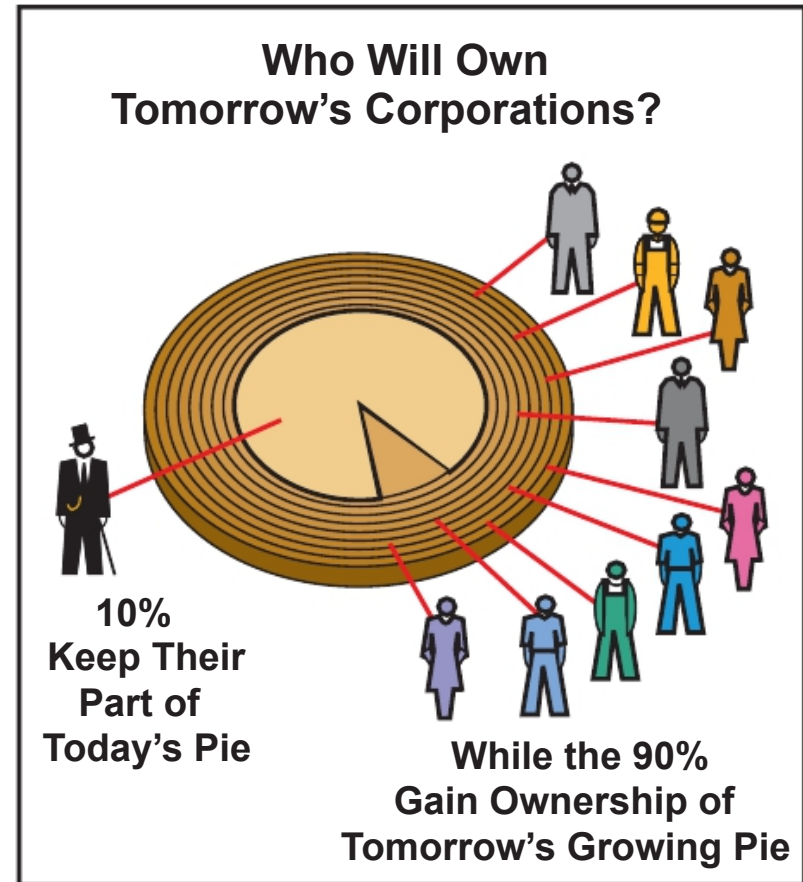
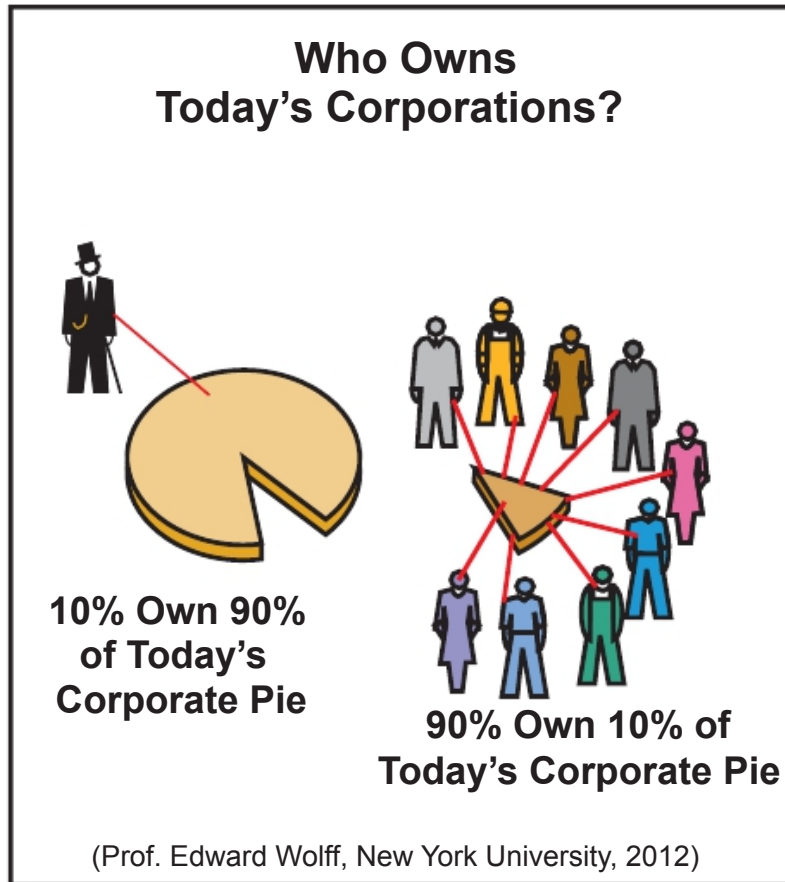
The Development Curve



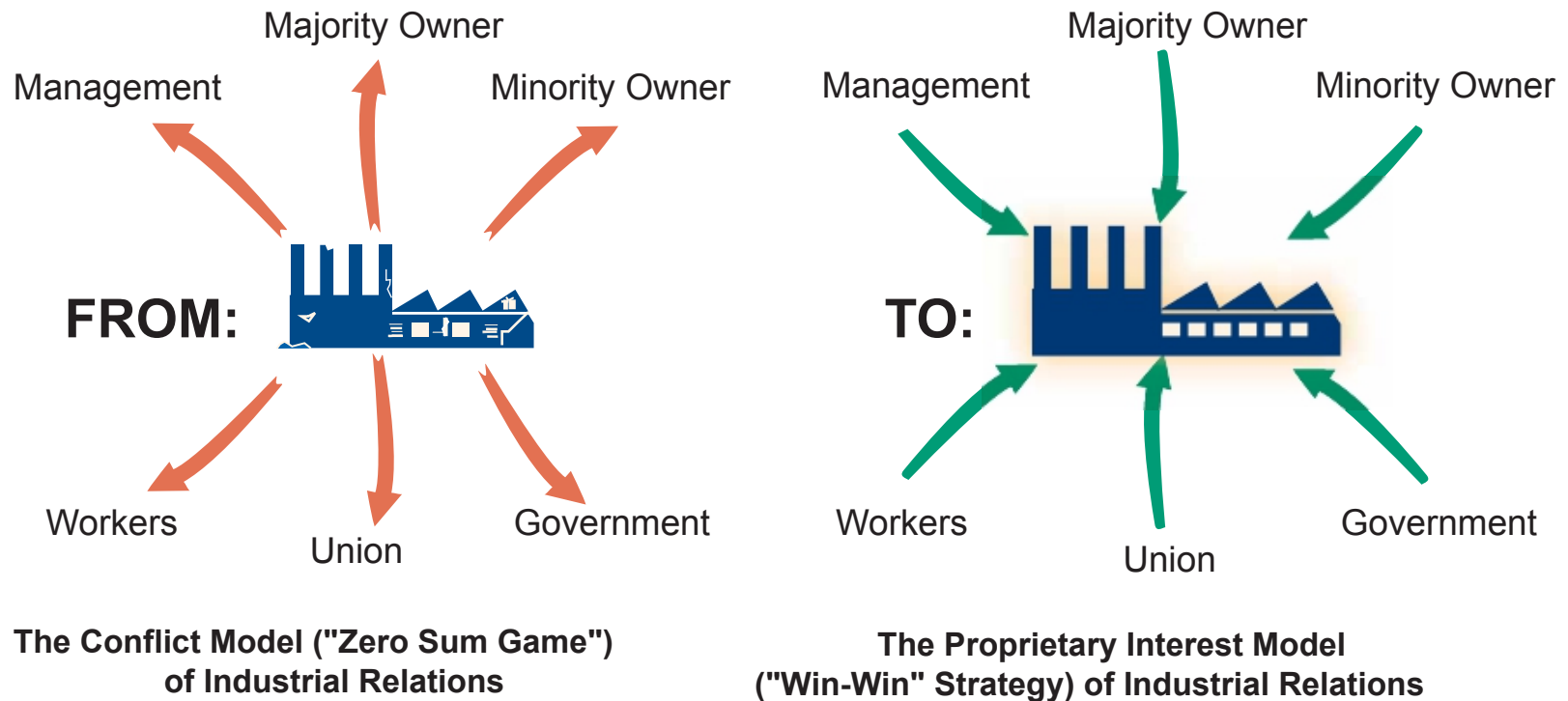
This graph traces the growth of population through all recorded history, and projects population growth into the Twenty-First Century. However, the same sort of curve - a near right angle slightly rounded at the corner - is of quite general application, and would be followed fairly closely by almost any significant factor of modern civilization.

The reason why one curve fits so many and such varied factors of modern life is that what it really measures is the passage of the human race from one kind of history to another: from subsistence to what is now called development. This passage and its implications constitute the single most important clue to an understanding of our civilization - and of all history before it.

Distribution of Corporate Ownership

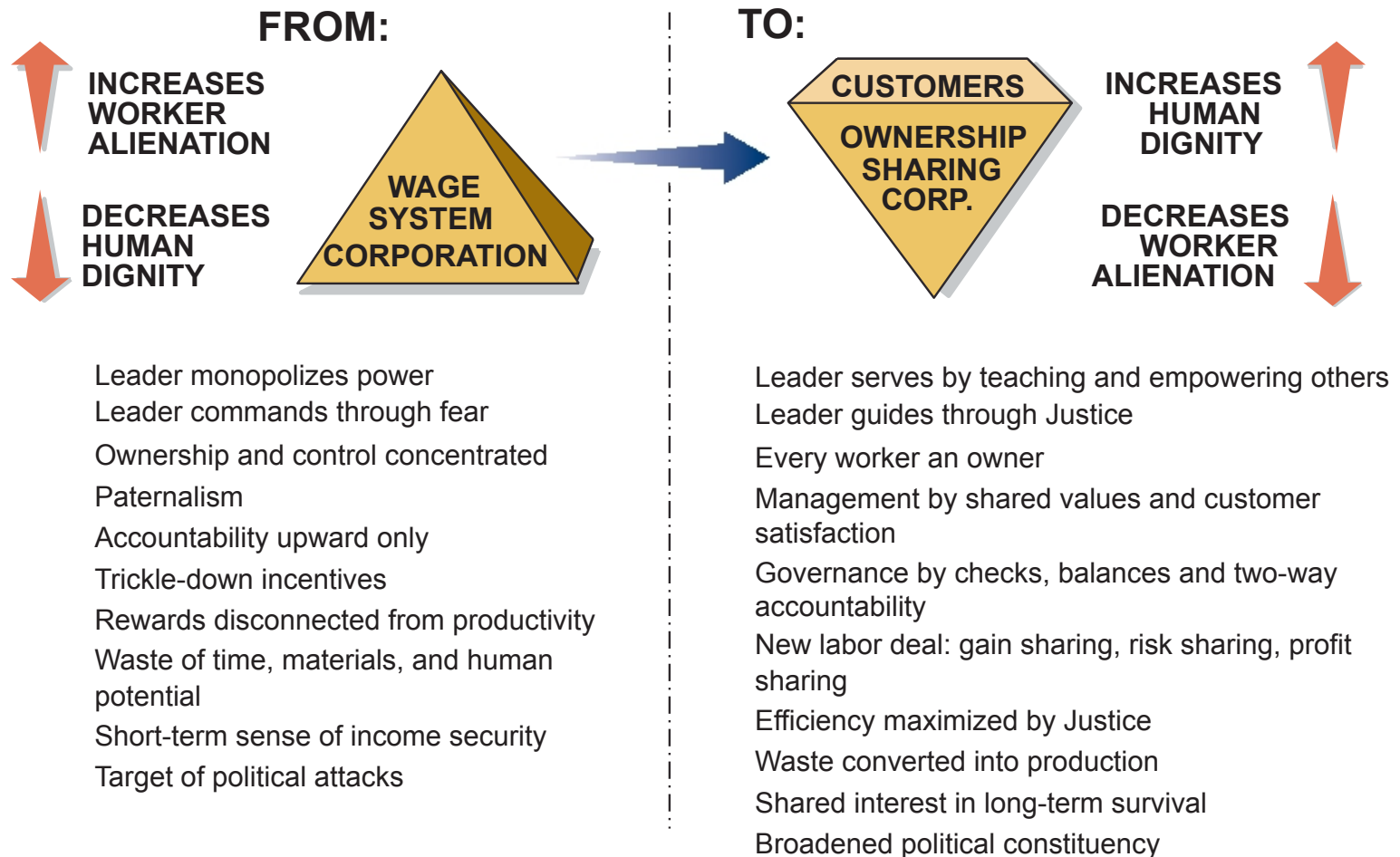


The Problem: Transforming the Corporation



THE JUST THIRD WAY: A GRAPHIC OVERVIEW

Objective: Justice-Based Management

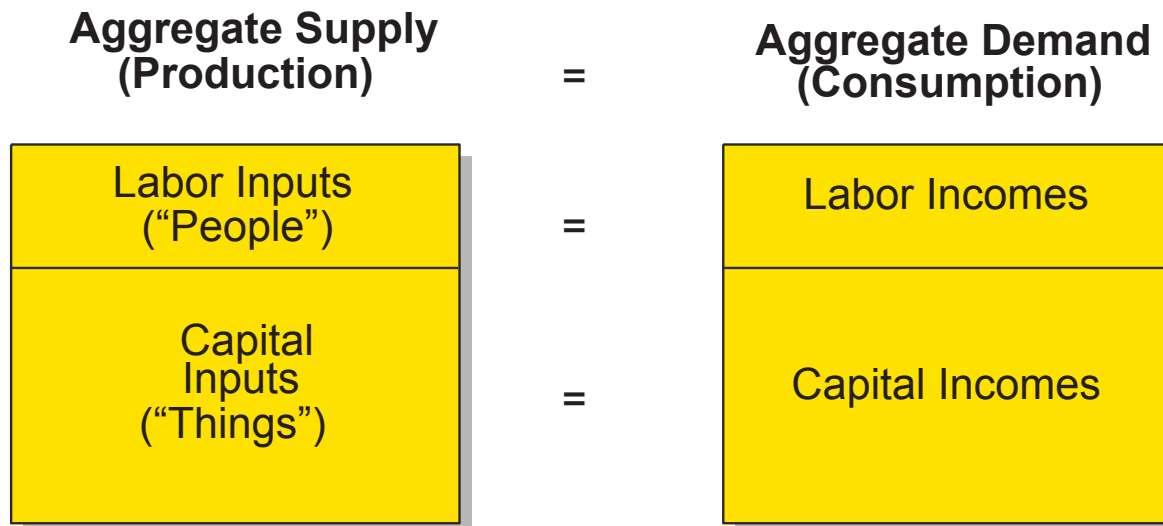


The Moral Basis of the Just Third Way



**The Dignity and Empowerment
of Each Human Person**

Market-Based Equilibrium Under Kelso's Binary Economic System



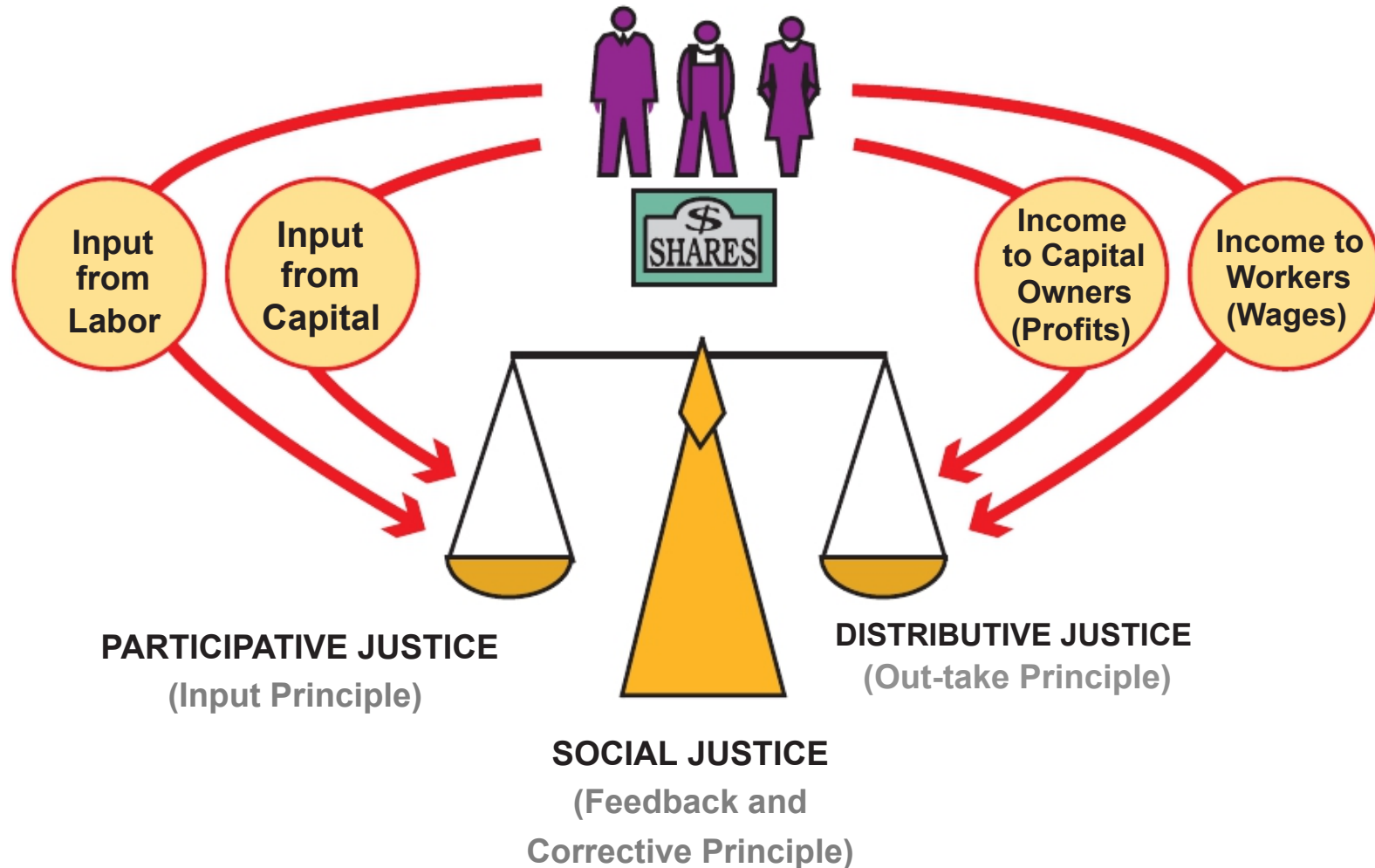
Reforms to Money and Growth Capital Financing System

**Democratization of Access
to Insured Capital Credit**

=

**Repayment of Growth
Capital Loans with
Growth Capital Profits
("Future Savings")**

The Three Principles of the Kelso-Adler Theory of Economic Justice



THE JUST THIRD WAY: A GRAPHIC OVERVIEW

The Four Pillars for Building a More Just Economy

EXPANDED CAPITAL OWNERSHIP

Goal

Promote widespread citizen access to capital ownership

Means

Democratization of productive credit

Result

Decentralizes economic power and profit sharing to each citizen

1

LIMITED ECONOMIC POWER OF THE STATE

Goal

Shift state ownership and control over production and income distribution to the citizens

Means

Limit government power over economy

Result

Promotes economic justice for all and increases revenue for public sector programs

2

PRIVATE PROPERTY

Goal

Restore personal rights of property in the means of production, particularly in corporate equity

Means

Reform laws which deny shareholders the full rights of property

Result

Secures personal choices and economic self-determination

3

FREE AND OPEN MARKETS

Goal

Restore free and open markets

Means

Gradually eliminate all non-voluntary methods of determining prices, wages, and profits

Result

Decentralizes economic choice and empowers each person as a consumer, a worker and an owner

4

THE JUST THIRD WAY: A GRAPHIC OVERVIEW

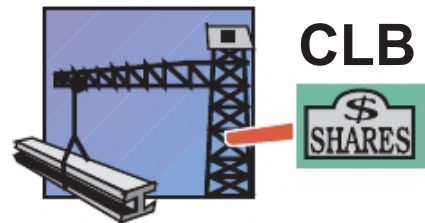
Capital Homesteading

Through access to low-cost capital credit, citizens would build up their capital accumulations through such vehicles as ESOPs, CHAs, CLBs and CSOPs, as well as through inheritance, gifts, savings, etc.

**Employee Stock Ownership Plan
For Corporate Employees**



**Capital Homestead Account
For Every Citizen**



**Citizens Land Development
Bank/Cooperative for Residents**



**Consumer Stock Ownership Plan
For Utility Customers**



THE JUST THIRD WAY: A GRAPHIC OVERVIEW

What Capital Homesteading Would Mean to the Average Citizen

Projected Tax-Sheltered Wealth Accumulations and Pre-Tax Income Under Capital Homesteading

Assumptions:

1	0	Accumulation Beginning at Birth
2	2.00%	One-Time Discount Rate (Assumes Immediate Rediscounting at Central Bank)
3	4.50%	One-Time Initial Risk Premium (Capital Credit Insurance and Reinsurance)
4	\$ 7,000.00	Annual Capital Credit Allocation
5	8	Term of Acquisition Loan in Full Years
6	15.00%	Pre-Tax ROI

Calculations from Assumptions:

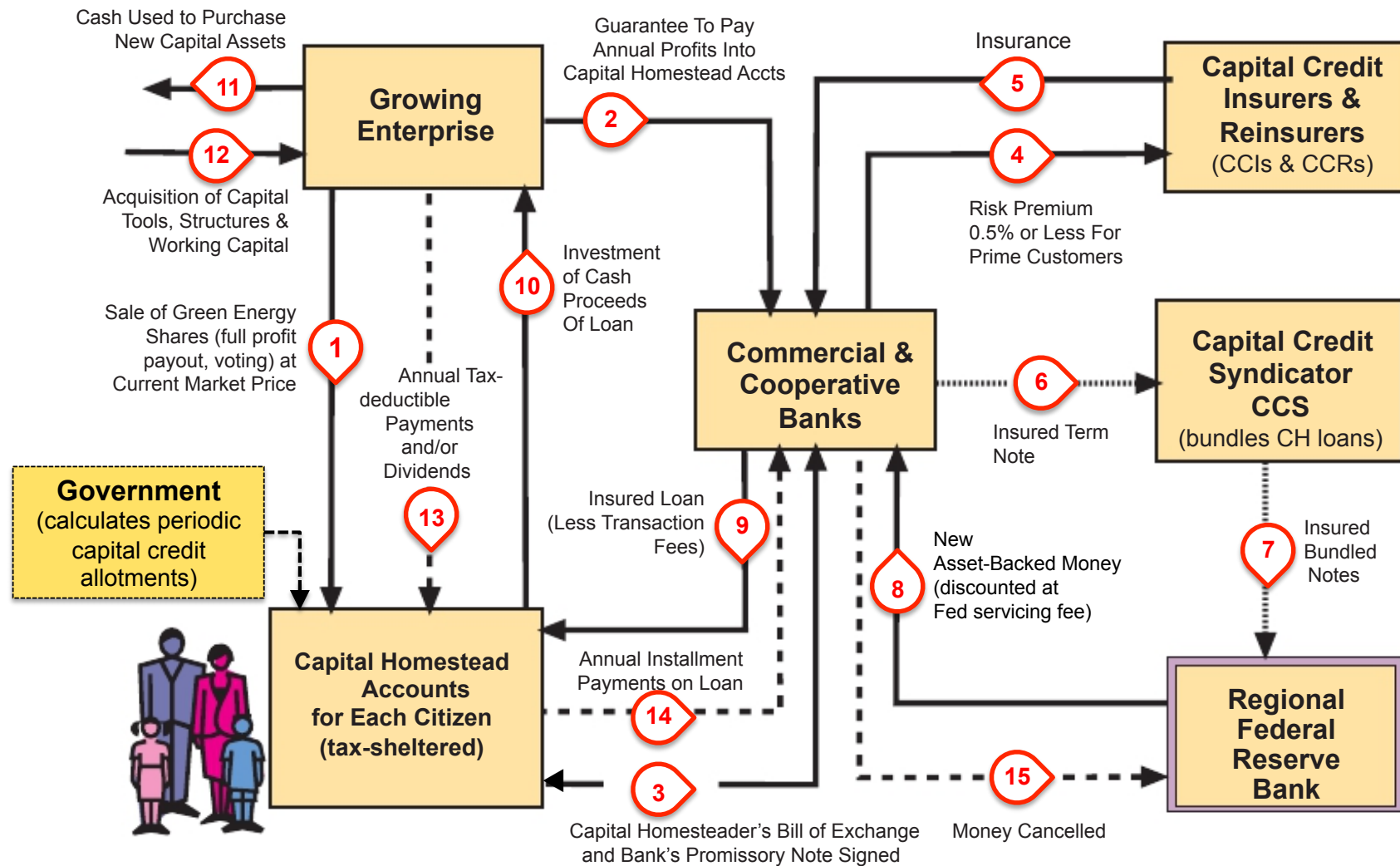
7	\$ 140.00	Commercial Bank Discount Amount
8	\$ 315.00	Capital Credit Insurance Premium Amount
9	\$ 6,545.00	Cash Available to Homesteader Each Year to Purchase New Shares
10	\$ 981.75	Annual Earnings Per Loan
11	7.1301	Payback Period (In Years)
12	\$ 981.75	Annual Payment of Principal per Loan

Capital Homesteading Wealth Accumulation Projections

A Age	B Cap. Homestead Accumulation	C Annual Earnings	D Debt Service Payment	E Acquisition Debt Balance	F Annual Net Income	G Aggregate Dividends
0	\$ 6,545.00	\$ 981.75	\$ 875.00	\$ 6,125.00	\$ 106.75	\$ 106.75
1	13,090.00	1,963.50	1,750.00	11,375.00	213.50	320.25
2	19,635.00	2,945.25	2,625.00	15,750.00	320.25	640.50
3	26,180.00	3,927.00	3,500.00	19,250.00	427.00	1,067.50
4	32,725.00	4,908.75	4,375.00	21,875.00	533.75	1,601.25
5	39,270.00	5,890.50	5,250.00	23,625.00	640.50	2,241.75
6	45,815.00	6,872.25	6,125.00	24,500.00	747.25	2,989.00
7	52,360.00	7,854.00	7,000.00	24,500.00	854.00	3,843.00
8	58,905.00	8,835.75	7,000.00	24,500.00	1,835.75	5,678.75
9	65,450.00	9,817.50	7,000.00	24,500.00	2,817.50	8,496.25
10	71,995.00	10,799.25	7,000.00	24,500.00	3,799.25	12,295.50
18	124,355.00	18,653.25	7,000.00	24,500.00	11,653.25	78,032.50
19	130,900.00	19,635.00	7,000.00	24,500.00	12,635.00	90,667.50
20	137,445.00	20,616.75	7,000.00	24,500.00	13,616.75	104,284.25
21	143,990.00	21,598.50	7,000.00	24,500.00	14,598.50	118,882.75
30	202,895.00	30,434.25	7,000.00	24,500.00	23,434.25	294,448.00
40	268,345.00	40,251.75	7,000.00	24,500.00	33,251.75	582,786.75
50	333,795.00	50,069.25	7,000.00	24,500.00	43,069.25	969,300.50
65	431,970.00	64,795.50	7,000.00	24,500.00	57,795.50	1,733,149.25
70	464,695.00	69,704.25	7,000.00	24,500.00	62,704.25	2,036,853.00

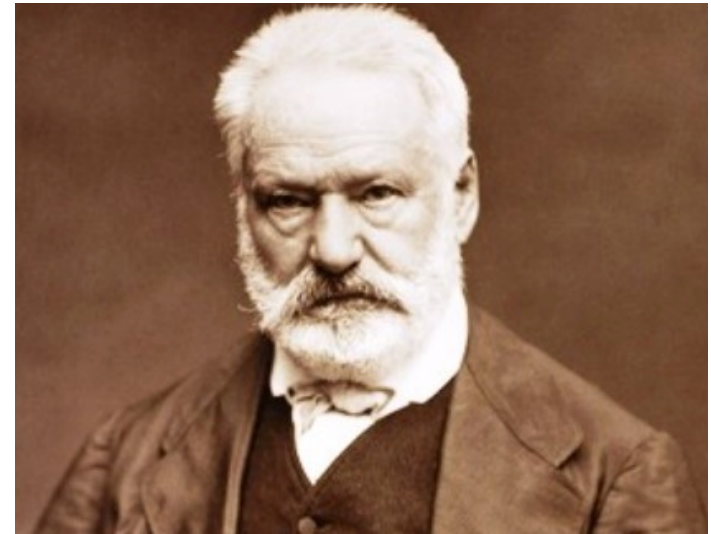
THE JUST THIRD WAY: A GRAPHIC OVERVIEW

Financing Green Growth Through Citizen Ownership



**“There is one thing
stronger than all the
armies in the world, and
that is an idea whose
time has come.”**

Victor Hugo



THE JUST THIRD WAY: A GRAPHIC OVERVIEW



CENTER FOR ECONOMIC AND SOCIAL JUSTICE

P.O. Box 40711 • Washington, DC 20016

T: 703.243.5155 • E: info@cesj.org • Web: www.cesj.org

101614

CENTER FOR ECONOMIC AND SOCIAL JUSTICE • www.CESJ.org