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Wall Street or the Common Good

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David Korten was an insider in the development establishment for several decades. He worked for the Ford Foundation and USAID and taught at Harvard University's Graduate School of Business. Having severed his ties to the past, today he is a leading voice for economic and social justice. He is co-founder and board chair of YES! Magazine. He is the author of "When Corporations Rule the World," "The Great Turning," and "Agenda for a New Economy."

A defining reality is that our U.S. economy is in a shambles. The 2008 financial crash, born of Wall Street excess, has stripped tens of millions of honest, hard-working, and talented Americans of their jobs, homes, and retirement assets and plunged them into poverty and despair. But as bad as conditions are for us white people, they're far worse for people of color, and they're particularly bad for young people just entering the labor force, already in debt bondage to the Wall Street system. Poverty has risen to a near 30-year high. The only social mobility currently, except for that 1% at the very top, is downward. Millions lack health insurance, schools are failing, prison populations are swelling. American workers put in more hours than workers in any other high-income country, all at the expense of their health, families, and community life. Employment security is a thing of the past. And wages of working people are stagnant or declining.

It all traces back to the actions of a few Wall Street CEOs and financiers who use their political power to game the system to their personal advantage. Free-trade agreements were used to outsource jobs, to bust unions, and push down wages so corporate CEOs and financiers could capture the productivity gains as bonuses to accumulate grand fortunes. Meanwhile, to put money on the table, families, dependent on wages that no longer cover basic necessities, are forced into debt bondage to the bankers who hold their credit-card and mortgage debt.

The now very rich declared class war on the nation some years back, never revealing their true purpose. And they have won. The top 1% of Americans now have greater combined net worth than the entire bottom 90%. That is an extraordinary disparity. And the system is rigged to further increase their advantage, to further widen that gap. That's why people are starting to come out on the streets. Hopefully, the media will eventually figure it out. Obscene inequality is unraveling America's social fabric. It undermines the bonds of family and community and the sense of shared interest needed to support public investment and essential programs and infrastructure. Without a radical system restructuring, growth in inequality is guaranteed to increase.

Then there's that thing about nature, the biosphere, on which the lives of all species, including humans,

depend. A Wall Street-cultivated addiction to endless, mindless, economic growth to increase the financial fortunes of the few is disrupting Earth's climate patterns, reducing Earth's capacity to support life, and further fueling social breakdown by creating millions of environmental, political, and economic refugees uprooted from family and community in search of a means of survival. These are all symptoms of economic failure, and they're also symptoms of a Wall Street-dominated political system incapable of competent corrective action.

Part of what we're looking for here is an overarching, framing story for those of us who identify as progressives. It's partly recognizing that all the many causes that we are engaged in trace back ultimately to this dysfunctioning economic system, which functions as the operating system of the society. And within that, the piece that I'll talk a little bit about tonight, the money system, the system by which money is created and allocated, is actually the operating system of that economy. That traces back to Wall Street.

The greed-driven, money-serving, corporate-ruled Wall Street economy measures its success exclusively by the financial profits it generates for the already rich. It neither acknowledges nor accepts responsibility for the economic, social, environmental, and political devastation that it leaves in its wake. The democratic, community-rooted, market-based, life-serving Main Street economies that ordinary people are rebuilding across the nation and around the world measure their success by their contribution to securing adequate and meaningful livelihoods for everyone in a balanced relationship to nature. Fundamentally different economies. So the issue is not pro-business or anti-business, it's not even money versus non-money. It's about the way the system is organized. And we have examples of two extremely different systems.

The differences between these two economies trace directly to their contrasting models of ownership. The Wall Street economy features the absentee ownership of publicly traded, limited-liability corporations for which short-term financial profit is the sole measure of performance. This is a system designed to distribute wealth upward and risk downward and to facilitate reckless speculation and rampant fraud. It's interesting. I

come out of a business school background. My field is actually organization. So my field of study is about how enterprises, businesses, are organized and how the organization of a business shapes the behavior of people in it. One of the things I came to realize is that there are very different ways to structure an enterprise, many of which trace back to how the ownership is structured. And that structure absolutely determines whether that business can operate the way every business should, in service to the community, or as an instrument of expropriation and wealth destruction. That's part of what we're dealing with here.

In contrast to the Wall Street system, which through this system of public trading of shares introduces an extreme form of absentee ownership, the Main Street economy is based on rooted, living ownership by real people—responsible, living ownership of locally rooted businesses by people who care about the health and vitality of their community and its natural environment. It makes a natural connection. Real prosperity begins with Main Street. Unfortunately, by the current arrangements of how our economic system is structured, the predominance of power resides in Wall Street, not in Main Street. One simple way of framing our agenda is through changing rules in ways that shift the power advantage from Wall Street to Main Street. Simple and straightforward as an underlying concept. So this distinction between Main Street and Wall Street is essential to understanding why our economic system is failing and what we can do about it.

I want to give you this example from the current news, because this distinction between Wall Street and Main Street is consistently ignored by the corporate media. Even though they may mention the terms, they never address the implications. Take an example. We regularly hear pundits debating the question, Do we face a double-dip recession? Does it ever seem a strange question to you? Because, of course, it assumes that we got out of the recession. For most of us, what we've experienced and what our neighbors and our children have experienced is not a recovery at all. So what are they talking about?

It turns out it's very simple. The Wall Street economy has recovered. And the pundits and the economists, the measures they use to evaluate economic performance relate to the performance of the Wall Street economy, not the Main Street economy. But most of us live in the Main Street economy. It's just one example of how out of touch our media, our pundits, and most of the analysts working on our economy are. And it's why sometimes we get a little confused and have a hard time understanding what's going on, because we're not getting the perspective that relates to reality as we know it.

This brings us to the second part of our theme—capitalism and the common good. I assume most of you were raised the same way I was, being taught from birth

that capitalism is synonymous with markets, democracy, and individual liberty, and being consistently told that whatever capitalism's flaws may be, the only alternative to capitalism is to sacrifice our liberty to central economic planning by unaccountable, innovation-killing, communist bureaucrats. Scary. This sets up a false and dangerously self-limiting choice between two economic models, both of which in fact create concentrations of unaccountable power that stifle liberty and creativity for all but those at the very top. Communism is dead. As we look for solutions to our current economic crisis, the relevant distinction is not between capitalism and communism but, rather, the distinction between Wall Street and Main Street.

The economy internal to a global corporation is managed as an authoritarian, centrally planned economy in which any decision made at a lower level in the organization can be immediately overruled by top management. When our world economy gets divided up between global corporations, that is introducing a form of economic central planning. We're not supposed to notice that. The folks at the highest level, the managers at the top, can hire or fire thousands of people, they can buy or sell subsidiaries, all at a moment's notice, and with no recourse by the people whose lives are affected. That's the essence of this capitalist global economy. And, of course, it is all to maximize financial returns to those members of society who have the least need for more money. The global Wall Street economy is comprised of such corporations, each of which seeks to extend its monopoly control of markets, physical resources, and technology.

This is about penetrating these myths about the market economy and capitalism as the champion of markets and liberty. The business of Wall Street is not to create wealth; it is to expropriate it. From a national perspective, Wall Street cloaks itself in the American flag. I'm sure you've all seen pictures of the Stock Exchange with the big American flag across the front. So it cloaks itself in the American flag, but most of its institutions offshore their profits to avoid paying their share of the taxes required to maintain the American infrastructure, essential services, and national security on which their profitability depends. The actual relationship of Wall Street to America is very much that of an alien occupier.

The Main Street economy, by contrast, is comprised of local businesses and working people who self-organize in local markets within a framework of community values and democratically determined rules to provide livelihoods for themselves, their families, and their communities by producing real goods and services in response to community needs. Main Street is about people working together in their communities to create wealth to their mutual benefit. This is what real markets and real democracy are about.

So as our forebears liberated America from rule by a distant king and the British East India Company, the first

of our modern corporations, we must now liberate America from rule by Wall Street. Main Street exemplifies the market economy envisioned by Adam Smith. Wall Street is the antithesis of what Adam Smith had in mind. He would be turning in his grave to hear that he is often referred to as the father of capitalism. What we have is exactly what he railed against in *The Wealth of Nations*. Adam Smith believed that people have a natural and appropriate concern for the well-being of others. This belief was the foundation of his vision of a market self-organized by mindful individuals who act with an inherent sense of responsibility for the well-being and happiness of their neighbors. He also recognized the responsibility of government to restrain those who fail in that duty. Adam Smith and the political economists who followed in his tradition developed an elegant theory of the market's capacity to self-organize for the common good for so long as it fulfilled a number of carefully articulated conditions, including the following:

Buyers and sellers must be too small to influence the market price and must honor basic principles of honest dealing. Income and ownership must be equitably distributed. Complete information must be available to all participants, and there can be no trade secrets or patent monopolies. Sellers must bear responsibility for the full costs of the products they sell, and they must be incorporated into the sales price. Investment capital must remain within national borders, and trade between countries must be in balance. Savings must be invested in the creation of productive capital rather than in speculative trading.

So if you've been paying attention, you've probably noticed that the Wall Street economy systematically violates every one of these principles. Furthermore, Wall Street uses its political power to rewrite our laws to facilitate the violation of each of these principles.

Let's look at the term "capitalism." The term was originally coined in the mid-1800s to refer to an economic and political regime in which ownership and benefits of capital are appropriated by the few to the exclusion of the many through whose labor capital is made productive. The control of capital by the few for their exclusive private benefit, to the exclusion of the needs, concerns, and rights of those people whose labor makes capital productive. This definition, of course, fits Wall Street perfectly, which suggests—surprise—capitalism and the common good are mutually exclusive. I know you've been waiting breathlessly for that. Do not confuse capitalism with markets. As I noted, capitalism strives for monopoly to defeat the corrective mechanisms of the market. Capitalism, as originally defined and as we know it, is not only antidemocratic, it is also anti-market.

Markets can, in fact, work wonderfully for many functions, within a framework of clear rules and an ethical culture. The stronger the relations of mutual trust and caring and the more equitably economic and political

power are distributed, the more the market becomes self-policing and the less need there is for formal governmental intervention. By contrast, an economy comprised of powerful global corporations governed by a culture of greed and a belief that their only legal duty is to maximize their profits, not to mention their executive bonuses, is a very different situation. The common good is not served by the invisible hand of the market in this instance but requires the strong and visible hand of an intrusive government to limit the abuses and clean up the messes. But in a situation like ours, when the power of big corporations melds with the power of big government in the service of an authoritarian oligarchy, we have what is technically known as fascism. The term "free market"—very important, the distinction between the market and the free market—the "free market" is a code word for an unregulated market, a market without rules. A market without rules is a contradiction. Markets must function within a framework of rules or you end up with this concentration of unaccountable power, which destroys the whole concept of a market.

For millennia, humanity's most celebrated spiritual teachers have taught us that society works best and we all experience our greatest joy and fulfillment when we share, cooperate, and are honest in our dealings with one another. For the past few decades this truth has been aggressively challenged by market fundamentalists, proponents of an immoral and counterfactual ideology that has assumed the status of a modern state religion. Believers in this religion of market fundamentalism worship the god of money. Stock exchanges and global banks are their temples. They proclaim that everyone does best when we each seek to maximize our individual financial gain without regard to the consequences for others. In the eyes of a market fundamentalist, to sacrifice profit for some presumed social or environmental good is immoral. By Wall Street ethics, greed is a virtue and sharing is a sin.

The financial collapse of 2008 penetrated Wall Street's carefully fabricated facade to reveal the inner workings of Wall Street capitalism as a criminal syndicate engaged in counterfeiting, predatory lending, usury, tax evasion, fraud, and extortion, to mention a few of its crimes. And guess what? We learned that the religious teachers were right. Greed does not serve the common good. Isn't this astonishing? Wall Street operates with the ethics of a criminal syndicate. Now, you don't fix a criminal syndicate by appeals to its moral conscience. You shut it down through the enforcement of laws that protect the public interest.

So as our forebears liberated America from rule by the distant king and the British East India Company, we will again note we must now liberate ourselves from Wall Street. It is no mystery what we need to do, because we did it before in response to the Great Depression of the 1930s, which was also a creation of Wall Street excess not

that different from what we now experience. We solved that problem by putting in place a highly progressive tax system and strong regulation of Wall Street banks and corporations. That's interesting. The resulting American economy funded our victory in World War II, it created the American middle class, it made America the world leader in industry and technology, and it made the American dream a reality for a substantial majority of Americans. This well-regulated and fairly taxed economy served us well until Wall Street began mobilizing in the 1960s to launch an assault on regulation, unions, social safety nets, and taxes on the rich. And as its power grew, Wall Street players became ever more skilled at pushing down wages and benefits, eliminating and outsourcing jobs, and shifting financial markets from a focus on long-term investment to short-term speculation.

In terms of the current political conversation, this is foundational. Contrary to the Wall Street propaganda, Wall Street is a demonstrated job killer, not a job creator. We need to stand up and make that clear every time we hear that nonsense about Wall Street being a job creator. Wall Street banks and corporations have no interest in creating American jobs, no interest in educating American children, no interest in assuring that Americans have health care and retirement security. They appeal for ever more tax breaks and regulatory relief to have yet more money on hand to use as they used their taxpayer bailout money—to increase executive bonuses, pay dividends, buy other companies, buy back their own stock, buy political favor, create new financial bubbles, and outsource yet more jobs—none of which produces any benefit for America. So increasing Wall Street taxes and regulation will actually contribute to increasing jobs by shifting power from Wall Street job killers to Main Street job creators. Can you remember that? Every chance we get, we need to get this message out. We're not buffaloes by this nonsense propaganda.

To fully understand the extent of Wall Street's deception, it is necessary to recognize the difference between phantom wealth and real wealth. When I was a student in business school, our professors taught us how to identify investment options that maximize financial return. That's much of what business school education is about: How do you make decisions to maximize returns to money. I don't recall that our professors ever mentioned that a practical consequence of this is that making decisions based on that criterion maximizes financial returns to people who have money. It makes rich people richer. I finally figured that out in my years working in international development overseas. Because every time USAID or the World Bank or any of the other major institutions, design a development project, you have to justify it that this approach will generate a higher financial return than any other option, which means maximizing the return to money and to people who already have money. Whereas real development, of course, should be

maximizing returns to the people who don't have any money. Very simple.

The other thing that my professors never thought to mention—surprise—money is a system of power. Have you ever heard that mentioned in an economics course? Money is a system of power. And the more our lives depend on money to meet every one of our basic, essential needs, the greater our subservience to those who control the creation and allocation of money. I don't recall that I ever asked my professors, So what is money? What is this thing we're maximizing returns to? Where does it come from? Why do we assume that maximizing financial return maximizes the creation of real value and the well-being of society? Exactly how does the conversion of Earth's natural, living wealth into financial wealth, which, in fact, is nothing but a number on a computer hard drive, create real wealth? What about the many fortunes built through financial speculation: fraud, government subsidies, the sale of harmful products, and the abuse of monopoly power? Did this produce real value for society?

Since all these things seem to make sense to everyone else, if such questions did ever occur to me as a student, I kept them to myself for fear of being dismissed as hopelessly stupid. That's what we're all supposed to be doing right now, not asking those questions. Because, obviously, if you're asking those questions, you don't understand and you must be stupid. If you're asking those questions, it means, in fact, you are smart enough to know that we're being fed a line of BS. These are the questions we have to be asking. I suspect that those who taught us economics, finance, and accounting did not themselves recognize the difference between real, living wealth and phantom financial wealth, because no one ever pointed it out to them, just as no one has pointed it out to us. So what is real wealth? Real wealth includes all the many things of intrinsic, utilitarian, artistic, and spiritual value, whether or not they have a market price, that contribute to our well-being and happiness and the realization of our full humanity. These include healthy food, fertile land, pure water, clean air, education, health care, fulfilling opportunities for service to community, and time for meditation and spiritual reflection. The most important forms of real wealth are beyond price. These include healthy, happy children, loving families, caring communities, a beautiful, healthy natural environment, peace. These are all real wealth.

Money, by contrast, is just a number on a piece of paper or a computer hard drive created with an accounting entry. The whole money system is nothing but creative accounting. That isn't to say that money isn't useful, but like any useful technology, it has to be used in a way appropriate to its nature and consistent with the well-being of society. Money, these numbers, has no intrinsic value. Wall Street generates it in astonishing quantities through accounting tricks, financial bubbles, and debt pyramids. You may have noticed in an instant a trillion dollars can

appear from nowhere and then quickly disappear, just as fast as a phantom in the night. The audit of the Federal Reserve following the financial crash, which is one of the few times that we have actually had a clear window into the workings of the Federal Reserve, which otherwise works totally in secret, revealed that in the aftermath of the financial crash the Federal Reserve created something like \$13 trillion out of nothing, out of accounting entries, to back up these collapsing Wall Street banks and corporations. And not just U.S. banks and corporations, but banks and corporations all around the world. It's like the Federal Reserve is the central banker for the entire global financial system.

Those engaged in creating phantom wealth from nothing collect handsome performance fees for their service and walk away with their gains, leaving others to deal with the carnage when borrowers default on the debt they cannot repay and the financial bubbles and debt pyramids collapse in a cascade of foreclosures and bankruptcies. It's very easy to confuse phantom-wealth financial assets with the real wealth for which these financial assets can be exchanged. Indeed, the illusions of phantom wealth are so convincing that most Wall Street players themselves likely believe that they are creating real wealth for society. The market, of course, makes no distinction between the dollars acquired through means that enrich society and those created by means that impoverish society and those that are simply created out of thin air. Money is money, and the more you have, the more the market eagerly responds to your every whim. The market is still, however, only a number, and it has no existence outside the human mind. There is nothing in nature that can recognize our money in any way. And yet it determines our fate, the fate of nations, the fate of our politicians, the fate of our economies. It is an extraordinary thing.

But once we wake up from the illusion and recognize the reality, then we can begin to create a system in which money is our servant rather than our master. Those who benefit from the creation of phantom wealth may never realize that their gain is, in fact, unfairly diluting everyone else's claim to the available stock of real wealth. They may also fail to realize that Wall Street and its international counterparts have generated total phantom-wealth claims, total financial assets that far exceed the market value of all the world's real wealth. That has very important implications, because it creates expectations of future security and comforts that can never be fulfilled. Can never be fulfilled. Part of our challenge is how do we unwind this thing so that we bring the money system into balance with reality.

The deceptions are built right into our language. Have you ever noticed the business pundits in the news refer to speculation as "investment," speculators as "investors"? What a difference in the evening economic news, how different it would sound, if we said,

"Speculators today drove the market up 10 points." We refer to phantom financial wealth as "capital." That sounds solid, doesn't it? As a student in business school, I heard about this term "international capital transfers." I really wondered, what is an international capital transfer? Is that when you take a factory and you put it on a ship and you send it to some other country? That would be an international capital transfer. It was only much later that I realized it had nothing to do other than simply moving some numbers from one file to another, perhaps in the same computer. And yet whole economies go into gyrations just with this movement of numbers. When we hear the terms "wealth," "capital," "assets," or "resources," we have no way to know whether the speaker is referring to a real asset or simply to phantom financial assets. Our language gives us no way to make the essential distinction between real wealth and phantom wealth, which is part of the reason we get so confused. It's part of the reason we fail to recognize that Wall Street in its current form produces little or nothing of real intrinsic value, and that such services as Wall Street may perform can generally be provided far more efficiently by institutions firmly rooted in community. That's another foundational truth.

The challenge before us is to navigate the transition to a new economy that supports ecological balance between humans and nature, supports the sharing of Earth's resources to assure every person access to the essentials of a healthy, happy life, and living democracy to secure the rights and voice of every person in the decisions that shape their lives. The Main Street economy is the foundation on which to build this new economy. Those who are engaged in this struggle to create a new economy are guided in part by a human wakening to the reality that life exists only in community and depends on the active engagement of every living being in the capture, exchange, and sharing of energy, nutrients, and water to the benefit of the whole community.

This begins to get in depth into our human relationship to the biosphere. Within nature, rogue species learn to get with the program of sharing or they expire. It's one of the foundational insights of the new biology, that those species that over the longer term succeed and thrive are those that find their place of service to the whole. That's a key piece of our human challenge of the moment, if we want to survive as a species: What is our contribution to the whole of life at a deeper level, to the whole of creation? We humans are living beings, and we too survive and prosper in the long term only as cooperating members of the biosphere, Earth's community of life.

To get with the program, we have to understand the biosphere, its structure, its dynamics, how it works. It is an exquisitely complex, planetary-scale, fractile structure comprised of countless trillions of individual organisms. Three and a half billion years in the making, the biosphere

self-organizes in a dynamic, constantly evolving global system that is locally rooted everywhere with an extraordinary capacity for local self-adaptation. This incredible system continuously repurposes and recycles all resources. Nothing is wasted. Redundancy and diversity optimize local adaptation, resilience, and creative potential, all without the equivalent of money, global corporations, or any other central decision-making institutions. It is truly extraordinary.

In denial of our relationship to the living Earth, Western societies have propagated a cultural belief that humans have the right, even the obligation, to subdue nature and expropriate its bounty to our exclusive benefit. Confusing money with wealth and the making of money with the creation of wealth, we yield control of the economy to Wall Street institutions that profit from the rapid depletion of Earth's nonrenewable store of fossil-fuel energy to dominate, control, and ultimately to destroy the biosphere's natural living system's capacity. And they do it all for short-term financial gain, which is an act of collective, suicidal, insanity. Confusing money with wealth and the making of money with the creation of wealth, we celebrate the indiscriminate growth in GDP as progress and ignore the byproducts, including climate chaos, soil depletion, falling water tables, dry rivers, collapsing fisheries, species extinction, toxic contamination, and air pollution. "Hey, we're getting richer, boy! GDP went up! We've got more money in the bank!" Confusing individual autonomy with personal liberty, we create economies that reduce caring human relationships to soulless financial exchange and structure our physical space around energy-inefficient buildings and auto-dependent transportation systems that wall us off from his one another and the nonhuman natural world. It should be no mystery why we are in such deep trouble.

We must now recognize the truth that has defined the values of high-functioning indigenous societies from the beginning of time. The living Earth is sacred, beyond price, and is not for sale. Rather than seeking to suppress, dominate, and exploit the biosphere, we must align ourselves in integral partnership with its structure and dynamics. We must learn to function as part of the biosystem, as one more species in balance and cooperative contribution to the whole. The biosphere has the potential to provide for the livelihood needs of all people in perpetuity if we organize ourselves to live in a balanced and harmonious partnership with its natural structures and dynamics.

This, among other things, requires segmenting the borderless global economy into a planetary system of interlinked, self-reliant, bioregional economies, each rooted in a community of place and organized to function as a locally self-reliant subsystem of its local ecosystem, to optimize the lives of all who live within its borders. And that means optimizing the lives of all living things within its borders. In this system most local needs will be

met by local production, using local resources, just as healthy ecosystems do. Dependent on their local resources for their means of living, the people of each bioregion will have substantial incentive to invest in restoring and enhancing the generative capacity of the ecosystem on which they and their children depend. Dependent on their own resources, the benefits of developing closed-loop production systems and high-density, auto-independent communities with living buildings that work with nature to optimize the local capture and use of energy, water, and nutrients will become self-evident. And as each local economy learns to limit its population growth and to eliminate wasteful and destructive resource uses to bring itself into balance with its place on Earth, global GDP will shrink, overall human well-being will increase, and we humans will come into global balance with Earth's biosphere.

That's a lot compacted in there, but as you reflect on it in terms of a system perspective, if each subsystem is in balance with the natural system, then the total global system is in balance. Each bioregion may trade its surplus with its neighbors in return for that which it cannot reasonably produce for itself, but system integrity depends on keeping imports and exports in balance. Which happens, it turns out, to be a basic principle of classic trade theory: trade needs to be fair and balanced. That keeps the system in balance.

Organizing around self-reliant bioregional economies does not mean that we abandon the rest of the world, but it does mean we abandon the relationships of colonial expropriation that allow us in the U.S. to control and consume the resources of the rest of the world at their expense. This is another thing I learned in my work in international development. The poor people of poor countries are not poor because we don't send them enough foreign aid. They are poor because we expropriate their resources and the products of their labor to support our overconsumption. That is the point of intervention at which we need to act to liberate them from their poverty.

So the overall policy agenda is quite straightforward: shift power from Wall Street predators, who seek only short-term financial gain, to Main Street wealth builders, who work for the future of their families and communities. Not simple to achieve but very simple to understand. That's the starting point. We cannot achieve it until we understand it, until we change the story of the public dialogue.

In closing, I want to quickly note seven critical system pressure points or intervention points to advance the shift in power from Wall Street to Main Street.

Number one, replace financial indicators like GDP and Wall Street stock indices with indicators of human and natural systems health as the basis for evaluating economic performance. We get what we measure, so measure what we want.

Two, decentralize and democratize the systems of money, banking, and finance by which we create and allocate money so that this power resides in Main Street rather than in Wall Street. I just finished a report for the New Economy Working Group specifically on this money system restructuring. If you Google “how to liberate America from Wall Street rule,” you will find this report. Very simple. It’s about, in a sense, creating the system of banking and local financial institutions that those of us from my generation know from our youth, that we had when we were growing up. The money system, the banking system, was rooted in community banks, mutual savings and loans, credit unions, many of which were cooperatively owned. That is the basis of a sound money system.

The third intervention, implement fiscal workplace and social policies that distribute income and ownership equitably to rebuild the foundations of a middle-class society. And make it inclusive of all people this time—all races, all religions.

Four, favor businesses that are locally owned by living people who have a direct relationship with the function of the business. Cooperative worker- and community-owned enterprises are positive examples.

Five, break up concentrations of corporate power. Bar corporations from competing with living human beings for political power. Implement rules that support social and environmental cost internalization and fair competition. And put an end to the fiction that corporations are people, with the same rights as people. I want to point out something very key on that last point, about a constitutional amendment to strip corporations of this presumed corporate personhood.

Six, organize around a planetary system of self-governing, self-reliant bioregional economies comprised of locally owned, living enterprises accountable to local owners that function in harmony with local ecosystems, meet the needs of all people, support just and democratic societies, and foster joyful community life. That’s the bioregional economy.

And, seven, create global rules and institutions that support local self-rule, bioregional self-reliance, and balanced exchange between regions. The total opposite of the global rules put in place by corporate interests through free-trade agreements.

Clearly, the initiative for such changes as we’ve outlined here will not come from within the institutions of Wall Street power. We’re not, however, talking about a utopian fantasy, because serious citizen initiatives around the U.S. and the world are already in place working to advance each element of this agenda.

And let us enjoy the irony that in America, the birthplace of modern democracy, we now look to uprisings in the Middle East as our inspiration to claim our power from unaccountable and authoritarian institutions as

we strive to build true democracy here in America. Our uprising, like those in the Middle East, is led by young people of extraordinary courage and commitment who see no future for themselves in societies ruled for the benefit of an unaccountable oligarchy. Their resistance is likely to be sustained and thereby provide a focal point around which the rest of us can rally.

This is an extraordinary moment that challenges much of what we have been taught to believe about ourselves, our world, and which challenges us to engage in an epic, even audacious, undertaking to reinvent our human civilization. The future of humanity lies in the balance. Hope lies in the fact that we stand beside millions of people the world over who are rising to this great challenge. Now is the hour. We have the power. We are the ones we’ve been waiting for. Thank you.

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