Democracy and Capitalism

Are they Critical Elements of a Climax Human Culture?

A. Allen Butcher

1991
Foreword

This paper was written in 1992, prior to that year’s Presidential Campaign, and although the issues have not substantially changed since then, a number of relevant factors have. The problems are today more advanced than at the beginning of the decade, while at the same time there are now more organizations advocating or creating different aspects of the solution. Therefore, the need is only greater for an understanding of the issues and of the trends toward change in our civilization and culture.

This work is offered as a new perspective on the old question of identifying what would be the best new world order toward which we would most want to work. That future is presented here as the “egalitarian commonwealth,” a culture characterized as having an economy which balances private and common ownership of property, through a political structure facilitating increasing degrees of popular participation.

Naming the goal toward which we want to work, and explaining some of the strategies to be used to get there, is essential if we are uncomfortable with the concept advanced in recent years called “The New World Order,” and its agenda sometimes described as making the world safe for capitalism and for democracy. Through explaining that a “capitalist economy” actually relies upon forms of common ownership of property to support its health and growth, and that “democracy” can be a facade for a government controlled by the wealthy, we can see the need to redefine what kind of society would best result in a politically stable and economically sustainable, future global human culture.

Any comments which you would like to return to the authro concerning this work would be gratefully accepted.

A. Allen Butcher
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P.O. Box 1666
Denver, CO 80201-1666
4thWorld@consultant.com
Many of those who are commenting upon the political and economic transformations that are sweeping the world in this latter part of the twentieth century are concluding that the lesson of our time is the preeminence of the democratic and of the capitalist systems. With so many countries turning from communism and socialism toward democracy and capitalism, we are tempted to think of the latter two as comprising not only a superior political/economic system, but perhaps even as representing the ultimate form of civilization. Indeed, what other more successful model have we?

As the countries of the world become more integrated into a global civilization, there is a growing sense that human culture is moving toward some type of climax. At times this is expressed in prophetic terms, suggesting some imminent consummation of history, or end of the world. Other commentaries employ an ecological analogy which, through extension, may help us to understand what we are experiencing. The ecological analogy suggests that the history of human society is like an ecosystem changing from a swamp to scrub-land to the climax forest. Kenneth Boulding, for instance, wrote in 1970 in his book, *Economics As A Science*, that the primitive tribe or village is a good example of a climactic social system, remaining stable until some fundamental change takes place. Recorded history begins with one such change, the advent of civilization and the end of the primitive climax human culture. We have been working ever since, through the city-state to empire and now to global culture, to arrive at a new level of cultural stability, a more advanced climactic social system. The question today is whether democracy and capitalism are the definitive elements of a global climax human culture. Due to the problems in the definitions of and uses of these political and economic terms, the answer which this paper offers is a qualified no.

The terms democracy and capitalism generally do imply progress, yet they are either so ambiguous or so prone to misapplication that they may be used in a context which is contrary to the goal of progress. The problems involved in measuring progress are first in naming the goal, which is referred to in this paper as a “climactic social system,” or a “climax human culture,” and then in defining it and determining what constitutes progress toward it. Through engaging in such a process we find that only by generally defining democracy and capitalism can we use these terms to describe the best of all conceivable social systems. Rather than use these general terms in this very specific context, we may do better by employing different terms which more clearly convey our meaning.

In discussing human culture we need to start from a base provided by a precise, unambiguous terminology. Ambiguity is precisely the problem with the term “democracy,” and as for the term “capitalism,” we tend to use it for more than what its actual definition provides.

Defining terms is the first step. With these tools we may then identify the patterns and trends which anticipate our future. If we are aware of a succession of events in our history which imply some logical pattern, we can deduce from those patterns certain trends into the future. There is a degree of risk involved in basing predictions upon perceived trends, yet when we consider the succession of events leading to the present, we offer no service at all when we merely state that we have no idea where we are headed, or perhaps worse, that we have no further to go.

The purpose of this paper is to offer a fresh look at the progress of human civilization — past, present and future. Through first devising a new conceptual framework offering clear terms and definitions for the many different political/economic systems which we have experienced, or may yet create, we can then arrive at some conclusions concerning the nature of a future climactic, global human culture.
With the recent demise of communism to just a few remaining hold-outs, we are today at a point of having to reassess our positions, and of having to anticipate the parameters of future debates concerning how to carry on human progress. The value of personal freedom and the efficacy of the market economy seem to have been proven by recent events, yet there is already a debate about what this suggests for the future.

One view is that as a result of the loss of our traditional nemesis, known as communism, we are suddenly adrift from our ideological anchor-age. The political landscape we relied upon to orient ourselves is sinking below the waves of history. Now the political winds and economic currents are changing, and we suddenly find ourselves in a new uncharted sea. The old maps and paradigms are no longer of use to us as we seek to make sense of a whole new world order.

The opposing view is that we are no longer at sea at all, but are in fact now on solid ground. Whatever storms and ghost ships we encountered on the way, we have now landed and may as well plant our flag and get on with building the new world order. One representation of this view is that we have reached the “end of history,” as Francis Fukuyama wrote while serving as a State Department policy planner. “With the triumph of the Western liberal idea, Mr. Fukuyama said, there will be no room for any meaningful evolution of the human spirit.” (Bernstein 1991)

Mr. Fukuyama’s view suggests that the evolution of civilization has reached its conclusion with the ascendancy of the democratic ideal and of the capitalist system to global suzerainty. The implication follows that the utopian assumptions which the concept of dialectical materialism held out for the future are now totally vacuous. Further, the utopian ideal is once again available for redefinition, and in the absence of any other worthy contender, the promise of the best of all feasible human societies must fall to the political/economic structures of democracy and of capitalism. This is it. We’re home.

However, contrary to the view that things are now settled once and for all, the reality that all of our problems are not solved must eventually result in new ideological demarcations being drawn. At some point while we are celebrating our new-found global consensus in favor of political freedom and of a market economy, someone or something will likely interrupt our reverie to point out that we are in fact adrift. Worse, we will find out that the old maps and assumptions are no longer reliable in our search for new ideological moorings. The problem in the assumption that democracy and capitalism can provide for us what world communism failed to do — that is build a just and sustainable global human culture — is that the terms “democracy” and “capitalism” are themselves prone to misapplication and misunderstanding.

As with most things that we focus intently upon, we will find that democracy and capitalism are not simple, straight forward, easily grasped concepts. Indeed, they will likely serve as a new basis for ideological debate. As Professor Joseph Nye of the Kennedy School of Government at Harvard University stated, “Even though there’s now ... no real alternative to liberal democratic ideology, there’s going to be a diffusion of power and ideas. In a sense, it’s not the end of history but a return of history.” (Bernstein 1991)

Anticipating the imminent return of history, we may consider that a great opportunity exists for casting a new framework by which to structure the coming debate on the most productive designs and applications of democratic and of capitalist theory. One of the dangers in exploring a new world with the old maps and paradigmatic assumptions is that we may end up going in circles, repeating history without really applying the lessons of the times. Therefore we would do well to recognize that landfall is yet somewhere over the horizon and that we had best sit down for the moment, place some fresh parchment upon our ship’s table, and get some new bearings on our place in time and space.
One of the characteristic factors of the capitalism-versus-communism debate was the clarity of the respective positions on the ownership of wealth. Capitalism stood for private property ownership, and communism for the common ownership of wealth. Today this dichotomy can still be useful, but it needs a little more development.

One of the themes of this new age or new world we are entering could be said to be the concept of integration of opposites. In the case of the ownership of wealth, this view would result in the recognition of a middle ground between private and common ownership. That would be what is called the “mixed economy,” in which both private and common or public sectors are recognized as having equally important roles in a national economy.

This points out a major problem with our use of the terms “capitalist economy” and “capitalist country.” Although capitalism means simply private property and private profit, the fact is that there is no such thing as a nation based entirely upon the private ownership of wealth. Every nation has a government and the wealth it holds is not private property but is owned in common by all the citizenry, whether or not the leaders of the government recognize that fact.

In addition, in many societies family wealth is considered to be undivided, or owned by the family as a whole. Although divorce may result in a division of family wealth, marriage is considered a union or a small scale level of common ownership of wealth—independent of whether the adults involved recognize the fact. In the case of communal societies, adults actually extend this ideal of domestic sharing of property to the village level where even industry and business falls within the common ownership structure. In aggregate, unpaid labor in domestic production, such as housework and sweat equity, must account for a significant part of the wealth of any nation, yet that portion of wealth is totally outside of our economic indicators and indexes such as the Gross National Product (GNP).

The value of exchanges and services in the household economy alone has been estimated to be more than all the wages and salaries paid out by all of the corporations in the U.S. The socially indispensable work of the informal (or “counter”) economy has always provided the cooperative social framework within which the highly regarded competition of the marketplace could achieve its “successes.” (Harman and Hormann 1990, p. 112)

A third form of common ownership of wealth in a mixed economy is that of the non-profit, tax-exempt organization. Schools, churches, museums, foundations, charities, all of these and many other educational, scientific and religious organizations are forms of common ownership by virtue of the fact that upon dissolution their wealth is not divided among individuals but given to other similarly organized groups. All of these forms of common ownership together constitute a significant portion of our economy, and thus it is most appropriate to refer to our country as having a “mixed economy” rather than as having a “capitalist economy.”

This point is supported by the fact that the total economic activity of governmental and tax-exempt organizations probably equals more than half of our gross national product (GNP). Total federal, state and local government spending equaled 35.5% of the U.S. GNP in 1983. (McEachern 1988) That percentage is likely higher today. The balance, or 10% to 15% of our GNP, is easily covered by the more than 800,000 tax-exempt organizations listed by the IRS in 1978. (Oleck 1980) Today that number has likely grown. If the U.S. adopts a national health care system, much of the medical system will then move from the private sector to the public sector.

That part of our mixed economy which does represent the private ownership of wealth is the for-profit sector. This includes sole-proprietorships, partnerships, stock corporations and most forms of cooperatives, since co-op stock is divided among the membership. At times the
for-profit sector seems to work in competition with the non-profit sector, and other times the two function complementarily, one providing for our real needs when the other is ineffective or incapable of doing so. We may conclude from this that the integration in the American economy of the private and the common ownership systems provides for much of the balance necessary for our stability and growth. Diagrammatically we may represent these points concerning the ownership of wealth on an economic continuum.

When we refer to the U.S. as a capitalist country, we imply that the private property system is the primary characteristic of our culture. Yet we would do well to recognize and affirm that some forms of common ownership are essential to the American way of life. The need to accept the concept that there are appropriate forms of common ownership is the first point to be made in the coming debates on the nature of any preferred new world order.

The second point to be made is that using the term “capitalism” in reference to a society which may be more correctly described as a “mixed economy” only serves to negate the importance of common ownership structures to a stable society, thus preventing us from transcending the old capitalism/communism conflict. If we were to respect the balance of common and private ownership in our use of language, the term capitalism would be used only when we meant private property, or that part of our economy which is based upon the exchange of private property, and never in reference to a nation-state or to our economy as a whole.

As we attempt as a people or as a society to plan our course through the uncharted waters of a new global economy, it will be helpful to keep in mind the different forms of the ownership of wealth, common and private, and to recognize the value of each when applied appropriately.

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**ECONOMIC CONTINUUM**

<table>
<thead>
<tr>
<th>Common Property &amp; Equity</th>
<th>Mixed</th>
<th>Private Property &amp; Equity</th>
</tr>
</thead>
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<tr>
<td>Ownership of Wealth</td>
<td>Economy</td>
<td>Ownership of Wealth</td>
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**POLITICS — THE CONTROL OF WEALTH**

As we have seen that the coming debates concerning the further development of our society requires a reevaluation of economic systems and the careful definition of economic terms, so a similar effort is necessary with respect to political systems and political terminology. Similar to the misapplication of the economic term “capitalism,” the political term “democracy” is also problematic in that it is a very general term lacking the specificity necessary when debating the issue of political control.

Decision-making, in relation to the control of wealth, is the political aspect of any question involving ownership. There are two basic issues in relation to wealth — who owns it and who controls it — and the two can be very different. For instance, we may “own” a parcel of land, as in fee-simple absolute ownership, but since the government may tax it or appropriate it entirely under the doctrine of eminent domain, we do not ultimately control the property we “own.” Therefore the control of wealth is a political question relating to the degree of participation we may practice in the decision-making processes of the institutions which affect our lives. These institutions may be government, workplace, association or family.

With respect to the issue of the different forms of the control of wealth, politics may be
results in the need to use some modifying word along with it in order to create a term which can be used without confusion in debates concerning political process. Thus, to clearly state our meaning we might use the term “consensual democracy” when we mean consensus decision-making. This is the most egalitarian decision-making process available to us. The term “direct democracy, or as Jurgen Habermas suggests “substantive democracy,” (and now we have “deep democracy”) may also be used to describe an egalitarian process. Habermas further offers the term “formal democracy” for use in situations where an ostensibly democratic process merely provides an aura of legitimacy to a ruling elite. (Habermas 1973, 36-37)

In any debate concerning decision-making processes on the level of the democratic nation-state, it can be difficult to determine whether the democratic process in use is more appropriately termed substantive or formal. The determining factor is whether the will of the people or the will of some elite has the greater political influence.

The criteria by which to judge where the greater power lies, and therefore the type of democracy in practice, is first in the number and types of avenues which a people use to express their individual wills in the political decision-making process. These include referenda, lobbies, meetings of constituents with representatives, the voting system, media access, and various forms of activist politics such as street demonstrations. The second, yet more important criteria, is in the accountability of the political leaders to the people. If the political office holders are proven to be beholden to special interests, unrepresentative of the popular will as represented as a continuum ranging from participatory to authoritarian decision-making processes. An individual or a small group may dominate governmental decision-making in society through an authoritarian process, or decision-making in government can be decentralized and involve a large number of people in a participatory process. Democratic majority-rule is more participatory than is an autocracy or an oligarchy, and consensus decision-making process is the most participatory of all. As consensus process focuses upon substantial individual effort toward addressing the needs of everyone involved, it is considered a win-win process, seeking a solution which all may at least accept, if not entirely agree with.

The middle range of the political continuum represents mixtures of authoritarian and of participatory decision-making such as the majority-rule process. Both majority-rule and the more authoritarian decision-making systems may be considered win-lose processes.

The problem with the term “democracy” is that it has tended to be used in a number of different situations. Generally democracy refers to one-person-one-vote, but it can also refer to a consensus decision-making process. In addition, we generally use democracy to refer to government by elected representatives. Persons in these positions then most often tend to consider their roles as trustees, representing their own conscience more than the desires of their constituency. (Harrigan 1991, 228) In the case of the United States in the 1990s, our representative democracy may seem to resemble a plutocracy, or government by a wealthy elite, rather than government by the people. The ambiguous nature of the term democracy, as we use it today, results in the need to use some modifying word along with it in order to create a term which can be used without confusion in debates concerning political process. Thus, to clearly state our meaning we might use the term “consensual democracy” when we mean consensus decision-making. This is the most egalitarian decision-making process available to us. The term “direct democracy, or as Jurgen Habermas suggests “substantive democracy,” (and now we have “deep democracy”) may also be used to describe an egalitarian process. Habermas further offers the term “formal democracy” for use in situations where an ostensibly democratic process merely provides an aura of legitimacy to a ruling elite. (Habermas 1973, 36-37)

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<th>POLITICAL CONTINUUM</th>
<th>Authoritarian and Centralized</th>
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<tbody>
<tr>
<td>Control of Wealth</td>
<td>Political Systems</td>
<td>Control of Wealth</td>
</tr>
<tr>
<td>(Consensus Process)</td>
<td>(Majority-rule)</td>
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Democracy and Capitalism
Fourth World Services, P.O.Box 1666, Denver, Colorado 80201
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expressed through the more broad avenues of participation, then the type of democracy in practice is merely formal. In this case a government maintains the appearance of democracy while diminishing or circumventing its functioning. With a lack of accountability to the whole population, the legitimacy of that government may be challenged at least, and at most, replaced by one which encourages more substantive participation.

When navigating the political waters of the new world order it will be helpful for the crew of any ship-of-state to keep in mind the different forms of the control of wealth, and to be aware that the wellbeing of the ship’s crew is best assured, and therefore mutiny least likely, when control is kept as broad-based as possible.

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**THE POLITICAL/ECONOMIC MATRIX**

Recognizing that economic ownership and political control are two aspects of the world we share, we may seek a method of integrating the two in such a manner as to clearly portray how the two interrelate. At one time the two were not considered to be separate. Prior to the mid-nineteenth century the term for economics was “political economy.” However, in keeping with the rise of Cartesian reductionism, economics and political science eventually became differentiated. (Boulding 1970, 77) Yet we may best make sense of our world, and better understand each other in our political/economic debates, when we agree on a comprehensive framework respecting the different issues already identified in relation to economic and political terminology.

As we flatten out a fresh roll of parchment upon our ship’s table, we can begin to create a map to represent the political economy of our new world order which will be more useful to us than any we have used before. By placing the economic continuum along the top of our parchment, ranging from common ownership of wealth on the left to private ownership on the right, and then by placing the political continuum along the left side of our parchment, ranging from participatory decision-making at the top, where it meets the common ownership end of the economic continuum, down to the authoritarian process for the control of wealth at the bottom of our parchment, we have now created a two-dimensional chart. This chart represents the known universe of all possible political/economic systems. (See Illustration 1.)

As each of our two continua may be divided into three segments, extending these divisions to the parchment chart which we are constructing results in a matrix of nine cells. The resulting “Ownership/Control Matrix” models the entire range of political/economic systems, yet it simplifies this rather vast field by naming just nine specific political/economic constructs. Different applications of this model might require more ranks or more files, depending upon whether the context is a small group, a village, city, state, region, continent, or the entire world. It is also possible to add a third dimension in order to consider other cultural issues, such as spirituality. A spiritual continuum might range from secularism, or minimal spiritual expression in society, to a multi-faith society, to a spiritually uniform culture. Adding a third dimension would result in a twenty-seven cell model similar to the “Communitarian Relationships Model.” (Butcher 1991) This is, however, a discussion beyond the scope of the current subject.

Joining the political and economic continua at the ends at which both are characterized by the processes of sharing — that is common ownership of wealth on the economic continuum and participatory control of wealth on the political continuum — we find that the opposite corner of the resulting matrix represents processes which result in an alienation of one person from another. These are private ownership and authoritarian control of wealth. The labels given these
THE OWNERSHIP/CONTROL MATRIX

<table>
<thead>
<tr>
<th>COMMON OWNERSHIP OF WEALTH</th>
<th>MIXED ECONOMIC SYSTEMS</th>
<th>PRIVATE OWNERSHIP OF WEALTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>EGALITARIAN COMMUNALISM</td>
<td>EGALITARIAN COMMONWEALTH</td>
<td>EGALITARIAN COLLECTIVISM</td>
</tr>
<tr>
<td>Common property ownership with egalitarian, participatory or consensus based government through income sharing systems and labor credit systems. Nearly any form of legal organization may be controlled as an egalitarian communal society.</td>
<td>A mixed economy, including both private and common ownership, with participatory government. (e.g., consensus decision-making process with site-value taxation, also some tribal cultures such as the Iroquois Confederation.)</td>
<td>Individually owned property with egalitarian, participatory or consensus based government (e.g., some partnerships, cooperatives, for-profit and non-profit corporations, as any of these can revert to private property ownership. Excluded are tax-exempt organizations.</td>
</tr>
<tr>
<td>DEMOCRATIC COMMUNALISM</td>
<td>DEMOCRATIC COMMONWEALTH</td>
<td>ECONOMIC DEMOCRACY</td>
</tr>
<tr>
<td>Common equity ownership with democratic-majority-rule. Includes some &quot;socialist&quot; countries and societies that have minimal private property, such as the democratic &amp; communal Israeli Kibbutzim.</td>
<td>Economic mixture of common ownership (e.g., governmental &amp; tax-exempt org.) and private ownership (e.g., for-profit corp.) with a majority-rule political system. Some &quot;capitalist&quot; &amp; some &quot;socialist&quot; countries.</td>
<td>Private equity ownership with democratic majority-rule (e.g., consumer, producer and worker cooperatives, as well as employee owned and controlled businesses.) Spanish Mondragon Cooperatives.</td>
</tr>
<tr>
<td>TOTALITARIANISM</td>
<td>AUTHORITARIANISM</td>
<td>PLUTOCRATIC CAPITALISM</td>
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ILLUSTRATION 1

The different methods for the ownership of wealth (private and common) combine with the different decision-making processes for the control of wealth (participatory to authoritarian) to result in various political/economic systems. Each of these systems provides a definition for a term used to describe a particular cultural model which humans have experienced, or may yet create. We have much experience with the authoritarian forms of political/economic control and ownership, and less experience with the consensus forms.

The mixed economy with consensus process model (top center) represents a cultural form which we are beginning to explore in small scale societies (i.e., certain intentional communities) and in various social-political-economic movements. This particular political/economic structure is called here an "egalitarian commonwealth."

Egalitarian - The practice of equality. The fair and equitable access to opportunities, wealth, and decision-making processes.

Commonwealth - The prosperity of a whole society, through popular sovereignty.

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cells are respectively, “Egalitarian Collectivism” and “Plutocratic Capitalism.” All of the matrix cells represent particular combinations of political and economic systems in relation to their relative degrees of sharing and of alienating qualities. For example, the other two corners of the matrix represent systems characterized as having either high or low degrees of sharing and of alienation in opposite measure. Either shared control with private ownership, labeled “Egalitarian Collectivism,” or authoritarian control with shared ownership, labeled “Totalitarianism.” The center of the matrix represents the mid-point of both continua. This would be a system characterized as a mixed economy with a mixed political system, labeled “Democratic Commonwealth.” There are also four other cells filling out the matrix. These are described as having a mixed economy with either a participatory or an authoritarian political process, labeled respectively “Egalitarian Commonwealth” and “Authoritarianism,” or as having a mixed political system with either common or private ownership, labeled respectively “Democratic Communalism” and “Economic Democracy.”

Of the many uses of the ownership/control matrix, its greatest value is in its identification and placement of the many different political/economic systems in relation to each other, within a coherent context. Consider especially how the ownership/control matrix illustrates the different aspects discussed above of the democratic political system and of the capitalist economic system. (See Illustrations 2A & 2B.)

Democracy is represented in the middle horizontal rank of the matrix as a mixed political system, while capitalism is represented as the furthest vertical file to the right. They intersect in the cell called “Economic Democracy.” The term “economic democracy” refers primarily to different types of cooperatives since these organizations practice one-member-one-vote majority-rule, and have no amount of common ownership of wealth. Nations such as the United States actually have a mixed-economy, and so appropriately appear in the center file in the cell titled “Democratic Commonwealth.” When we speak of our country we may refer specifically to either the private ownership or capitalist sector of our economy, or to the common ownership or public sector, but as a whole we need an economic term which respects both private and common ownership. The best that we have available appears to be the term “commonwealth.”

“Commonwealth” is derived from the term “commonweal,” which according to The Encyclopedia Americana, originally meant the common well-being and general prosperity of a community or realm. The term came into conventional usage in the 16th century and was associated with political reformers who championed the principle of popular sovereignty. Today the term is used in the official designations of the states of Kentucky, Massachusetts, Pennsylvania and Virginia, in the name of one country, the Commonwealth of Australia, and in a few associations such as the (British) Commonwealth of Nations, and in the new Russian confederation, the Commonwealth of Independent States.

As the term commonwealth suggests prosperity through popular sovereignty, it may be used to include a fairly wide range of countries, including many of those which have large numbers of state-owned industries. The term “socialism” specifically refers to public ownership and operation of the means of production and distribution, and even the U.S. has some state-owned industries, notably Amtrack and the U.S. Postal Service. Therefore “socialist” countries are another form of mixed-economy and are only different from “capitalist” countries by their degree of common verses private ownership. In order to avoid the distracting debate and confusion over the terms “capitalism” and “socialism,” we may adopt the term “democratic commonwealth” when we mean a country with a mixed-economy and a majority-rule political system.

As we saw in the application of the terms “democracy,” “capitalism” and “socialism” to the ownership/control matrix, certain political/economic terms cover more than just one cell.
THE OWNERSHIP/CONTROL MATRIX

Participatory and Decentralist Control of Wealth
(Consensus Process)

Mixed Political Systems
(Majority Rule)

Authoritarian and Centralist Control of Wealth

COMMON OWNERSHIP OF WEALTH

MIXED ECONOMIC SYSTEMS

PRIVATE OWNERSHIP OF WEALTH

Liberalism

Feminism

Libertarianism

Marxism

Conservatism

ILLUSTRATION 2

Certain political, economic and social theories involve a number of different mixtures of political and economic systems, as suggested above (some of them overlap). At least one term, "communitarianism," encompasses the entire matrix as it includes all types of social systems.

THE OWNERSHIP/CONTROL MATRIX

Participatory and Decentralist Control of Wealth
(Consensus Process)

Mixed Political Systems
(Majority Rule)

Authoritarian and Centralist Control of Wealth

COMMON OWNERSHIP OF WEALTH

MIXED ECONOMIC SYSTEMS

PRIVATE OWNERSHIP OF WEALTH

Egalitarian Communalism

Egalitarian Commonwealth

Egalitarian Collectivism

Democratic Communalism

Democratic Commonwealth

Economic Democracy

Totalitarianism

Authoritarianism

Plutocratic Capitalism

PROCESS TREND: Historically there appears to be a trend toward increasing degrees of participation in governmental and political systems.

INTEGRATION or BALANCE TREND: Historically there appears to be a trend toward a stable balance of common and private ownership structures in economic systems around the world.

ILLUSTRATION 3

MERGING TRENDS: Combining the trend vectors on the ownership/control matrix shows a convergence upon the top center cell. This suggests that human civilization is moving toward a particular combination of political/economic structures which we may consider to be the future steady-state climax human culture. The term chosen for such a culture is the "Egalitarian Commonwealth."

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(See Illustration 3.) Libertarianism, for example, seems to include all four of the upper right matrix cells. (Kymlicka 1990) Liberalism and Conservatism may be considered as splitting the matrix on a diagonal line from the upper left corner (emphasizing the sharing of wealth and power) to the lower right (emphasizing the alienating aspects of private wealth and of arbitrary power), since each could be said to evidence some aspects of both sharing and of alienating qualities. Marxism would constitute the whole left column as Karl Marx focused upon common ownership but did not adequately specify control processes. Feminism would constitute the top two rows as it concentrates upon participation but does not emphasize any particular form of ownership structure. Anarchism would occupy only the top row as the theory provides for both private and common property ownership, but tolerates neither authoritarianism nor majority-rule.

Finally, communitarianism should encompass the entire ownership/control matrix since the term itself is applicable to any social group or community, regardless of its structure. Popular usage of the term by Amitai Etzioni and others (Etzioni et al. 1991) tends to equate communitarianism with conservatism in opposition to liberalism. The logic behind Etzioni’s communitarianism is that liberalism is equated with individualism, so individual rights are often in conflict with the community’s need to maintain laws and behavior norms. Yet it would be a mistake to identify communitarianism only with authoritarianism and common ownership since this is not always the case. Therefore, we need to recognize that communitarianism involves elements of both liberalism and of conservatism. This discussion about the nature of communitarianism recalls Walter Shapiro’s words that communitarianism, as suggested by Etzioni and friends, is “... less than a coherent philosophy.” (Shapiro 1991)

Other groups use the term communitarianism in the context of deliberate social design, making intentionality the primary criterion for the use of the term rather than the debate of liberalism versus conservatism. (Butcher 1991)

Once we have identified all of the different regions on our new map, with respect to various political/economic terms, we can now use it to plot the course of any ship-of-state, or of any other size social organization, as those political/economic units change their form over time. Political/economic transformations can be charted on the ownership/control matrix in any direction, whether toward greater degrees of participation or of authoritarianism, or toward more private or common ownership of wealth.

As we sit around our ship’s table discussing the parchment chart we have created, it gradually becomes apparent that the ownership/control matrix models not only individual social units, but the progress of human civilization as a whole. Further, this chart represents not only our history and our current state of affairs, but may even be read so as to identify the apparent direction and future of our global human civilization.

In considering this revelation, we might do well to remind ourselves that current trends may not be consistent with long-term trends, and that it may be necessary to take some backward steps at times before forward progress can be made. Futurology is a rather inexact discipline. Some help may be found, however, in considering that certain long-term trends may be explained with the aid of the following theories.

First, consider the concept of unity in diversity. Since humans are active in both the material universe, through our physical bodies and our manipulation of matter, and in the spiritual universe, by virtue of our consciousness, then these two worlds meet in the human mind.
DEFINING DEMOCRACY and CAPITALISM

THE OWNERSHIP/CONTROL MATRIX

<table>
<thead>
<tr>
<th>COMMON OWNERSHIP OF WEALTH</th>
<th>MIXED ECONOMIC SYSTEMS</th>
<th>PRIVATE OWNERSHIP OF WEALTH</th>
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<tr>
<td>Participatory and Decentralist Control of Wealth (Consensus Process)</td>
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<td>Mixed Political Systems (Majority Rule)</td>
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<td>Authoritarian and Centralist Control of Wealth</td>
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ILLUSTRATION 2A

Illustration 2A shows that in their general sense the terms "democracy" and "capitalism" may be used to describe the political/economic design called the "egalitarian commonwealth." ...

THE OWNERSHIP/CONTROL MATRIX

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ILLUSTRATION 2B

However, when we define "democracy" and "capitalism" more precisely, as shown in Illustration 2B, it becomes inappropriate to use these terms in reference to the political/economic design characterized as having a consensus based government with a mixed economy.

Although "democracy" can mean consensus decision-making, its more specific definition refers to majority-rule decision-making. To promote clarity and accuracy of communication, the use of the term "democracy" may best be restricted to the latter. The definition of the term "capitalism" is "private ownership and private profit." Therefore its use may best be restricted to refer only to purely private ownership systems, rather than also using it to describe a mixed economy which includes forms of common ownership. Illustration 2B shows that when carefully defined, "democracy" and "capitalism" become inadequate descriptors for the consensus-governed mixed-economy of the "egalitarian commonwealth."
Integrating opposites in this way suggests that humanity is a part of a whole system. So the first aspect of, or trend in civilization, is that of integration or of holism, in which we are able to find a balance between disparate ideas and forces. The second aspect of civilization is that of change or of progress. We are all part of an ongoing process, often represented as cycles. As we gain experience in manipulating both ideas (representing the spiritual plane) and things (representing the material plane), we are involved in a process of growth and development.

Both of these trends in human civilization have philosophical schools of thought built up around them, as well as various spiritual concepts. In Western traditions there is the concept expressed as “everything flows” by the Greek philosopher Heraclitus. In Eastern traditions there is Tao or “the way.” In both is found the belief in an ultimate reality, the belief that all things are a part of a cosmic whole, and that all things are in a state of change, or are part of an ongoing process. This is called Brahman in Hinduism, Dharmakaya in Buddhism, and process theology in Christianity.

In Western traditions the philosophical concept called process theory begins its modern development with nineteenth century German Idealism, expressed by Kant and Hegel, and its English school, T.H. Green’s teleological theory and A.N. Whitehead’s process theory. We can even interpret Abraham Maslow’s concept of a hierarchy of needs as suggesting that as individuals we are engaged in a process of growth toward self-actualization.

The concept of unity in diversity, or of the basic interconnectedness of nature, is becoming a tenet of modern physics. Relativity theory and quantum mechanics, or the theory of atomic phenomena, is replacing the Cartesian view of a basic dualism or split between mind and matter. Fritjof Capra makes this point in *The Tao of Physics*.

It is fascinating to see that twentieth-century science, which originated in the Cartesian split and in the mechanistic world-view, and which indeed only became possible because of such a view, now overcomes this fragmentation and leads back to the idea of unity expressed in the early Greek and Eastern philosophies. (Capra 1975)

In applying these two concepts of integration and of process to the task of understanding human civilization, we may recognize that each has a surprising correlation with a particular component of society — integration with economics, and process with politics.

If we look at the development of political processes through at least Western civilization, we may observe a trend away from authoritarianism and toward greater degrees of participation. We no longer have autocratic kings and emperors but instead, majority-rule. On the local level and within some corporations, there is a trend toward consensus process. Today elements of consensus, such as open debate and compromise, are applied on ever larger scales. Thus, the political continuum represents the basic aspect of civilization referred to earlier as process, with its antecedents in nineteenth century Idealism and earlier philosophies.

Economics follows a different historical process in our civilization than does politics. Although political evolution has tended to move from one end of its continuum to the other, economic evolution appears to move from both ends toward the middle. This development evidences a different aspect of our civilization; this being the concept of the integration of opposites, or of unity in diversity. It suggests that the most stable economic systems are those which can best support long-term growth and maintain a balance between extremes. These extremes are represented on the economic continuum as common ownership and private ownership of wealth.

If we accept the points made that our civilization is simultaneously moving toward greater levels of political participation and toward a more even balance of private and of common economic ownership, then the direction of the evolution of civilization is toward the top center cell of the ownership/control matrix. (See
Illustration 4) This combination of the two trend vectors, labeled “process” and “integration,” indicates that the political/economic structure of the future may be termed the “egalitarian commonwealth.”

Although from time to time various ships-of-state may be caught in the doldrums, the eddies or whirlpools, or blown about by storms and contrary winds, it appears that the prevailing winds and currents are generally driving us to the top center of our parchment chart. Having an idea now in which direction landfall lies, we might consider how it is that we got this far, and anticipate some of the characteristics of this new world we are approaching.

THE CLIMAX HUMAN CULTURE

Earlier the concept was presented of the “climactic social system” as being a stable, sustainable culture, and primitive tribal society was presented as being a good example of a climactic social system. The ownership/control matrix suggests that a process beginning with the first civilization approximately six-thousand years ago will eventually culminate in a new, far more advanced climax human culture, identified on the matrix as an “egalitarian commonwealth.”

It is interesting to note that the political economy of certain tribal cultures resembles the description of an egalitarian commonwealth. The political structure which some of them exhibited was participatory, at least among the men, and in a few cases even egalitarian in that women held important roles in the tribal political process. This was particularly the case with certain Native American tribes. The structure of the Iroquois Confederation in fact actually influenced the framers of the U.S. Constitution. (Weatherford 1989)

It is documented that among the ancestors of Northern Europeans a participatory form of governance was practiced. The Roman historian Tacitus recorded this about the German tribes in 98 A.D., and also reported that at that time some of the German tribes still worshipped goddesses. Julius Caesar in his writings stated that the “... king of ... a German nation, described his authority so limited, that, though he governed, the people in their turn gave laws to the prince.” (Murphy 1908, 316-317)

With the end of the primitive lifestyle and the rise of civilization came the dominance of various forms of authoritarianism. For eons prior to this, humanity knew a sustainable culture which at least in some cases resembled an egalitarian commonwealth. With the advent of civilization the primitive climactic social system was displaced and only a few remnants of it tenuously hold on today. We may interpret recorded history then as humanity’s quest to rediscover the utopia which our ancestors experienced in tribal society, and which is identified here as the egalitarian commonwealth.

We spent thousands of years on the “authoritarianism” level of the ownership/control matrix, getting to know it very well. The number of terms we use to describe the different forms of authoritarianism attest to our extensive experience with this form of political control.

Suddenly, in the last decade of the twentieth century, democracy is springing up all around the world. At least three-quarters of the world’s population are now building democratic political structures, and much of the remaining quarter is at least thinking about it. It was just a little over two-hundred years ago that democracy was first adopted on the nation-state level, and it has taken these two centuries for democracy to win global acceptance. Remember that at the time of the American Revolution many Europeans did not believe that a nation-state could exist in any other form than the authoritarian model.

We might wonder about this relatively rapid transformation. Yet in fact the democratic concept has its roots far back in time, beyond the Free Spirit movements which preceded the Reformation and “the doctrine of the inner light” arising at that time, and back even before the
practice of democracy within the Greek city-states. We first see it in the concept of divine inspiration in the individual as found in the Egyptian mystery religions, which in turn have roots in the primitive, pre-civilization era. The Egyptian mysteries and other ancient philosophies later influenced the Masonic Orders. The Masons rose with the fortunes of the Catholic Church; their autonomy growing with their importance as builders of the great cathedrals.

Freemasonry ... was a behind-the-scenes influence throughout the development of Western civilization, and in the latter half of the eighteenth century it played a leading role in the emergence of democratic philosophies of government. ... Most particularly, its concern focused on the development of human knowledge and the arts, and on the reformation of governments toward a “philosophic commonwealth” and democratic forms. (Harman 1988, 161)

Freemasonry carried on centuries of quiet organizing and was ready when the opportunity came to apply its ideals in the New World. Most of the signers of the Declaration of Independence were Masons, and they received substantial aid from European Masonic lodges. The legacy of Freemasonry lives on in the Great Seal of the United States, printed on the dollar bill.

The most obviously Masonic symbol is the uncompleted pyramid capped by a radiant triangle enclosing the All-seeing Eye, which occupies the center of the reverse side of the seal. Whatever other meanings this ancient symbol may have had ... it clearly proclaims that the works of men ... are incomplete unless they incorporate divine insight. This symbol is meant to indicate that the nation will flourish only as its leaders are guided by supraconscious intuition. (Harman 1988, 163)

The primary points to remember in all this is first that change does not just happen, it only follows a long period of preparation. Secondly, it may be best to avoid the temptation of thinking that democracy and capitalism, as we practice them today, comprise the ultimate form of human civilization. What remains is to increase the degree of individual participation in governmental and other areas of decision-making, while also working to find a better balance of private and of common ownership structures, until we attain the climax human culture identified as the egalitarian commonwealth. The next step may very well be completed in far less than the two-hundred years that it took to make the last step.

An excellent model for explaining the process of cultural transformation is provided by the futurist William Irwin Thompson. Thompson suggests that cultural change progresses through phases. The four phases he identifies begins with mystical and spiritual awareness, followed by the expression of cultural change through art, then in technology and economics. Finally, politics and government begin to respond to the forces for change already widespread throughout society. (Ventura 1986) Thompson’s model is reminiscent of the proverb we sometimes hear that “when the people lead, the leaders follow.”

In the United States there is good reason to believe that we are at the third phase of Thompson’s view of the social transformation process. As Thompson suggests, the changes we see in our technology and economics may result in a powerful impact upon our governmental and political systems, resulting in more participatory processes.

There are many sources today commenting upon “The New Capitalism” (Halal 1988) and the transformation taking place in at least American corporations. Much of this change is inspired by the Japanese example, which actually was largely influenced by an American in the 1950s, W. Edwards Deming and his 14 points of management. An article in Inc. magazine listed a number of new books explaining everything from the importance of seeing businesses as learning organizations, to how to build a common vision and shared goals, to how to zap people with energy rather than to sap them of enthusiasm. (Brodaw 1991) Management textbooks today are also focusing upon the
change in human relations schools of thought and the changes in organizational design. One view presents a range of designs from authoritarian structures, called the “System 1” approach to management, to the participatory approach called “System 4.” Through a series of steps a business can transform itself into a System 4 design having “more openness, flexibility, communication, and participation.” (Fleet 1991, 242) There is as well a whole movement focused upon developing worker-owned and managed businesses. One book, titled Putting Democracy to Work lists in its bibliography a large number of related works. (Adams and Hanson 1987) Through the growing emphasis today upon learning participation in the work-place, we might expect that this practice will eventually carry over into government. What might such a future look like, and how might we get there?

William Irwin Thompson offers a glimpse of what a transformed, global egalitarian commonwealth might look like in his view of the “steady-state climax human culture.” (Ventura 1986) The elements of this future society would be an integration of Eastern and Western philosophy, technology, psychology and culture; innovation being a permanent tradition in science, technology and economics; and a multiple political culture comprised of nations, world-class cities, non-governmental organizations, citizens’ groups and decentralism. All of these characteristics involve the enhanced and expanded role of participatory communication processes among the world’s peoples.

BUILDING THE EGALITARIAN COMMONWEALTH

Considering the concept of a continuing spiritual evolution, the experience of a transforming business culture and global economy, and the recent general acceptance of the democratic idea, we might try to project how an even more participatory culture and political system might be built.

In The Struggle for Democracy, Benjamin Barber and Patrick Watson point out the importance of the developing communications technologies to the continuing application of democratic principles. The authors stress the need to think about individual participation in decision-making as requiring more than merely the process of one-person-one-vote majority-rule. Corporations already use communications hook-ups for teleconferences that permit executives around the world to talk face to face and make collective decisions without ever leaving their offices. Why not electronic town meetings?...

Another American corporation has developed an interactive television system that permits viewers to respond to their screens via a handheld, five-button module. Why not interactive televotes linked to careful civic education programs and tele-assembly deliberations?...

Huge commercial computerized data banks, operated by MCI and Dow-Jones and Compuserve Corporation as well as by the world’s major newspapers, make global information available...to personal computers via telephone lines. ... So why not public-access terminals in libraries and schools that let workers get information on jobs, concerned parents learn about education issues, committed citizens inform themselves about complex economic and environmental issues?...

What better way to assure a civic education adequate for modern democracy? (Barber and Watson 1988, 269, 270)

The authors then explain that experiments with direct citizen involvement in government, facilitated by the use of the communications technology currently available, are already happening.

... (T)he legislature of the State of California has provided its members with a communications network that both

DEMOCRACY and CAPITALISM

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A. Allen Butcher, 1996
maximizes information exchange and offers their constituents access to them. An electronic “bulletin board” where individuals can dial in through their home computers to read or post “messages” has been set up under the rubric “There Oughta Be a Law!” Citizens wishing to get a suggestion for a change in laws on the public agenda can dial in and put their proposal up on the board. The legislature’s staff route each proposal to the appropriate committee, and see to it that citizens and legislators can communicate on the matter. Here citizens receive access not merely to decision-making, but to something even more important: the making of the legislative agenda. (Barber and Watson 1988, 272)

For an example of how communications technology is aiding the trend toward participatory management, consider the productivity gains (in some cases up to 90%) reported in Fortune magazine as a result of the use of “groupware - computer software explicitly designed to support the collective work of teams.” (Kirkpatrick 1992, 93) Electronic meetings, where participants type their comments (sometimes anonymously) into computer bulletin boards accessible to all, provides for an egalitarian meeting process where good ideas are readily accepted whether they come form the boss or the newest team member.

The drive for technological advance, fueled by the market economy, will encourage a more open access to information, and will eventually increase demands for avenues of participation. Technology has always influenced society in this way. A good example is the invention of the printing press and the publishing of the Gutenberg Bible. Subsequent popular access to the Bible spurred on the forces for individual election, encouraged confrontation with the Church, and helped to bring on the Reformation. This challenge to ecclesiastic authority led to resistance to political authority, and contributed to the eventual writing of the democratic national constitution.

As in the period before and during the Protestant Reformation, there are today many ideologies and social movements focused upon increasing individual responsibility for society, and encouraging collective action to improve it. Many groups today focus upon ecological responsibility even more than social responsibility. Generally these ideological movements include the concepts of a mixed economy and of participatory process, even though these values are not their primary focus.

Among the contemporary ideological movements are geonomics, (Smith 1991) which means planet or earth management, involving a self-regulating economy with “organic” feedback mechanisms. Social ecology (Institute for Social Ecology 1991) involves the concept that human society can only be in balance when a balance also exists between human civilization and nature. Eco-feminism (Plant 1989) specifies that a society balanced with environmental concerns would be diverse and focused upon caring and nurturing qualities. Bio-regionalism (Sale 1985) suggests that the characteristics of a human society ought best be determined by the natural forms and features of the land which it shares. The Fourth World (Papworth 1992) relates to decentralist social, economic and political units. Its ecological focus comes as a result of its concern with appropriate scale, and its connection to the traditions of native peoples. Social anarchism (Social Anarchism 1989) also emphasizes decentralism, with mutual aid, consensus process and minimal coercive government. As with municipalism (Bookchin 1986), meaning community control over a local economy, social anarchism does not express an environmental concern other than indirectly through its concentration upon local power and responsibility.

Although these various movements and ideologies are relatively obscure, their aggregate influence, along with that of many other theories and organizations, such as the Greens (Morse 1991), is a factor in the process of change. They show some of the depth and breadth of the effort to carry on the evolution of civilization beyond the concepts of democracy and capitalism as we
generally think of them.

Perhaps the most important such movement today is the recently formed Financial Democracy Campaign. This coalition of activists and organizations is focusing upon economic fairness, social justice, equal opportunity, and the stewardship of our resources. (Hightower 1991)

The work of this organization is particularly important when we realize that it is possible that we may backslide as a culture toward greater degrees of authoritarianism. Although the general trend is toward more participation, there have been many historical periods where this progress has been slowed, stopped and even reversed.

A case-in-point is the response of the wealthy and powerful in the U.S. to the surge of democratic organizing, and the subsequent rise in demands placed upon the U.S. government in the sixties and early seventies by formerly unorganized sectors of the population.

Previously passive or unorganized groups in the population, blacks, Indians, Chicanos, white ethnic groups, students, and women now embarked on concerted efforts to establish their claims to opportunities, positions, rewards, and privileges, (to) which they had not considered themselves entitled before. (Sklar 1980, 37)

In the report titled The Crisis of Democracy by the Trilateral Task Force on the Governability of Democracies, Samuel Huntington concluded that “some of the problems of governance in the United States today stem from an excess of democracy ... Needed, instead, is a greater degree of moderation in democracy.” (Sklar 1980, 37) Thus the Trilateral Commission, founded by David Rockefeller, supports a private consensus that the capitalist economic system requires a limited democracy.

If we accept the point that the U.S. has merely a formal democracy largely controlled by an elite, then the temptation is to accept the provocative conclusion that,

America has a government run by elites who use the political system to protect

wealth and privilege; thus, it is accurate to say that America’s oligarchy is also a plutocracy — a government run by the wealthy. (Hellinger, Judd 1991, 255)

When reference is made to a “New World Order,” it is helpful to keep in mind that when a government is challenged by its people, that government’s own response determines its accountability and therefore the validity of its claim to legitimacy. If we are in doubt as to exactly what kind of government we have in the U.S., how can we expect to understand what is meant by “New World Order?” As an aside, it should be noted that George Bush and many other members of his administration are former members of the Trilateral Commission.

At this point we might pause to contemplate the political paradox of how a capitalist elite might foster greater degrees of participation within American corporations while minimizing participation in government. How long can these two opposing interests remain unreconciled?

The Financial Democracy Campaign (FDC) has a program intended to push our nation toward something resembling what has been termed here an egalitarian commonwealth. As the advisor to the FDC, Ralph Nader is one of its ideological leaders. Currently, Nader and others are working to bring financial democracy issues into the 1992 electoral primaries.

In a series of articles in Mother Jones, Ralph Nader has outlined what he called, “how to put the punch back in politics.”

Few would deny the decline in the strength of organized labor and most federal regulatory agencies to check (the major corporations)...

The clearest manifestation today is the growing corporate control over other people’s property. In the next decade, we risk the increasingly rapid separation of real asset ownership from real asset control. Consider that:

The public owns one third of the United States ... and companies, mostly multinationals, control these rich re-
sources of timber, oil, gas, iron, ... etc., through leaseholds. And taxpayers put up the money to make private profit possible.

The public owns the government’s research findings that taxpayers fund, but corporations control the patents and profits emerging from such research.

The public, say Congress and the Supreme Court, owns the airwaves; but the broadcasters control them. Workers own over $1.7 trillion worth of pension monies; banks and insurance companies control their investment policies. Depositors and mutual-assurance policyholders own hundreds of billions of dollars in savings and insurance; management of these mutuals controls their disposition. It is obvious that the brokers of wealth scarcely care who owns the wealth, so long as they can get rich by controlling such assets. (Nader 1990)

Ralph Nader even points out that we are losing control of our children to a corporate dominated consumerist value structure.

Ralph Nader’s answer to these problems is to end what he calls the corporate state’s “transfer economy” in which companies, with aid from the government, transfer their risks, failures, waste and corruption onto consumers. The tools that he suggests are often legislative. He calls for federal courts to permit taxpayers to “stand to sue” in order to “plead their cases against corporate subsidies, loan guarantees, or giveaways.” Another idea is creating “self-power consumer groups” such as the Citizens Utility Board in Illinois. This is a voluntary, public policy lobbying organization created by citizens through their response to a postage-paid envelope included in mailings from the state government. (Nader 1990) All of these ideas and programs serve to increase the level of individual participation in the institutions which affect people’s lives.

One last but very important example of how an egalitarian commonwealth may be built is the concept called “geonomics.” It means “earth management,” and it relates primarily to a balance of the ownership of wealth through the existing property tax system. This method results in an incentive for economic growth due to its reduction of the property tax on buildings and improvements, and an increase in the tax on land to its full rental value.

Currently the purchase price of land is primarily based upon its speculative value, which is pushed as high as possible. With a site-value tax, most of the cost of holding land would be the tax placed upon it. As the tax would increase or decrease along with the real-estate market, there would be no basis for speculation in land. (Daly and Cobb 1989, 257) Capital would than be freed for productive business investment at the same time that investment is being encouraged by the removal of property taxes on buildings and improvements.

This economic stimulus results from society claiming for itself what is called the “uneearned income,” that is the profit that land owners generally receive at no effort on their part. This unearned increment of wealth is created by site specifics such as view, water and mineral resources, access to markets due to population concentrations, and the availability of government services. All of these are sources of wealth which morally ought to be shared by all, rather than hoarded by a few. Today there are approximately two-thousand cities around the world which utilize this ground-rent concept. Only in Pennsylvania do we find them in the U.S., with the largest two-rate property tax city being Pittsburgh. (Cord 1991; Robert Schalkenbach Foundation 1990)

Thus the appropriate application of the idea of common ownership through the property tax system would result in both a more equitable distribution of wealth, due to a resulting encouragement for business investment, and a more prosperous economy. Coupled with the development of increasing degrees of political participation, all of these ideas can provide for us a new world order which we may call an egalitarian commonwealth.
CONCLUSION

The concept of a global climax human culture can be helpful in projecting the direction of the development of human civilization. As we consider the nature of any future which we might hope to build, we may recognize that our civilization already evidences two primary trends. One is toward greater degrees of participation in the political processes which control wealth, and the second is toward a balance of the two forms of the ownership of wealth, private and common. Projecting the effects of these two trends into the future results in a cultural design termed in this paper the “egalitarian commonwealth.”

Clearly we have many good ideas on how to build an egalitarian commonwealth, yet there are problems involved in carrying on the building process. One of these is our use of terms in reference to political and economic issues. Although the terms “democracy” and “capitalism” do convey generally useful ideas, the fact that different people mean different things when they use these terms suggests that we need to get beyond their general use and begin to apply more specific terms which convey less ambiguous ideas.

As the idea of an appropriate balance between the private and common forms of ownership of wealth becomes more current, and as we gain more experience in participatory decision-making in the control of wealth at all levels of society, we may find that we have at last made landfall at the best of all possible new worlds.

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Fourth World Services
Providing information for a lifestyle
balancing our personal needs
with those of society and nature.

A. Allen Butcher
PO Box 1666
Denver, CO 80201
4thWorld@consultant.com

Fourth World — This term is used:
- In political/economic theory as any decentralized, self-governed
  society maintaining a locally based economy.
- By the United Nations for the least developed countries.
- In Hopi prophecy as our current era of environmental decline.

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of a lifestyle which respects the integrity of the natural world, which
supports the development of a socially responsible culture, and which
affirms the inherent worth and dignity of every person.