# The Realism Manifesto

A Vision to Reclaim the American Dream

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#### About the Manifesto

Political representation and economic participation are controlled by those few people with the money and power to demand and receive preferential treatment. This circumstance robs average people of economic opportunity and political relevance.

The Realism Manifesto proposes a vision for how average people might reshape the way political and economic decisions occur, and reclaim the American Dream. It provides ideas which may offer a starting point to take back government from special interests and the politicians they influence.

A central idea in the Manifesto is a different approach to political decisions that rejects partisan, special-interest dominated politics, and suggests a populist, non-partisan ideology called *Realism*. Although this common sense approach should not be a radical idea, the inability of the government to protect society's needs from special interest influence requires a shift in the political mindset.

But to overcome the stranglehold of entrenched political parties and wealthy elites this idea must enable a people's movement with the capacity to disrupt the political-economic hegemony. To accomplish this, the Manifesto proposes a national network of small, independent communities bound together by a common protocol consisting of shared values and goals. This idea is called a *Civic Internet* and it can allow society to collaborate and self-govern itself on many levels. By functioning as a *Community Government* it would create buffers between government and society.

Yet political power also requires economic power. To attain this power, the Manifesto proposes an idea called *Community Capitalism* by which average people leverage their incomes and wealth to shift the balance of power from corporations and government to consumers and voters.

Under Community Capitalism people would form themselves into a nationwide consumer's union to demand better value, negotiate more equitable employment, and own and control a larger share of the economy. By shifting power back to average people, political and economic decisions can favor societal interests over those of wealthy elites and the politicians they influence.

But getting there requires that people with conflicting worldviews find common ground upon which this vision might grow into a new political and economic reality. These shared interests exist in the families people build, the jobs they need to live and the desire they have for brighter futures.

My hope is that this essay may offer a starting point for conversations to take back Government from special interests and reclaim The American Dream.

Rod Watkins Author Blog: Realism Now

## PART I: Ideology

In his famous 1858 speech then future President Abraham Lincoln warned us that "A house divided against itself cannot stand". Although his speech addressed the issue of slavery in the mid-19<sup>th</sup> Century, his words warned us how deep political and economic division will undermine society.

Now over 150 years later we're embroiled in political confrontations shaped by two polarized ideologies: Conservative and Liberal. On the most critical issues facing the nation Democrats and Republicans cannot put the needs of the people before their pursuit of ideological purity, special interest demands and money. It's no wonder many citizens fear the future.

The collision between these partisan perspectives causes political conflict and legislative inaction. What legislation that does pass results from a collusion of lobbyists and politicians who fight for the political advantage and selfish needs of their respective special interests. These alliances invariably pursue money and power. Driven off course by this political reality our government is unable to address the needs of "we the people."

These conflicting agendas and interest groups include legions of professional lobbyists and power-brokers infiltrating every corner of politics; politicians beholden to the sources of funding over the interests of their voters; closed-door deals buried deep within pages upon pages of confusing legislation; and, of course, unethical, self-serving behavior that runs rampant throughout the political spectrum.

Viewed against this backdrop of noise and confusion it's understandable that one might ask where "we the people," the foundation of our Government, fits into the picture. Unfortunately, the prognosis is not encouraging.

Consider that each incumbent party operates from its own ingrained agenda. Such agendas reflect their respective ideologies, with the most deference given to wealthy interests. Money is the universal source of power, and getting elected in our present partisan environment means that politicians must worship it above all else. So it should come as no surprise that the pursuit of money is often more important than the needs of the governed.

Given that most money in politics primarily comes from special interests pursuing partisan agendas, it's hard to imagine how our mainstream political parties can put the people's business first. As a result, average citizens are inconsequential spectators, pawns in a high-stakes game of self-interest and greed. The real players, the ones who receive the lion's share of political attention, represent a minuscule fraction of society. In this political climate "we the people" have become *we the nuisance*.

Yet people are finally beginning to realize this, and they're getting angry about it. People are disillusioned with reality; their political reality, their economic reality, and their faith in the future. The emergence of the Tea Party and the election of Donald Trump made this clear. Reactionary as they may be one thing's certain; people are demanding change.

Will Trump, the Tea Party or similar outbursts of anger get us there? Not likely. Yet they demonstrate that grassroots activism is a genuine force in politics, and that average voters can still influence political outcomes.

The anger and emotionalism that enables this political force to materialize is also the reason why it or any form of rage-based protest cannot provide a durable solution to political dysfunction. Because although the force with which Trump and the Tea Party reshaped political agendas feels empowering and seductive to a cynical, disenfranchised electorate, objective policies and viable solutions to the major, long-range issues facing our country won't emerge from *pitchfork politics*.

Yet we elected Donald Trump? Here's a case where people brought their "pitchforks1" to the voting booth and sent Trump to the White House, along with a Republican Congress. But as of this writing, the government still can't get anything useful accomplished, at least as far as most people are concerned. So although the election caused immediate and polarized change, political and economic leadership remains elusive.

Yet consider that this was only one election, a brief event on the timeline of government. And history shows us that social and political change is a bumpy affair. We saw this in the formation of America. The Boston Tea Party and Revolutionary War were seminal events in which the pitchforks came out. But enduring solutions require more than anger.

So when the Founding Fathers wrote the Constitution and established the framework for our government, the pitchforks were replaced with thoughtful debate. The result was the most people-centrist constitution the world had ever known. To this day it stands as a testament of what's politically possible, even in an environment of deep partisanship and mistrust as was the case at that time.

So while anger and frustration can mobilize a political movement, they're not the appropriate mechanism to tame the forces of partisan dysfunction and return government back to the people. If history is any indication, it's a lesson we need to learn again.

Radical, emotional movements can of course push political parties to extremes. They give the appearance of systemic change, but this is an illusion. The problem is that such radicalism accelerates the ineffectiveness of party politics by making them more partisan. As a result, their intentions become suspect. Notice how the Tea Party only moved in one direction, right, far right. Or consider that as soon as Trump stepped into the White House he forgot the populist rhetoric of his campaign and quickly became the billionaire's best friend.

So what's the option? Or is there one? Given the intractable degree of special interest influence in politics these days it's difficult to imagine a way out. For if Washington cannot protect the interests of average voters then who, or what?

Now that radicalized politics reveals the political power of grassroots activism, maybe it's time to take the next step and replace subjective, partisan politics with an objective, non-partisan approach. Such an idea might reshape, maybe even replace, our current political reality with one that better represents the interests of average consumers, employees and small businesses.

But to succeed it must avoid the pitfalls of special interest politics and radicalized movements. It must be an ideology in which objective-driven ideas replace partisan beliefs. And it must produce

<sup>1</sup> The author acknowledges venture capitalist Nick Hanauer for the expression "pitchforks" in his article <u>The Pitchforks Are Coming...For Us Plutocrats.</u>

realistic policies that work. For it's not possible to have two opposite solutions to every issue; one liberal and one conservative. At least one is wrong.

But does this make the opposing policy right? Not necessarily. Often both fail because partisan political ideology possesses no inherent, positive relationship to effective public policy.

Consider that partisan ideologies are forged in the fires of emotionalism instead of reason. They're beliefs in which the act of believing is of greater importance than the outcome. Policy created in this environment is watered down legislation designed to appease two polarized perspectives embroiled in perpetual conflict. These aren't solutions, they're cop-outs.

It's why our traditional two-party system no longer provides the leadership we require. What began as a revolutionary approach to balance political power devolved into a chaotic brawl between ideologues and interest groups. We now contend with a dysfunctional political environment fueled by the insidious forces of money and belief. Together they cause us to replace logic and reason with fear and greed. Given the emotional and often irrational environment in which our government operates, it's no surprise that we have ever-increasing amounts of partisan conflict. It's a circumstance that must be reversed if America is to be a nation for everyone. But given the partisan momentum in our two-party system this appears doubtful. And if the current political paradigm cannot accommodate the needs of people unable to buy influence in a system rigged to work against them, then we have only two options.

The first is that we continue on our current trajectory. Under this scenario the alliance between money and government continues to grow until the country splits into two permanent factions; those with the most money, characterized by wealthy elites, and those destined to serve the moneyed interests. In time our country may look like a modern form of feudalism, with a tiny group of ultrarich controlling a vast populace of virtual serfs for whom economic opportunity and mobility is beyond reach. Unless one is a member of the privileged few, this spells the end of the American Dream.

The second option is a new political reality that returns government to the people. Although there's a slim chance that a political adjustment of this magnitude might occur within the context of traditional two-party dominance, given the expanding partisan environment in politics this seems doubtful.

Does this suggest a third-party? Maybe, but not likely. Although third-party candidacies, such as Independents, may prevail in local and even statewide contests, it's doubtful we'll see a third-party President in the foreseeable future. Because as third-parties stand little chance of gaining a national plurality the most they accomplish is to throw the election to one side or the other.

A more realistic scenario is a people's movement that acquires the political and economic power to reshape the relationship between voters and the major political parties. Implausible as this may sound, there's precedent. Consider the impact of the Tea Party movement. Since it emerged soon after the election of President Obama the Tea Party upset multiple Republican incumbents, elected candidates of its choosing to Congress, and reshaped the face of modern conservatism. This resulted from a decentralized, grassroots movement that isn't even a political party. In addition, both the candidacy of Bernie Sanders and the election of Donald Trump drew much of their support from grassroots political participation.

Yet alternative political movements often possess inherent weaknesses that cause their influence to wane. Already we've seen the Tea Party movement retreat. This isn't surprising. First, it was the product of intense anger and partisan belief. Although it embodied certain populist ideals, on key social and economic issues it was positioned to the far right. This added yet more fuel to the fires of partisan politics. So although the Tea Party made a significant impact on conservatism, it's unlikely that an enduring political reality can emerge from this radical, partisan position. Similar observations can be made about the election of Trump and the spread of Trumpism, although we may never fully recover from the damage it caused.

Second, the Tea Party lacked a guiding organization or charter from which to form political objectives and policy. This produced splinter groups with differing agendas. As a result we saw ideological disagreements, such as the conflict between secular libertarianism and religious fundamentalism. Because without an ideological charter and organizational framework it's only a matter of time until a partisan political movement devolves into infighting which dilutes its influence and relevance.

So the Tea Party showed us that ultra-charged emotionalism cannot provide a solid foundation to establish a durable political movement. The same can be said for the virulent nationalism sweeping the country, and the world. This is because movements based on reactionary anger are destined to become fringe ideologies that will eventually splinter along partisan motivations.

Yet the Tea Party and similar movements created public awareness that a third option is possible. Because prior to the emergence of recent, anger-fueled movements it was difficult to imagine that an alternative political force could materialize so quickly and become so powerful. They showed us that grassroots political options are viable. So-called "outsider" candidates discovered this in the 2016 Presidential Election. One of them even became president.

Unfortunately, the subversion of government by powerful special interests, and the continued decline of average voter influence, shows no sign of ending. If anything, it's getting worse. Looking across the current political landscape one sees an intensely partisan congress and a reactionary, far right mindset hell-bent on staying true to an ultra-radical ideology, regardless of the consequences.

This partisan environment causes deep ideological differences in our worldviews. For example, ever since the controversial Laffer Curve<sup>v</sup> became popularized in conservative ideology, conservatives promised that lower taxes will result in higher levels of employment and prosperity, which will then recover our lost revenues from future economic growth.

Yet we continue to see inequality worsen and deficits grow, which leads liberals to the understandable conclusion that supply-side economics conspires to transfer wealth from the lower- and middle-classes to wealthy elites.

On the other hand, liberals insist that taxing the rich and transferring wealth to the poor and beleaguered is a birthright of the disadvantaged, a premise for which they're willing to play the part of modern day Robin Hoods. It's a position which conservatives perceive as a steaming pile of sanctimonious bullshit.

Yet both approaches, making it easier to do business and investing in consumers to strengthen demand, have merit. But realistic solutions, policies that might sustain economic prosperity, likely include

combinations of both. Yet as neither side will concede any ideological ground to the other we find ourselves stuck in an unsolvable stalemate. Because the need to protect partisan ideologies and special interests makes it almost impossible to enact realistic solutions for the challenges we face. Given this chasm of ideological separation, and the fervency with which the parties cling to their uncompromising beliefs, it's no wonder that constructive dialog is uncommon. Even good intentions often devolve into chaotic bickering that goes nowhere. It's become so bad they can't even reach consensus within their own parties.

Yet we're faced with uneven economic growth and growing inequality. Logic suggests this is unsustainable; that we ought to cut the crap and implement genuine solutions. But we can't even agree on a strategy as ideological puritanism and special interest money trumps reason and shared goals.

Furthermore, this partisan political climate drove out moderate politicians who kept balanced politics alive, if only on life-support. As a result, moderate voters were abandoned in droves. We see evidence of this in the growth of so-called political Independents.

According to a Gallup Poll, 42% of Americans identify themselves as Independents, compared to 30% for Democrats and 25% for Republicans. This is up from around 36% in 2008 suggesting a widening relevancy gap between voters and parties. Vi Although many people who call themselves "independent" reliably vote for one party or another, the mere fact they won't acknowledge party affiliation indicates voter unease with political priorities.

Yet this group, the largest of the three, lacks an organized voice in the political process. So at election time Independents choose between the two traditional alternatives, neither of which they judge useful enough to claim party identity.

The result is that the largest block of voters in the country has no organized platform to embrace. They're pawns in the political process. Whichever mainstream party captures a majority of these voters in a given election earns the right to speak on their behalf. But when the party in power doesn't represent the interests of Independents, which in our partisan atmosphere is often, they may change their votes next time hoping for a different result.

Of course this never happens, which leads to further disillusionment that drives more voters from their parties to this political majority. With so many discouraged voters something must give. The inevitable inflection point will occur when Independent and disaffected voters obtain a genuine voice in politics, a voice with the power to make it heard.

Maybe that time is now. Maybe it's time to introduce a different ideological perspective that replaces the power of special interests with that of average voters and taxpayers; a political ideology that rejects emotional, partisan politics and embraces non-partisan solutions. One that values policy based on society's needs over partisan ideology. Maybe it's time to give a voice to the voiceless. Maybe it's time for Realism.

#### What is Realism?

Realism is a populist, non-partisan, objective ideology. By replacing partisan agendas with social priorities, Realism can provide an alternative voice for independent, non-aligned and disillusioned voters. To accomplish this Realism embodies three essential ideas:

One, it has a *Populist Agenda*, meaning that resources should be allocated to protect the general welfare, representation and rights of citizens possessing non-preferential political influence.

Two, it's Non-Partisan, meaning that it combines policy options across the political spectrum.

Three, it's *Objective*, which means the formation of public policy should begin with logic and reason instead of emotion and self-interest.

The intent of Realism is to pursue political policy independent of the need to accommodate special interests and ideological purity, a primary source of legislative dysfunction. To accomplish this, Realism is a non-partisan ideology that's conservative when it needs to be conservative, liberal when it needs to be liberal and both when it needs to be both; or in other words, common sense politics for average people.

#### **Populist**

Realism is a populist ideology. It's why the founders constructed the Constitution around the rights and liberties of the people. Because contrary to what partisan history revisionists may want us to believe, America was formed on the principle of fair representation.

For we did not leave England and sail to the New World, write the Declaration of Independence and throw it in the face of the most powerful empire on Earth at the time, fight the Revolutionary War, and then create and adopt a Constitution unrivaled in its protection of individual rights and liberties to become the United States of Wealth and Privilege! This wasn't the intent of a populace willing to fight for a constitutional experiment called America.

Yet soon after our country emerged self-serving forces began to whittle away at its foundation. Because within about a hundred years after adopting the Constitution the Gilded Age emerged, and our ideals of personal liberty and fair opportunity were under siege by the powerful interests of wealth & greed that amounted to a new aristocracy.

During this time laborers had few rights and people risked their lives each time they went to work. Many deaths resulted from working in unsafe conditions. Child labor was rampant, living conditions deplorable, and futures were bleak. Vii Circumstances were far removed from the original intent.

By the start of the 20<sup>th</sup> Century the American Dream was beyond reach to most people. We responded by prioritizing broad social priorities, beginning with trust busting legislation and the emergence of worker activism.

Although the political climate shifted, things got worse before they got better. In the following three decades the country experienced numerous employee uprisings, violent responses by employers, rampant corruption throughout both politics and business as money dominated governing systems, and widespread economic upheavals and health epidemics.

Over this period the concentration of wealth grew until it reached its apex prior to the crash of the stock market in 1929. In fact, it was the highest concentration of wealth in the history of America, except for one other time; *right now*. Because the amount of wealth now held by the top 1% of the country rivals the greatest excesses prior to the Depression.

In response to this inequity and economic turmoil the country adopted New Deal policies to tame the forces of greed, bring sanity back to the markets, and create a political and economic environment conducive to a fairer and more just society<sup>ix</sup>. Compare this to the present where our governing bodies continue to favor wealthy special interests over the welfare of average people.

Remember the Crash of 2008? How the banks and financial institutions became so large that their irresponsible behavior precipitated the worst economic upheaval since the Depression? Remember how they received massive government bailouts because their irresponsible behavior could cause a worldwide depression, and how it pissed us off? So what happened to the rallying cry of "Too Big to Fail?" Guess what, banks got even bigger and they can still fail.

Or how about those caustic mortgages; the zero down, no-document, interest only, and other high-risk lending mechanisms? These loans were pushed on gullible home buyers, many of whom believed they could afford their dreams, often when they couldn't. Well, now they're creeping back.<sup>x</sup> It turns out that the lending industry dislikes restraints of their practices as much as the banks. Should we be surprised?

So the irresponsible behavior that led to the financial meltdown still exists, even thrives. Yet there remain millions of unemployed, disillusioned and underemployed as new jobs often pay less, or offer less security than the ones lost. What about them? They're ignored because both parties are so beholden to big money, special interests and partisan ideology they have little room to maneuver within the respective mandates of this undue influence.

The conservatives have embraced big business, anti-tax zealots, religious evangelicals and the gun lobby. Taken together they've made conservatism so polarized and ultra-partisan that many of the policies of President Reagan became too liberal for the party<sup>xi</sup>, even though Republicans continue to worship his legacy.

They have shut down the government and taken us to the edge of financial default. They attacked the Affordable Care Act while millions of uninsured received coverage, often in the reddest of red states. They pay little attention to working Americans. In short, conservatives are held hostage by the monsters of their own creation.

But the liberals aren't much better off. For in their pursuit of political power and influence they too are often shills of big money and partisan special interests. Liberals should represent the party of average voters with an agenda that shifts us away from concentrated power structures. Instead, they're so hamstrung by special interests they're often unable to address their needs.

Consider how in November 2008, right in the thick of the economic meltdown, President-elect Obama announced his intention to appoint Timothy Geithner as Secretary of the Treasury. It was a moment in time in which we needed to reevaluate our priorities. Our most basic financial mechanisms, the ones millions of people count on to secure their livelihoods and futures, were falling apart as the country, the whole world even, watched in horror. The situation screamed for a fresh look at the excesses which led to the meltdown. It would have been the rational response. People would have expected it, maybe even some who didn't agree.

Yet Secretary Geithner, the person President Obama then appointed to restore order and protect the financial interests of the country, came with a resume that reads like a Who's Who of Wall Street. He's a Washington insider groomed by two Secretaries of the Treasury, Robert Rubin and Lawrence Summers. Geithner also served as President of the Federal Reserve Bank of New York, a position from which he became immersed in the financial mechanics of the meltdown.xii He was the ultimate insider from the rarefied air of Wall Street elite. By the usual measures of competency he was qualified for the position. He also helped calm the markets, maybe in part by letting Wall Street know they had a friend in the White House.

Yet to the average person on Main Street it looked and smelled a lot like allowing a fox to guard the hen house. So it's no wonder that people are disgusted and cynical about the capacity of the government to do anything meaningful on their behalf? At a time when the country needed its leaders to pull together and provide the modern day equivalent of a New Deal, we instead ended up with a raw deal.

Nor is it a surprise that this raw deal traces back to the influence of wealth and special interests. It's why any political movement with the capacity to create a more responsive government must prioritize the needs of society-at-large over those of plutocrats and power brokers.

#### Non-Partisan

Realism is also a non-partisan ideology, meaning Realism would span the full range of policy options, whether conservative, liberal or a combination.

In the current conservative/liberal paradigm policies are formed either along partisan lines or through bi-partisan compromises. If a policy emerges from partisan ideology, then by definition it mirrors the prevailing ideology (party) that holds power. But if a policy results from bi-partisan compromise we know it was watered down to survive the expected attacks from both sides. It's why bi-partisan legislation has few rough edges as they were sanded out to win the necessary support from across the political aisle.

So from a policy perspective, what opportunities or alternatives do we miss by the partisan/bi-partisan approach? As it turns out a lot of political possibilities aren't considered. For if it's a partisan policy then the country proceeds in a direction determined by ideological bias, ideology often controlled by strong emotions and powerful special interests. This approach ensures that conflicting ideas don't get considered. And if the policy does not reflect the needs of average voters, which is often, then society suffers as resources go to narrow priorities.

But if the policy is bi-partisan, then we know the rough edges were removed to preserve ideological detente. These rough edges consist of policy alternatives considered too "impure" to become partisan legislation or too "rough" to receive bi-partisan support.

For example, imagine proposed legislation that combines core liberal and conservative ideas. The outcome might produce public policy that solves some major economic or social issue. But of course it won't see the light of day. In fact, under our current political approach such proposed legislation may not make it out of committee.

The saddest part of its inevitable death occurs not because it's a bad solution. In fact, it might provide the most effective policy option available. Yet it will still fail because of the way politicians and political parties elevate beliefs over objectives, beliefs shaped by a toxic mix of emotional and financial interests. The result is that legislators become so focused on pursuing what they believe to be true, even want to be true, they shun the very policy options that we need them to enact.

Furthermore, political beliefs often become the objective of public policy. This allows politicians to justify special interest legislation. For example, the belief that wealthy elites create jobs justifies policies that transfer wealth from the poor to the rich. It's why subjective, belief-driven ideology is rarely "for the people."

Consider the basic function of a belief. A belief is defined as something we *think* is true; because if we knew it was true we wouldn't have to believe it. A belief may turn out to be true or not. But in the mind of the believer this makes no difference. For example, one may believe that reducing taxes spurs economic growth. This may or may not be true as determined by valid, empirical evidence. Or there may be certain times under certain conditions where it is in fact true or not.

But it doesn't matter. Because when it comes to strong beliefs the truth is inconsequential as subjective beliefs exist independent of objective evidence. Although beliefs contribute to the human experience, such as maintaining a spiritual connection or keeping hope alive in the face of overwhelming adversity, they're problematic when applied to politics. Yet in politics-as-usual beliefs dictate most political behavior.

These partisan political positions emerge from complex belief systems where the act of believing is of greater importance than the actual mission or purpose. It's why we see politicians embrace their ideology over the interests of society, even their own constituents. This is dangerous as there always comes a point where beliefs conflict with objective evidence and effective public policy.

For example, consider a simple objective of driving across the country, say from Boston to San Diego. The rational approach is to evaluate a map of the options and design a route that seeks to make the most effective use of resources, such as time and gas. If the objective is to arrive as soon as possible, then a logical route might start off going westward on I-90, drop down to Oklahoma City, then continue west on I-40 towards San Diego. But in any case, all rational routes pass through the middle of the country. Most people will agree with this logical approach to minimize distance.

But what if this New England driver had strong democratic beliefs and refused to travel through red states? As sensible options pass right through the center of the country, this presents quite a problem. If we use recent presidential election maps we see that red states cut north-south across the country from North Dakota down to Texas with no blue states in between.

In fact, the only route avoiding red states goes north to Canada, proceeds east to west, and then drops down through Washington State extending almost the entire length of the Pacific Coast to San Diego. This circuitous route adds about 2,000 miles to the length of the trip.

Of course, most of us will consider this laughable for something as non-controversial as driving a car. For if the objective is the shortest distance possible then most people will agree that the direct route makes the most sense. This agreement comes from people with conflicting beliefs otherwise.

Yet although the example is absurd, it's pretty close to the way politics works on a regular basis. Just replace *driving across states* with *voting for or against special interest donors* and the outcome is often just as ridiculous. It all depends on the belief in question. Because emotional adherence to ideology and special interest needs frequently takes precedence—over rational, objective solutions.

This dynamic forms the nucleus of partisan politics and is a primary cause of political dysfunction. It's why partisan ideologies undermine otherwise realistic policies until they appeal to narrow special interests with the greatest capacity to buy influence. As a result, potential solutions that might address our shared goals become watered down and lost by whatever political dramas play out at the time.

For example, to the extent tax cuts have the capacity to stimulate economic activity they deserve serious consideration. The same can be said for policies to rebuild the middle class and stimulate demand. Although opinions differ, the goal in each case should be to put money where it does the most good for the most people. Viable solutions that combine both approaches may be possible if the parties set aside partisan beliefs and special interests, but they can't. And even if they could, they won't. It's why partisan ideology mixed with special interest money results in such a toxic brew, and ideological purity becomes more important than political efficacy. It's also why partisan ideology that's beholden to special interest money must be replaced by objective, non-partisan politics.

A solution to this, maybe the only solution, shifts the political emphasis from *protecting beliefs* to *attaining objectives*. Yet this is problematic so long as the mechanics of politics rely on partisan ideologies funded by special interests. Maybe a good place to start is with a political ideology based not on things we believe to be true, the source of partisan politics, but on things that actually are.

## Objective

One can easily imagine the political wonks proclaiming that such an ideological framework is preposterous. For how is a non-partisan ideology even possible? Isn't it a contradiction in terms, sort of like a religion without beliefs?

At first glance it's understandable how such a conclusion seems reasonable. But the observation misses two important things. First, it assumes that politics, and hence political policy, should be based on things people *think are true*, as opposed to things that are true. This is critical because it makes no distinction between subjective belief and objective reality. It implies that partisan, belief-based ideology is indistinguishable from non-partisan, objective-based reasoning. This perspective describes the state of politics today, and is at the root of political dysfunction. It's also why a strong Realism movement may be what we need. For just because our political reality is upside-down, doesn't mean it should be.

Yet political commentators and talking heads treat partisan, belief-driven politics as a fixed entity, the center of the political universe that everything revolves around. What they don't get is that dysfunctional politics is not due to the wrong beliefs, but rather that beliefs are central to politics in the first place.

The second thing they miss is that there's ample precedent for objective-driven behavior. For example, consider economics and science. In business, the profit motive is a universal objective. Aside

from the ethical and moral aspects one way or the other, businesses try to make as much money as possible. In fact, the profit motive is central to capitalism. It's why most economic activity does not follow any subjective belief system. Rather, businesses adapt their behavior to a changing economic environment with the singular mission of maximizing profits. To do otherwise may be bad for business.

Not that this doesn't happen. Consider the case of Chick-Fil-A where an executive's disagreement over same-sex marriage resulted in a maelstrom of controversy. Following this was a public reversal of the company's position when it recognized the potential impact to the bottom linexiii.

In fact, in the controversy over homosexuality and same-sex marriage much of the business community, including large and reliable conservative donors, opted to accept positions that conflict with conservative platforms. They did this for the simple reason that it's good for business, even as conservative politicians blindly adhered to this aspect of ideology purity.

Science is another important objective-driven area of human endeavor. The goal of science is the pursuit of knowledge based on logical reasoning<sup>xiv</sup>. Science seeks to establish theories through testable and repeatable observation, in contrast to subjective beliefs in which the goal is to preserve an emotional connection to tradition or doctrine. In fact, beliefs are the opposite of science.

With beliefs, we take things we want to be true and try to establish them as fact. With science, we take things thought to be true and try to disprove them. And the longer we can't disprove them, try as we may, the more it confirms their validity. That's the way science works.

So in the Scientific Method<sup>xv</sup> scientists test ideas to try to prove them true or false. Ideas and hypotheses validated through rigorous tests by numerous scientists become accepted theories, which then become the basis for further scientific inquiry. In this way scientists employ objectivity to expand human knowledge. They do this through the application of logical reasoning. In fact, every scientific development in our history came from objective and critical inquiry, and whenever beliefs were substituted for objectivity the results produced some bizarre ideas about how things worked.

For example, at one time people believed that illness spread through "bad air." xvi Yet through the process of objective scientific inquiry we disproved this belief and replaced it with Germ Theory xvii, an event that brought fame to the scientists responsible for the discovery while saving the lives of millions. Now if new generations of scientists disprove Germ Theory, then they too will become famous.

Of course no one has, which further validates the theory. This is not for a lack of trying as scientists strive to disprove accepted theories using the scientific approach. They attempt to do this because they know it's how the scientific process works.

So when partisan voices suggest that scientists conspire to maintain some finding on which they don't agree, they're perceiving science through the "lens" of belief. What they don't understand, or accept, is that science is the opposite of belief. Where the goal of a believer is to protect their respective beliefs, scientists acquire fame by disproving accepted theories, if they can. This qualifier, "if they can," is why rigorously studied, tested and accepted scientific theories tend to endure, not because of some perceived conspiracy.

For if there exists an objective, repeatable test that disproves an existing, long-held theory then the scientist who discovers it might take home a Nobel Prize. This is of course rare. It's why scientists often toil in obscurity due to the objectivity dictated by their profession. They do this in pursuit of knowledge to enhance the human condition for all people, including those who don't want to believe them.

Throughout human history this evidence-based, objective approach was, and continues to represent, the mechanism by which civilization emerged and humanity prospered. Our science and technology, our economic prosperity, our concepts of freedom, liberty and the betterment of the human condition, everything that allowed us to advance beyond mere survival, is due to our ability to reason. So if God created the universe, and all things within it, then our capacity for objective reasoning is among the greatest gifts He bestowed on humanity.

Yet when it comes to politics we can't get beyond the notion that objective politics makes no sense because it's not based on emotion and special interest. This is not a problem for us in other endeavors. So why are so many of our politicians immune to logic and reason?

Maybe it's because they only consider ideas and policies that conform to partisan beliefs or the goals of special interests. We hear politicians talk of putting "everything on the table" or adopting a policy of "all of the above." Yet in reality such talk is often meaningless as they're limited by ideological constraints and special interest demands. But an objective-based approach has fewer of these artificial limitations.

So how do we get there? How can our leaders in government contend with a political environment in which objective ideas and solutions must conform to partisan ideology, big money and special interest demands?

One approach might be to reform political institutions and processes so the government becomes more representative to people with average influence. The idea here is to adjust the arcane workings of the political process so the needs of people with average or below average political and economic influence receive greater consideration in the formation of public policy.

In his paper *Political Dynamism: A New Approach to Making Government Work Again*<sup>xviii</sup>, author and political scientist Lee Drutman suggests a number of systemic reforms to alter political and economic motivations so the government better represents the interests of average voters. In his work he proposes a reform agenda in four areas: Congressional Elections, Interest Groups, Congressional Staffing and Congressional Organization.

For example, Drutman proposes increasing electoral competition by moving to "multi-member, congressional districts with ranked-choice voting." He also proposes adjusting rules to decentralize congressional power and expand the role of committees and subcommittees. These straight-forward reforms make sense with sufficient political motivation.

But even reforms such as these might not be enough if political ideologies remain beholden to special interest demands and partisan beliefs. For although ideas like term-limits, campaign finance reform or different approaches to representation have merit, there's no substitute to an informed electorate that embraces objective, fact-based decision making.

Indeed, the premise of democracy is that participants within a democracy, overall at least, think and act rationally. This is because political issues decided by non-objective, partisan beliefs stand less chance to provide meaningful benefit to society.

So although such reforms could go a long way in correcting political and representative imbalances, their potential success rests on the rational, objective behavior of political participants. And in the current political environment, such ideological realism is in short supply. In fact, in major political arenas and policy decisions it's almost non-existent. So unless these systemic political reforms also supplant partisan, special interest-driven ideology - beliefs that have a tenuous relationship with facts - it'll be challenging for the government to represent the interests of the public.

But in a less partisan, more objective environment we might embrace greater options in crafting political outcomes, resulting in more representative policies. This would represent a significant leap forward in taming political dysfunction. Nor will objective-based policy be hamstrung as much by inflexible political bias, or contend with the virulent and unceasing pressure to maintain ideological purity or respond to special interest demands. It's why Realism offers a potent antidote to the present state of politics, and why pursuing this approach may be both timely and relevant.

#### Isn't this obvious?

Many readers may be perplexed by the suggestion that greater objectivity and rationality leads to a less partisan political environment. After all, isn't this obvious? Isn't it common sense?

Progressives will be quick to point out that this defines their ideology. They'll claim they're the voice of reason and objectivity, and if conservatives only got their heads out of their asses we could have a country that works for everyone.

But wait, not so fast. It turns out that conservatives make the same claim. Indeed, with every bit as much self-righteousness as liberals, they contend they're in fact the true light of reason and if only liberals removed their heads from the dark places in which they reside we could shed the yoke of big government and reclaim our lives, our liberties and our pursuit of happiness.

How is this possible? For isn't it the basis, the essence, of objective, scientific-like reasoning that the same facts result in consistent observations? This is, for obvious reasons, a pretty big deal. After all, the social, political and economic evolution of society is largely the product of objective thought. And in many things we do objective reasoning results in consistent, predictable outcomes.

This is of course a good thing. It's why we start our cars without fearing they'll blow up. It's why we board heavy airplanes with the confidence they won't fall from the sky. And it's how we learned to extend our lives beyond a survival that, in the words of philosopher Thomas Hobbs, was "nasty, brutish and short."

Yet in some areas of society, such as politics and religion, the rules of objectivity don't seem to apply. And when the rules of reason are abandoned, common sense objectivity becomes a radical, subversive notion. So what's going on here? Are people so loose with facts that the objective process failed, or is it something else?

In <u>The Little Book of Revolution</u>, <u>A Distributive Strategy for Democracy</u>, xix author David Akadjian describes how people's perception of reality, the way they process information, uses mental filters

called *frames*<sup>2</sup>. These frames shape how we experience the world around us. The way we process facts, form opinions and accept beliefs are shaped by these worldviews. It's how different groups of people may start with the same set of facts and arrive at different conclusions. This paradox results from differences in the way people process and experience, or frame, their individual realities.

With countless frames to guide people's perceptions it's no surprise that we harbor so many views of reality. There are liberal vs. conservative frames, white vs. non-white frames, rich vs. poor frames, and so on. And these frames form unique mental images that shape our individual realities. It's how people disagree over similar sets of facts, and why what may seem obvious to some people others resist.

As a result, societies with greater *frame diversity* experience more divisive rhetoric, which causes greater social conflict. This spills over into political discourse. So the root of political dysfunction is not so much a clash of ideologies as it's a clash of frames. It's also why a common sense, non-partisan approach to political gridlock appears beyond reach.

Yet daunting as it may seem to overcome, it's not impossible. The solution lies in identifying common "threads" that span frames, building new frames around these shared interests, and then exchanging the old frames with the new ones. Although this is far from a simple thing, it's in fact more attainable than it appears.

First, a number of important shared interests exist throughout society. For example, we all need to earn a living. We also strive for security and peace-of-mind, lives that have meaning and purpose, and futures with hope and possibility. These threads connect us all, and they provide a starting point to reframe the way we experience reality.

And second, there's ample precedence. Our historical record reveals numerous times in which entire societies transformed their worldviews and reframed the way they experienced and interacted with their realities. For example, for much of recorded history most people had little in the way of individual rights, and existed subservient to the whims of kings and other political and religious rulers.

But over the centuries society evolved its ideas of natural rights and personal liberties. The Magna Carta, the Protestant Reformation, the Age of Enlightenment and of course the U.S. Constitution represented broad, societal shifts in the way we framed our realities. And earlier, Judeo-Christian ideas re-framed the individual's spiritual worth as separate from their relationship to whichever monarch their physical lives were subject to. So while the partisan intensity that defines the present political and economic circumstance may seem insurmountable when viewed up-close, the capacity to transform the way society frames its relationship with contemporary realities is not only viable, but plausible.

# Political Challenges

So how might society transition from the intense, partisan quagmire strangling our political system to a new reality built on objective, non-partisan policies? One thing is certain, it won't be easy. It will be difficult to disrupt the iron grip of the two-party system. These ideologies have infested our

<sup>2</sup> The idea of "frames" was explored in earlier work by George Lakoff in his book Don't Think of an Elephant, Chelsea Green Publishing, 9/2004

governing systems for over two hundred years. In the process they've forged deep alliances and loyalties with special interests, each with much to gain or lose.

So it's no surprise that special interests expend vast resources on political outcomes. As a result, the parties and the politicians aligned with them must bend to special interest demands if they expect to remain relevant. Although we may cheer for politicians who proclaim independence over special interests, their words are often hollow as they must succumb to big money power structures or disappear from the political landscape.

It's why politicians have little interest in creating and enforcing limitations on political power so the government works for everyone, and not just the special interests that fund their political futures. Because in the end, most politicians will vote for policies that best support their respective goals, and in the present environment politicians depend on the demands of wealthy special interests. Furthermore, some of these unethical alliances are now protected by the Constitution.

For example, consider the Citizens United decision. In this case, the United States Supreme Court held that the First Amendment prohibits the government from restricting the independent political expenditures of corporations<sup>xx</sup>. Prior to Citizens United it had been understood and accepted that as economic entities with concentrated power, corporate interests' possessed unequal influence over the political process.

So to protect individual rights we limited the corporation's ability to manipulate the political process for their selfish interests, interests that often run contrary to those of average people. We did this because we realized that corporations were in fact <u>not</u> people in the sense of "we the people" as established in the Constitution. Notice that the Preamble of the Constitution includes the words "promote the general Welfare," not the Corporate Welfare.

Consider that corporations are artificial entities created to engage in economic activity, own assets in perpetuity and facilitate these pursuits by shielding shareholders from the liability of these activities<sup>xxi</sup>. In some ways corporations even possess superior rights and protections to those of natural born citizens. For example, an individual engaged in sole proprietorship risks his or her personal assets whereas corporate shareholders do not.

This personal risk places obvious limitations on group ownership as non-managing investors won't accept liability which they can't control. It's why corporate entities include the special feature of *limited liability*. This is because economies require investment, and investors require limited liability. So to balance economic interests with public interests, society created the corporate entity, but restricted its influence on representative government.

The problem with Citizens United is that it allows these concentrated power structures to abuse constitutional protections on free speech and further subvert the political process for their selfish interests. The inevitable outcome is that political representation becomes even more of a purchasable commodity. This results in average voters being less represented in public policy. Furthermore, this momentum has gained traction with such anti-representative political practices as gerrymandering and a tide of restrictions on voting, xxii

So a grassroots movement faces many challenges. Yet major shifts in the human condition have occurred at moments in history where political representation and human equality were deeply unbalanced. Like a rubber band, political unfairness and economic inequality can only be stretched so far until the situation snaps and ushers in new social, economic and political realities. This circumstance preceded the formation of America, and we face a similar situation today. It's why such a movement may be far more imminent and realistic than popular opinion might suggest.

#### **Platform**

So how might such a movement get started? It would form the same way as any endeavor, with an embodiment of ideas. In politics this is called a platform. This platform represents the ideological foundation upon which a successful movement might reshape government.

The first plank in the platform must be the protection of *broad-based*, or populist, interests. These are the policies and values that represent the legal and economic interests of citizens possessing average or below average political influence. Broad-based representation means that political influence allocates fairly across the electorate.

Realism must also be a *non-partisan* ideology, because partisan ideologies do not represent populist interests, except by chance. So policies must cut across both liberal and conservative ideology, the definition of non-partisan.

The third core idea of Realism is *objectivity*. This aspect reflects the idea that societal, political and economic prosperity throughout history resulted from inclusive representation and objective reasoning; while non-representative government, deep inequality and rigid partisan belief characterized the lowest points in the human condition.

Another challenge in politics is a lack of *transparency*. Consider that in the current environment—the people's business often occurs in private with special interest lobbyists. This happens while average voters work to pay taxes that go to special interests seeking to manipulate political processes and outcomes. Transparency means that political—debate and legislative activity should be both visible <u>and</u> inclusive. This too should be adopted in the platform.

Another key plank in the platform is the concept of *direct representation*. The principle of representation means people's voices and votes mean something in the political process. Contrast this to the way special interests trump societal needs, and meaningful representation is almost non-existent for many voters. Fair representation of voters must be another essential tenet.

Yet fair political representation also requires equitable *economic participation*. This is because the two go hand-in-hand, where inequality of wealth portends inequality of representation. And extreme economic inequality represents a threat to long-term prosperity. At some point there's insufficient consumer buying power to sustain the economy. As such, another goal of Realism is a strong and vibrant middle class that earns a greater share of national income and wealth. Only then can consumers maintain the level of demand necessary to keep the economy strong.

This requires that the platform also include the idea of *sustainability*. Although the term often applies to environmental concerns, and that's an important part, it must also include political and economic sustainability.

Political sustainability requires the preservation of civil rights and liberties, including the equitable representation of average, non-advantaged voters. This requires protecting individual rights against political and partisan attempts to reshape or subvert them for special interest demands or beliefs. Economic sustainability means allocating resources in ways that sustain the economic futures of all citizens. And environmental sustainability means balancing limited environmental resources to provide for current and future generations.

Another idea central to Realism is *direct-funding*. This is because money subverts the political process in relation to where it comes from. It's why we see politicians supporting issues in proportion to their impact on large donors. To guard against this, an effective movement must self-fund itself from the electorate it represents. This includes funding for both general operations and support for political candidates or elected officials. In fact, accepting resources from the movement should preclude candidates and/or elected officials from receiving significant funding from special interest donors.

The reality is that we may never get money out of politics. But what we can do is change the source of the money. To borrow and rephrase a quote from the author Mark Twain, "the *source* of money is the root of *political* evil." So we need political funding that comes direct from average citizens, as opposed to indirectly from special interests. This distinction between direct and indirect funding is important. Consider that the reason the Koch Brothers, the Wal-Mart heirs and casino billionaire Sheldon Adelson can contribute vast sums of money to feed their partisan interests is because millions of consumers, average working-class voters, purchase petrochemical products, acquire much of their household needs at Wal-Mart or lose money at Black Jack tables.

So while we may be quick to condemn special interest money, the problem is not so much the money itself but its source. So if we want a government "Of the People, By the People, and For the People" then the money in politics damn well better come From the People. It's why self-funding is an essential element of the platform.

# Objectivity vs. Subjectivity

Although not exhaustive, these ideas - populist, non-partisan, objective, etc. - capture a number of the core principles of Realism. Yet such ideas are radical to many and would become toxic catalysts for controversy, even hostility. Throughout the historical record there's no shortage of conflict between objectivity and subjectivity, between reason and belief. The overwhelming power of what we want to believe, and the vast personal investments we've made into these beliefs, will conflict with objective, non-partisan solutions, no matter how beneficial they may be.

Especially contentious would be an objective ideology that eschews subjective belief. Many people perceive such ideas as attacks on major faith-based worldviews, complex and often unyielding belief systems that are woven into the fabric of politics and society.

Driving these faith-based belief systems is humanity's perpetual, unquenchable quest for spirituality. Ever since people comprehended their own mortality and acquired the capacity to articulate this knowledge, humanity developed a deep, enduring need for spiritual guidance, faith in an uncertain future, and solace against being mortal.

So it makes sense that for most human inhabitants of the world spirituality is every bit as essential to their lives as food and water. It's why for billions of people spirituality represents a permanent fixture in their existence. For them it's as integral and absolute to the human condition as the stars and planets are to the physical universe.

Looking back through history reveals an existence fraught with uncertainty, hardship and trials. Throughout much of our history the quest for survival required us to toil against adversity so great that were it not for hope, faith and a deep spiritual connection society may look very different today. So in a constantly changing world, spirituality with its complex belief systems will remain an integral part of society for the foreseeable future.

Does this mean that an objective, non-partisan ideology like Realism cannot become any more than a fringe movement? Although that's possible, there's evidence to the contrary. Consider that Realism encompasses such values as social justice, economic equality and the recognition that everyone matters. These values also exist in the Judeo-Christian tradition and other religions.

Consider the recent societal shifts on same-sex marriage or the new direction Pope Francis is leading the Catholic Church. Although we see backlashes to these developments, the intensity validates their significance as people will always resist changes to traditional beliefs. In fact, one can look through the history of social change and see how much our worldviews have converged. For example, there was a time when suggesting our world revolved around the sun could get one tortured, even executed.

But we have come far since then, and each inflection point along the way provided the space for societies to evolve their perceptions of reality, and humanity's place within it. What we learned, albeit begrudgingly, is that belief and objectivity exist on different planes, and society works best when we keep them from intruding upon one another. In fact, society reconciled traditional mindsets with new ones when the Founding Fathers gave birth to America. Deep down people get this; that the path forward means coming to terms with the realities of our future.

On a day-to-day basis people struggle with this, yet on the timescale of world history humanity must at some point embrace its evolving realities. So the present, a moment in time when political and economic inequality destabilizes our future, societal demands gain momentum and worldviews approach a tipping point, may be the ideal social climate to introduce a new political reality.

# PART II: Organization

For most of America's history, Republicans and Democrats have dominated politics. Over this time these organizations grew into complex webs of confusing and often conflicting relationships, loyalties and agendas. In addition to their national presence, there exist thousands of state, county and municipal party groups and committees that function largely independent of one another.

Although in theory each party has a national committee, they play a minor role in guiding party strategy and coordinating activities. Observe how party and candidate messages are often inconsistent, even conflicting. How candidate selection processes result in weak leaders and corruptible politicians. Or notice how the forces of special interests shape party platforms.

So whenever we hear the suggestion of a new political option, whether a political party or even a movement such as the Tea Party, it's difficult to imagine what it might look like given the

overwhelming complexity of traditional party structures. For not only are the major political parties far too convoluted to duplicate, they can't provide the kind of framework needed to leverage broad participation. There are important reasons for this.

First, major party organizations cannot function outside of partisan, special interest-driven politics. This is because their platforms and agendas must conform to rigid ideologies and concentrations of power. And it is these concentrations of power that drive political agendas, not the interests of "we the people." It's why we see politicians supporting issues in proportion to their impact on large donors.

Second, there is no reason to replicate these inefficient, cumbersome structures. In fact, any successful political movement must disrupt party structures, not duplicate them. So what might a disruptive political structure look like?

Once again, the Tea Party movement provides useful insight. Although it appeared spontaneous and reactionary, on closer inspection we see that the movement coalesced as a loose network of participants bound by online structures and technologies. The use of the Internet enabled the Tea Party to disburse messages, communicate with likeminded people, mobilize them to action and raise funds. In fact, without the Internet it may become little more than a footnote in the annals of politics. Yet by leveraging online tools and social media the Tea Party organized and mobilized large numbers of people resulting in the Republican takeover of the U.S. House of Representatives in the 2010 midterm elections.

So any mass movement will probably emerge as some form of web-enabled political community. Yet that alone won't be enough. Because beyond the Tea Party's triumph in grass roots politics, the Internet hasn't budged on the primary measures of grass roots political influence. For example, fundraising is a key measure of grassroots political participation. Greater funding from small donors implies that big money has a smaller share of overall political expenditures and influence.

Yet since the inception of the Internet fund-raising from small donors remained static relative to total political inflows. xxiv So despite the populist characteristics of the Internet, the main source of political funding remains big money donors. This keeps influence concentrated in the hands of special interest power brokers, a primary contributor to political dysfunction.

So what went wrong? Why hasn't the Internet with its capacity to collapse and "disintermediate" social structures played a bigger role in allowing people to reassert political power long-abdicated to party politics? If anything, major parties have used the Internet to promote their special interest agendas.

On the surface it may appear that political commentators are right and grassroots activism is too weak to impact the major parties. Cynical observers may conclude that special interests are too entangled in governance. Yet the actual reason may be something else. Maybe the issue is that the capabilities of online communities, the central building blocks for large-scale participation and mobilization, haven't developed appropriate mechanisms to facilitate complex organizing and decision-making, or if they exist have yet to make a meaningful impact.

## **Community Structures**

Consider what current online communities do best. For one, communities provide platforms for groups to communicate. Communities such as Facebook enable people to make billions of posts and comments and build relationships.

Communities can also assimilate bits of information. The leading shared-knowledge community is of course Wikipedia. Sites like WebMD also fall into this category. Although this and similar models are commercial, they too represent repositories of information serving large audiences.

Other communities consist of the shared-opinions of members, such as member comments and "likes" about products and ideas. Examples include the comments sections on commerce sites or comments left on blogs. Other sites enable people to vote on things, such as content or other websites. One such example is the site Reddit. And commercial sites such as Amazon and eBay are among the largest communities.

But maybe the most ubiquitous "animal" on the Internet is the blog (or vlog). Blogs democratize media and empower everyone to participate in the formation, discussion and dissemination of ideas. Millions of blogs exist across the Internet, with thousands more launched each day. The size and influence of some of these blogs is breathtaking. For example, the Huffington Post generates about 110,000,000 unique visitors a month, with other blogs attracting tens of millions.\*\*xxv

Yet for all the things we can do with the Internet, community models continue to lack certain essential capabilities of standard organizational structures. Without these organizational characteristics it's difficult to imagine the Internet becoming a mechanism for grassroots political influence, or any complex community mobilization.

One such organizational capacity is the ability to form and maneuver groups of people to perform complex activities. Conventional organizations possess this capability. This allows them to facilitate complex maneuvers by forming and managing many layers of roles and responsibilities within the organization. It's this capacity to coordinate and lead large groups of people that enables conventional organizations to execute strategies and tactics in pursuit of their respective goals. It allows them to respond to their environments, make decisions and take actions. Without this capability online communities will remain disorganized groups of independent "actors" restricted to performing simplistic, repeatable activities, such as posting comments on Facebook.

Although the Internet facilitates these low-level interactions, without some coordinating protocol there is no mechanism to mobilize and leverage individual efforts to perform complex tasks. Leading among these is the capacity to orchestrate group efforts to achieve a complex objective. This may be why Internet community models have so far been relegated to performing simplistic activities.

Yet we can't just replicate the structures and capabilities of conventional organizations in community models as they have important differences. For example, conventional organizations are centralized, top-down structures, as opposed to decentralized communities. But if a new breed of Internet community could coordinate its decentralized structure it may enable activities and initiatives of far greater complexity, yet do so in ways that leverage the unique power and scalability of community structures.

Consider that conventional organizations are monolithic and static structures that exist within a physical presence. They're monolithic because they tend to be uniform and ridge, and static as they change slowly. Such organizational structures have stable roles and chains of command, including relatively long tenures of the people in these roles. Work is performed by organized teams, the composition of which changes slowly. Furthermore, these work-groups include leadership roles occupied by managers who may remain for extended periods of time. This causes group attitudes and behaviors to reflect unique managerial styles. In addition, these physical entities usually exist within defined, geographic locations.

Contrast this with decentralized community structures that are multidimensional, dynamic and virtual. They're multidimensional as they can form themselves in many more ways than conventional organizations. They're dynamic because the roles and responsibilities of community participants constantly change; including the way relationships form and interactions occur. And they're virtual as they're not constrained by physical presence.

This makes both leadership and participation fluid. Community teams may consist of hundreds, even thousands of people who come and go on a moment-by-moment basis. In addition, important differences exist in decisions made by top-down, centralized organizations and decentralized, bottom-up communities. For example, online communities might replace rigid, organizational chains-of-command with a flexible "fabric" that leverages the unique characteristics of networked communities. An obvious model is the Internet itself, a structure that links a few billion devices without the need for top-down leadership. It's why there's no president of the Internet, a question once posed by early investors.\*\*

The capacity to learn is another important characteristic of organizational structures. Learning is an ongoing process where acquired knowledge becomes relevant insight, resulting in new knowledge that feeds into subsequent learning cycles. It's this capacity to learn that enabled humanity to evolve. The food we eat, the clothes we wear, the cars we drive, every bit of technological know-how we possess was at some point enabled by objective learning curves. So it's essential that communities have the capacity to learn. Yet the absence of robust coordination prevents them from learning like traditional organizations.

Yes, communities excel at capturing information. But the process of learning also requires synthesizing knowledge into new and useful insights, a competency that necessitates the coordination of individual efforts and the ability to re-utilize knowledge in future decisions.

Community-based learning also requires the capacity to make and act upon group decisions with negligible external influence. For example, visualize how certain flocks of birds turn at once and reform themselves into new groups, an act they perform in almost perfect concert with each other.xxvii This behavior occurs when leader-groups of birds flying in formation change course, which signals others to follow. But unlike top-down structures there's no designated leader and birds take turns, yet when only a few birds change course, a flock of hundreds turns at once.

Similar approaches to decentralized interactions might allow online communities to make and act upon decisions in ways that change our approach to organizational behavior. These decentralized activities could even mirror leading social media models, such as Facebook.

We perform three primary actions on Facebook; we *like*, we *share* and we *comment*. When we "like" something we endorse it, but not enough to share it. When we "share" something others posted we award it a stronger endorsement, similar to a vote. But if we comment then our endorsement is even stronger. This higher level vote reflects the time we take to comment and the nature of what we have to say. Or we may post our own content, which shares a new topic and initiates the "voting" cycle.

A similar model of social interaction could form the basis of a political community. For example, *likes* could become *endorsements*. Such endorsements could facilitate the nomination and filtering of ideas, people, decisions, etc. Then *shares* could be replaced by *votes* that the community uses to make decisions and take actions. This would leverage standard social media behaviors to facilitate complex decisions and actions.

Yet without a guidance mechanism community activities will drift off-course. To address this, organizational leadership within communities could consist of *leadership teams* composed of high-contribution participants. These leadership teams would guide varying layers of community participation. More active participant-layers would be "closer" to team leadership and more stable, with less active participants characterized by less involvement and greater turnover.

The community must also accommodate different types of participation. This is because complex activities require participation over extended periods of time. For example, teams devoted to specific research or other activities. Such teams could be assigned missions to perform with metrics to measure team progress. Team leadership would mobilize and guide these groups. In this way small leadership teams might orchestrate large groups of individual contributors, similar to how a few birds can shift the course of an entire flock.

Such community networks would consist of teams with unique missions and objectives, where the output of one becomes the input of another. This requires a protocol that allows groups to function independent of each other, yet produce results that integrate with the community's larger missions. Such a protocol would address the appropriate inputs and outputs for various tasks and initiatives, and also include mechanisms to keep linkages intact through feedback loops.

These structures, consisting of individual participation via endorsing and voting, and leadership teams to orchestrate community behavior, might focus the power of communities for the social, political and economic benefit of society. For example, this model of community-led, complex initiatives might enable society to create and own intellectual property and other assets, resulting in a more efficient and democratic utilization of resources. Although these types of decentralized, large-scale and crowd-sourced activities have proven effective in technical pursuits, such as open source initiatives, they have not yet been successfully replicated in the social sphere, at least not to the magnitude sufficient to transform political and economic decisions.

So maybe the failure of the Internet to make a greater political impact than it has is more a function of structural deficiencies than political realities. Because without the ability to mobilize large groups of remote participants, and the capacity to learn and do new things to keep people engaged, communities will remain social playgrounds consisting of simplistic behaviors that continue only so long as people don't get bored and go elsewhere.

So it's possible that a community-led social reality is within reach, and the barrier is that communities lack core organizational mechanisms. Maybe it's time for a new Internet "animal" alongside websites, blogs and social media; self-coordinating communities with the capacity to manage complex activities, learn new things, and act.

## **Community Representation**

Participation is essential for successful community politics. This is because being part of a community, any community, implies that each member has a role within it. Imagine a community where nobody participated. This isn't a community; it's just a group of people. To become a functioning community people must interact. So a community requires the participation of its members, and more successful communities have greater overall participation.

But not everyone will contribute an equal amount. Often a small minority of participants make a majority of contributions. This raises an interesting dilemma when it comes to community-wide representation. On the one hand, each community member deserves a meaningful voice. But some members will participate more in the time they commit, the level of responsibility they assume and the skills and competencies they contribute. This greater contribution will result in those members having higher vested interests in outcomes.

So it's only equitable that these participants receive greater relative representation in the community, in the same way that people who work harder reap greater rewards. The challenge is to balance this representation across a range of participants and contributions. One solution would be to make voting rights relative to participation - greater participation, more votes; less participation, fewer votes. Votes would also differ by types of contributions.

But votes can <u>never</u> be bought. There can never be any mechanism that allows people to substitute money for participation. Voting rights must also be temporary and exist only so long as participants remain engaged. Changing the status of participation would change the votes of the respective members, and votes could never transfer. Leaving the community must void all votes.

The types of votes would also vary. For example, active participants who hold positions of greater responsibility might vote on both political activities and community operation. Yet casual participants might only vote on limited issues. The general idea is that representation is determined by participation. The community will establish the nature and extent of participation necessary to secure varying degrees of representation.

The goal is to maintain the integrity of the community, while guarding against people who want to use it for partisan objectives. This requires moderating the community to protect it from subversion by members with selfish agendas. The rules and mechanisms that facilitate this should be among the first orders of business addressed by community founders. In fact, in this model, participation will replace the traditional concept of "ownership" as community assets will be administered by the participation of its members. This will ensure that community assets remain in the public domain.

## **Political Participation**

Community participation in politics requires a functional framework from which to advocate on behalf of participants. Although this may occur in various ways, most relevant political activities encompass four areas: 1) Intelligence & Communications; 2) Policy Formation; 3) Candidate Development; and 4) Campaigning and Elections. These activities enable people to initiate and lead political conversations, create and promote public policy, and support candidates.

Consider the political impact of information and communications. Imagine focusing community power to track and record political debate, hold politicians and public figures accountable and wield a communications platform that generates millions of posts, comments, likes and other relevant messaging. Although there's never a shortage of online civic commentary, much of it remains trapped in social media "echo chambers" where it has little impact on political decisions.

But a large civic network could better coordinate and utilize these social media platforms, including Facebook, Twitter, YouTube, Wikipedia and others, along with public policy organizations and think tanks, new & traditional media, educational institutions and individual thought leaders. With sufficient coordination and concentration, relevant civic commentary might genuinely influence political decisions. This will be critical in the Internet Age with its ability to spread "fake news" and "alternative facts."

An active community could also impact the formation and promotion of more inclusive public policies (laws). This would weave societal interests into public policy, while bypassing narrow special interests. And with sufficient political and economic power community-led politics might identify and nominate candidates for public office, candidates with values that better reflect those of society.

A powerful and active community could also impact campaigns and elections, beginning with support for major party candidates. Yet legacy politicians will attempt to constrain the community due to their respective special interest platforms. To counter this, the community could, for example, run Independent candidates when it makes sense, or maybe create influential party factions with the capacity to exert influence on the two-party hegemony.

Yet even if such a force never became a separate party, the idea of a political "third wheel" with significant influence is a tough sell in any political environment. But it's not impossible. Because unlikely as it may seem to political wonks and others who've studied and experienced failed attempts to establish a meaningful third political center of influence, be it an actual political party or otherwise, or people cynical that politicians and the powerful forces that control them won't allow such a thing to occur, it's important to recognize that major political, economic and social shifts start off as inconsequential events before they take root, gain momentum and grow to present a genuine challenge to the existing reality.

These societal shifts constantly unfold, yet they're often difficult to see until they've occurred. Recall that only about a decade ago numerous states passed laws and constitutional amendments prohibiting same-sex marriage, often by sizable majorities. In fact, the animus against same-sex marriage made it difficult to imagine a reality in which such a thing would ever attain wide acceptance.

Yet in the past few years society made a breathtaking about-face on the issue, culminating in the Supreme Court legalizing these unions. Or when Bill Clinton said he puffed on a joint but "didn't inhale"xxviii that we'd one day be on the cusp of legalizing marijuana, but we are. And did the British ever imagine that the symbolic protest of throwing tea into Boston Harbor would culminate in the defeat of the most powerful empire at the time? Not likely.

The point is that the events that led to fundamental shifts in institutions and societies were often not recognized at the time. This is because when they first materialize they don't appear threatening to the existing reality. Yet by filling some unmet need, be it social, political or economic, such movements can grow to disrupt and replace whatever preceded them.

This process of disruption is a natural phenomenon that's occurred numerous times throughout human history, and will continue in the future. At some point it'll reshape US society as well. It's just a matter of when and how. So the eventual conversion of a people's movement into an influential political force might, under the right circumstances, be a plausible outcome.

## **Selecting Candidates**

One very important role for the community will be to vet and select candidates. The community could initiate this process by identifying potential candidates from its membership. Aspiring candidates would initially join the community as voting members, and then work their way up through greater levels of leadership, say by moderating discussions, leading working groups or maybe chairing initiatives.

Once potential candidates have declared themselves, they could continue the screening process through additional background checks, participation in community round tables and interviews, and even win votes at different levels of the community. Only candidates who complete this evaluation process will receive community support, which could include financial backing, active campaigning by community members, and of course votes.

This approach would represent a significant improvement over major-party candidate selection, which is often a popularity contest among candidates who appeal to the biggest donors. This frequently requires them to "sell out" to special interests in advance of the election, even the campaign.

What's more, under the standard approach little is known about candidate integrity and character. So we shouldn't be surprised by unethical behavior or hearing politicians spout off about "legitimate rape." xxix It's why adopting a community-enabled candidate development process would represent a major disruptive threat to traditional party politics. This will not only result in better pools of candidates, but it will hold them accountable to represent the interests of their constituents above those of special interests.

In time, this approach will lead to a more representative government that people can trust again. This is essential because our greatest political casualty is trust. People are subjected to so much political pandering by narrow special interests they've come to distrust the government. It's why an objective, non-partisan ideology backed by a large network of political communities could return meaningful representation to the voters, and rekindle people's trust in their government, their leaders and their futures.

## PART III: Challenges

Introducing a different political reality is no small matter as it challenges ingrained beliefs and interests. Incumbent political forces won't stand still and let it happen, certainly not the wealthy special interests behind them. So we can expect intense resistance, but that's the case whenever disruptions occur.

Notice the intense resistance by the fossil fuel industry to renewable energy, even though renewable growth outpaces fossil-based sources of energy<sup>xxx</sup>. If this growth continues it's only a matter of time until renewable energy eclipses fossil fuel. So it's no surprise that big oil and the fossil energy industry fight so hard to protect their interests, even if society suffers.

The same can be said about politics. Consider how the parties pervert fair representation through gerrymandering and selective voter restraints. Imagine how they'd react if attacked by an outside political force with the capacity to transform the rules of engagement. It's why Realism with its grassroots, anti-partisan approach could become political Kryptonite to ideologies accustomed to gaming the system on behalf of powerful special interests. Yet as the poet and author Victor Hugo once observed; "Nothing is more powerful than an idea whose time has comexxxi," and history provides examples of ideas that reached a tipping point and then shifted society to some new reality, yet were preceded by great resistance.

Such resistance starts as denial that endures in the face of growing evidence. But if a new idea continues to prove valid, then the denial of it will eventually reach absurd, even cartoonish proportions, like throwing snowballs in Congress<sup>xxxii</sup>. For when objective insights and facts conflict with subjective ideologies, or greed, people go to extremes to protect their respective worldviews, such as refuting contrary evidence regardless of its objective validity.

We see this when objective evidence that conflicts with partisan belief is called into doubt, while questionable, subjective information is trumpeted as fact. Or we hear endless talk of conspiracy theories that seek to protect strong beliefs by attacking new ideas that threaten them. Of course in the end the result is the same. For if an idea's "time has come" the outcome is inevitable.

So could such a political movement develop into an idea whose time has come? Are we nearing an inflection point where we'll tip to a new era of politics? The rapid rise of the Tea Party, and the subsequent election of Donald Trump, exposed an undercurrent of dissatisfaction among the electorate. But whether an enduring, non-partisan movement can tap into this emotion is unclear. Yet the need to disrupt special interest fueled politics is crystal clear. We can't assert that our governing bodies represent the best interests of average voters, or even try very hard. Something must give; sometime, somewhere, somehow.

So yes, the social energy may be there, just waiting for an opportune moment or event to give it wings. For arguments sake let's say this is the case, and that a political movement gathers deep support with maybe millions of people who support its priorities. Will this be sufficient to launch a new political reality?

We'd of course like to believe so. The idea fits with our romantic notion of a down-trodden society rising up to reclaim its rights and liberties. It sparks images of our citizen-led Revolutionary War followed by the birth of a new nation.

But the political powers-that-be possess vast, concentrated resources with which to control public policy and opinion. So even if such a movement attracted the support of millions of people it still might find itself blocked by the two major ideologies given their overwhelming home-court advantage.

Yet beyond sheer numbers of people there is another force with the capacity to break through; MONEY, lots and lots of money. It's ironic, but the most pernicious root cause of political dysfunction is also the force by which the government may work for the people it's supposed to serve.

But how much money? We hear of huge amounts of money spent by special interests and how presidential elections now require over a billion dollars. So where will such vast amounts of money come from? From the vantage of average voters this kind of wealth no doubt seems out of reach. For isn't it the big, bad corporations and concentrations of money that pull the strings? How can average, working people contend with that?

At least that's how the narrative often goes. Yet while it's easy to understand this feeling, it's not always valid. Because although big special interests appear as evil entities whose prime objective is to undermine societal interests, the reality is that corporate and special interest power comes from the same people who allow them to exist.

That's right; we are the corporations and special interests. Of course it doesn't seem that way given the manner by which they pursue their selfish aims at the expense of average people. But this power is only possible because the purchases and donations of millions of people fund these entities.

This breakdown between voters and government occurs when the goals of special interests become misaligned with the public that made their existence possible in the first place. Consider a retail behemoth like Wal-Mart. Millions shop there, yet when we purchase groceries or other products do we authorize Wal-Mart to act in manners detrimental to us?

Of course not, but as our influence ends at the cash register we have no voice in what sort of political or economic mischief our money is used for. Although this situation may seem intractable, the solution is quite straightforward; *tap into the incomes of many average people to fund political and economic activities that benefit societal interests*.

For example, imagine a large civic community that partners with providers of goods and services who share its interests and objectives, funnels community purchases through these entities, and then receives a share of the sales to fund community activities. This technique became popular on the Internet through the affiliate marketing program. The approach is similar to a co-op system where groups of consumers use their buying power to negotiate better prices, such as farmers buying supplies. But on a nation-wide scale the capacity to generate cash-flow could be staggering. Here's how it could work.

According to the US Census Bureau the median household income is about \$52,000/year.xxxiii Of this income a sizable portion is spent on product categories appropriate for affiliate-like programs. These

include products such as groceries and household items, telecommunications, insurance, utilities, consumer loans, online purchases and transportation.

The US Census Bureau reports that expenditures from these and similar categories account for approximately 30% of income, say about \$15,000 or so per household.xxxiv Although the number of households in such a movement could run into many millions, just one million households, or about two million people, would represent about \$15 billion in consumer buying.

So what's the potential value of \$15 billion in consumer purchases? Affiliate programs may pay up to 15% on retail purchases, with some goods and services receiving less and others more. So it's reasonable, if not conservative, to figure on an average affiliate fee of say 7%. On \$15 billion in purchases this is over \$1.0 billion. That's a billion dollars each year, a massive amount of money even by mainstream political standards.

Consider that the 2012 election cycle cost about \$6.3 billion, with some \$2.6 billion spent on the presidential race alone.xxxv So in this example a political community that's less than 1% of US households could generate up to two-thirds of campaign financing in a presidential election cycle, and maybe even receive better priced products in the process. Such economic muscle would make the movement a major player in national politics.

But if this magnitude of political fundraising became a reality won't it accelerate the campaign finance arms race? Would it not increase the money in politics and make the situation even more perverse?

In the short-term this may happen. But in the long run it would dilute the influence of *big money* with similar amounts of *small money*. For as small money crowds out big money, the value of special interest donations to influence political outcomes will decline. This will drive up the amount it costs big money to subvert politics, which makes their donations less valuable. In time large donors may find other uses for their money. Furthermore, by shifting the source of money from special interests to societal interests', political representation would be better distributed, the very circumstance necessary to pass meaningful campaign finance reform.

Yet there's another important distinction between big and small money, and it's a potential game changer. Consider that the goal of big, special interest money in politics is to buy votes. They accomplish this by using money to influence and manipulate both the media and the political process to their advantage.

The irony is that the people behind this money represent a minuscule portion of the voting public. Yet the small donations from average voters often translate into actual votes. In addition, small money from enough people could rival big money, yet also provides the votes that special interest money seeks to buy. As a result, dollar-for-dollar small money is more valuable than big money.

As this influx of small money dilutes special interest money, the balance of power would shift back to representative democracy. The result would be more representative politics that eclipses the influence of big money. Such a development could rewrite the political rules by which information is disseminated, issues are debated, policies are formed and elections are held. Furthermore, this new source of power would not only transform political realities, but economic ones also.

## **Taming Special Interests**

Consider that powerful special interests, whether for-profit corporations or other special interest entities, only exist because the purchases or donations from large numbers of people fund their activities. We call these groups *markets*, and the purchasing power of markets provides suppliers the means to exist.

Yet markets do not only occur as natural outcomes of buyers and sellers exchanging value with each other. It turns out that markets, to a significant degree, reflect the political environment in which they exist. For example, contracts between market participants only exist because they're enforced by law. Other factors that impact markets include what property can be owned, laws concerning bankruptcy and how we enforce market rules.

The point is that free markets cannot exist independent of some set of rules guiding their operation. Author Robert Reich describes these building blocks of markets in his insightful book <u>Saving Capitalism: For The Many Not The Few XXXXXII</u>. As he explains, markets are defined by the rules governing them, which in turn determines how businesses interact with the employees and consumers who make markets possible in the first place.

So think of markets like food and water for business, and the way the government configures markets has a great deal to do with who wins and who loses. Yet as long as the interests of consumers and businesses remain separate from one another, then the natural flow of economic activity tends to produce unfair markets and concentrations of wealth. This occurs as organized, powerful suppliers - profit-motivated entities - accumulate more and more wealth from disorganized and powerless consumers, employees and small businesses.

Look at it this way. Big businesses accumulate greater wealth by limiting competition in product markets to push prices up, while encouraging competition in labor markets to drive wages down. To maintain this circumstance they want consumers, employees and small businesses to remain disorganized and powerless so they can't negotiate for more equitable political representation and economic participation. So any conversation that seeks to rectify this inequality will provoke great resistance from elite political and economic forces.

To perpetuate this approach to wealth accumulation, powerful suppliers use money to subvert political processes. This provides them more political representation and economic resources. The losers are average consumers, employees & small businesses who comprise the markets which allow big businesses to exist in the first place.

Not only is this unfair, but it's unsustainable. Because at some point consumers lose so much wealth and income relative to suppliers that their purchases cannot propel economic activity. In time the system devolves into a war of destinies as they fight over political representation and limited economic resources.

Consider how the two political parties cater to their respective interests. The political goals of Conservatives favor the economic supply side, often large corporations. Liberals, on the other hand, favor the economic demand-side, consisting of employees, consumers and many small businesses. Yet

both sides are so beholden to their respective special interests and agendas they're often at odds with their own mission. It's an impossible situation. Or is it?

It turns out there's a third option, and a viable one at that. The answer lies in transforming consumer markets from disorganized groups of buyers into coordinated purchasing powerhouses. For if an organized market, something a nationwide community could facilitate, becomes large enough then it could use its purchasing power to stop funding conflicting special interests.

So rather than try to overcome special interest money and pass laws that restrict the formation and utilization of concentrations of power, maybe society could transform the "playing field" by shifting political and economic influence from suppliers to consumers. Politically, this could occur by replacing special interest representation with societal representation. Economically, this could begin by reshaping the fundamental building block of business, the corporate entity.

## Corporations

Think of corporations as artificial, immortal people. As artificial people they can own property and conduct business like real people. But unlike mortal people they acquire wealth forever. In short, they're the ultimate wealth accumulators.

Corporations are also characterized by the separation of interests between their various stakeholders. For those unfamiliar with the term, stakeholders include anybody with an interest in a corporation such as shareholders, managers, employees, suppliers and even consumers. The most common conflict between stakeholders is that owners and managers want to make as much money as possible, which often means exploiting employees, consumers and the political process, at least to the extent they're allowed.

The reason this happens is that the various stakeholders, say owners and consumers, have separate and often conflicting interests. What's of importance in the boardrooms of powerful corporations often has little to no connection to what's discussed in the dining rooms of their customers. In fact, the discussions will often be at odds with one another. In boardrooms, executives discuss how to acquire as much money as they can for the least cost. But in dining rooms families discuss how to make the most of their limited budgets. So it should come as no surprise that corporations behave as they do. The result is a political and economic situation that's stacked against average people.

But what if the interests between corporations and consumers weren't separate? What if they were instead aligned with each other? Rather than the usual "us-them" dichotomy between consumers and corporations, imagine a scenario where the needs of owners, shareholders and managers don't conflict with those of employees, consumers and average voters, or at least do so to a lesser extent. Although under our present economic reality such an idea may seem preposterous, it makes much more sense when the interests and objectives of suppliers and consumers vest in the same group of people.

One way to better align interests across the economy is for consumers and employees to share more ownership in the businesses their consumption and productivity makes possible. So rather than being separate, disorganized groups of people, their goals align through shared interests. This widespread ownership will require the collective buying power of many consumers, something a large

political and economic community could facilitate. It's how society might restore fair political representation and economic participation.

## Why isn't this Communism?

This is, of course, not a new idea. Karl Marx proposed a similar idea in the 19<sup>th</sup> Century in which both political power and economic ownership vests in the state. It's called communism. Under pure communism, such as Cold War Russia, the central government forgoes constitutional rights, liberties, and representation - at least by Western standards - and implements a police-state that owns all property and dictates economic and political activity.

Although communism may appear attractive to societies that were previously governed by some form of dictatorial system, they often traded one set of masters for another. This is because communist governments must control political and economic behavior by force. So pure communism is often not much different from a dictatorship, it just pretends to be.

So how is the idea of an electorate that owns a greater share of the means of production any different from communism? It's understandable how one may come to this conclusion as it implies collective ownership. After all, just using the word *collective* is an automatic cue for people and politicians to get up-in-arms over the perils of communism. But there's a huge difference between the two. In fact, in one critical respect it's the opposite of communism.

In the communistic model, the *state owns* and controls the economy. XXXVII Under a community model, however, ownership *remains private* within the community; a community of consumers that enable corporations to exist in the first place. This is in stark contrast to government control. For while the weak representation of average-voters makes government ownership models susceptible to special interest subversion and corruption, community participants will be far more involved and represented. So labeling the idea of groups of consumers, employees and small businesses acquiring greater economic influence relative to corporations and special interests as communism, is to misunderstand the difference.

For how is this any different from suggesting that shareholder activism that replaces corporate boards with ones that better reflect the interests of owners is communism? Of course, this often consists of major shareholders organizing other large shareholders to vote for a board that makes their ownership even more valuable, and which allows them to acquire yet larger concentrations of wealth.

The only difference between this and broader ownership is that the composition of shareholders consists of large numbers of average people, as opposed to few people possessing great wealth and power, and who have a strong interest in keeping it that way. So suggesting that fair economic participation and ownership represents a defacto form of communism belies a nefarious, cynical intent.

# The Real Story

What's going on with such an argument is that the "haves" are protesting against the "have nots." It's an age-old conflict and these same voices of hypocritical outrage have been heard before.

In the 19<sup>th</sup> Century, slave owners claimed that free slaves would cause society to fall into chaos.xxxviii

In the early 20<sup>th</sup> Century, men argued that allowing women to vote would undermine the family and traditional male roles.xxxix

As late as the 1960's prohibitions against inter-racial marriage still existed. In fact, it took protests and a Civil Rights Act before African Americans began to experience certain freedoms they should have received a century earlier.xl

Today we hear these same voices protest against such issues as same-sex marriage or who should have the right to vote. The commonality across these protests is that the reasons given are canards, noble sounding purposes that mask selfish, even evil interests.

The slave owners wanted their "employees" to work for free.

The male hierarchy of the time didn't want women to enhance their social relevance.

If racist people had to tolerate free African-Americans they at least wanted Jim Crow to keep a close eye on them.

People uncomfortable with the LGBT community prefer to establish a system of institutionalized discrimination rather than extend them the same rights.

So it's no surprise that the loudest voices and the greatest resistance to political and economic equality comes from those accustomed to dominating others, although they represent a smaller portion of society. Those not among the elite classes, the vast majority of society, are held in check by the promise of an American Dream, the idea that under capitalism anyone who works hard enough earns a better life.

At least in theory that's how it's supposed to happen. Instead we see middle-class buying power stagnate as most wealth created by capitalism in the past four decades has gone to the wealthiest citizens, prosperity for the masses is an economic illusion, and the American Dream became just that, a dream. Or in the words of the late comedian George Carlin; "It's called the American Dream because you have to be asleep to believe it.xli" The observation, while delivered a spirit of humor, has proven prophetic.

Consider that in the early 1980's a far reaching, special interest-sponsored change occurred that reshaped political and economic choices. This fundamental shift in political priorities did not benefit the millions of average taxpayers, consumers, or even small businesses pursuing the elusive Dream, but wealthy special interests whose profit-driven objectives often run contrary to society.

This conservative shift in political policy is called Supply-Side Economics; a set of policies that shifted the center of the economic universe from consumers to corporations, drove millions of jobs off-shore, traded distributed prosperity for corporate profits, and resulted in mass concentrations of wealth and power that have subverted politics, stripped the middle-class of fair economic participation, and left a legacy of rampant cheating and risky behavior culminating in the 2008 Financial Meltdown. This radical shift in the relationship between government, society and powerful economic forces siphoned

trillions<sup>3</sup> of dollars from average consumers to elite special interests. This occurred because of the now broken promise that unregulated markets and tax cuts for the rich will cause society to prosper. So the rewards of free markets and deregulation have not lived up to the promise, a fact that reveals critical flaws in capitalism.

#### Not Perfect

Yes, you read that right. Capitalism does, in fact, have flaws. It's not, contrary to popular belief, a perfect system. Of course the forces of wealth and power don't want to discuss this, both to maintain the system's perception of invincibility and to hide the flaws that have allowed them to acquire and retain great wealth. For to even suggest such a thing, that capitalism has flaws, amounts to political and economic heresy for many people. Yet the reality is that there are characteristics to unconstrained capitalism that prevent it from being efficient, or even getting close to the vision we're led to believe. This is not to say it's a bad system. In fact it's a great system, but it has limitations.

The central idea of capitalism that society finds most attractive is the so-called Invisible Hand that regulates and allocates resources, a process that seeks to optimize both economic productivity and social prosperity. This is a noble objective, and the general market-driven mechanism of capitalism is arguably the best system the world's so far devised.

This system, capitalism, operates on the laws of supply and demand. Capitalistic theory tells us that the forces of supply and demand provide the most goods and services for the least cost. This occurs because profitable businesses attract new competitors, which then acquire customers by offering more value or driving down costs and prices. Lower prices attract customers to the new competitors, which in turn forces incumbent competitors to reduce prices or lose customers. This back and forth process should cause overall price levels to drop and consumers to see their purchasing power increase.

At the same time, consumers want and need certain products but not others. This sends signals to suppliers for which products to sell and which not to. Those suppliers able to provide products and prices that markets demand will get sales, profits and the ability to stay in business. Suppliers unable to do this will go out of business. Meanwhile, new businesses enter markets to refresh the means of production and perpetuate the cycle.

This market-based system enabled much of humanity's social and economic development. But it still has limitations, and until they're addressed it's unlikely we'll see realistic solutions to economic inequality.

One major defect in capitalism can be characterized as this: *You make more money when you cheat*. This is just as simple as it sounds. Businesses that cheat, and get away with it, make more money. While

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<sup>3</sup> According to research by economists Emmanuel Saez and Gabriel Zucman the concentration of US wealth in the top .1% has increased from about "7% in 1978 to 22% in 2012," and according to the authors "almost all of this increase is due to the rise of the share of wealth owned by the 0.1% richest families." During a similar time period the bottom 90% of the population saw their share of wealth decline by about 15 percentage points. According to the Federal Reserve, in 2014 the total net wealth in the US was about \$78 Trillion. So had wealth distribution remained at 1978 levels there should be about an additional \$11.7 Trillion held by the bottom 90%. Given that the US Census Bureau reported that in 2014 there were about 123.2 million households in the US, this means that as of 2014 each household should have had around \$95,000 in additional wealth, a circumstance that would result in greater economic equality across society.

economic cheating may occur in many ways, the intent is pretty much the same; restrict competition to replace free, efficient and less-profitable markets with unfair, inefficient and more-profitable markets. This unfair advantage tilts the economic playing field in their favor at the expense of everybody else. It rigs the game.

While many politicians pretend that wealthy elites only get that way through honest hard work and superior innovation, the reality is that many big businesses exploit market inefficiencies to make more money<sup>4</sup>. Their basic playbook is to monopolize or restrict economic activities to prevent efficient market outcomes.

A monopoly is a competitive situation where one business controls the entire production for a given product or market. Rockefeller's dominance of the oil refining industry in the early 20<sup>th</sup> Century was an example of an artificial monopoly, artificial in that Rockefeller created it. It doesn't take a genius to see why this is desirable for the owner.

Recall that the beauty of capitalism is that competition causes prices to decline. Of course, profits also decline. So while competition is great for consumers, it's horrible for businesses seeking to maximize profitability.

But businesses discovered that if they eliminated the competition so customers had no choice they could jack up prices and generate huge profits. And as long as there aren't any pesky laws preventing this behavior, society would be forced to overpay and make them rich. It's why in the late 19<sup>th</sup> and early 20<sup>th</sup> Centuries laws were passed to restrict artificial monopolies, and also regulate natural ones such as utilities.

Although the most egregious examples of monopolies no longer exist, new, less visible approaches to monopolization have emerged<sup>5</sup>. Yet while their economic influence is significant, they represent a small portion of total business entities.

But there still remains a vast number of ways for powerful businesses to cheat the laws of capitalism by exploiting flaws in the system. What's more, they're very good at finding these short-cuts to profitability; because not only has capitalistic ingenuity resulted in innovating new and creative ways to create value, but to steal it as well; or in other words, to cheat.

For example, businesses love regulations. Politicians and businesses may proclaim otherwise, but that depends on the regulation. If the regulation prevents them from extracting excessive profits from employees, consumers and small businesses then it's a bad regulation that kills jobs. These include pro-consumer regulations that seek to level the economic playing field so consumers, employees and small businesses can better participate in the economy. Examples include pro-labor laws, financial disclosure and fair trade practices.

But if regulations allow businesses to cheat and limit competition at the same time, then it's called job-creating legislation. This is because big businesses know that anything that helps them create and

<sup>4</sup> And many politicians willingly help them.

<sup>5</sup> Examples include companies that dominate networks to the point where they have almost monopolized markets, such as Google in Internet search.

exploit market inefficiencies (i.e. cheat) and get away with it results in greater profitability, profits they use to further exploit this inherent defect of capitalism. These include anti-consumer regulations allow large businesses to exploit unfair exceptions to free market behavior, such as restrictions on trade that keep product prices high or laws that drive labor compensation down.

So when we hear politicians extol the virtues of free market capitalism, beware! What their corporate special interests really want is the freedom to cheat consumers, preferably with complete anonymity or under the guise of some fake noble gesture. It's the first major flaw of uncontrolled capitalism, the profit-induced motivation to cheat.

A second major defect in capitalism is that it's an inefficient system to allocate Public Goods<sup>6</sup>. Public Good is a term that's not heard much anymore outside of economic circles, probably because it sparks images of communism and socialism. Although it's largely disappeared from casual conversation, public goods exist throughout society. Public goods include those things not provided through private means - i.e. capitalism - but considered essential to society so they're funded by the government.

The classic example is national defense. As there's no consumer market for national defense there's no mechanism to fund it through private enterprise. Although a great deal of national defense is outsourced, some argue too much, it's funded from public sources not private ones. This is both by necessity and design, and the vast majority of society accepts this system of socialized defense as a rational approach.

But the public goods that directly impact most people are found at the local level. For example, most of us have jobs which require us to commute. Yet few people consider that the moment they back onto the road they're using a public good. So unless your entire commute is over private toll roads then public roadways facilitate your capacity to hold a job and provide for your needs. In fact, you're benefiting from socialized (public) roads. The only reason why people aren't protesting the evils of socialized roadways is that we take public roads for granted. Consider the option.

Imagine paying a separate toll for every private road we use? Either this or we'd be compelled to approve additional taxes, including the profits demanded by the owners, of the now privatized - and also monopolized - roadways. This is money that would otherwise go to voters by way of lower taxes. Or maybe they'll bill us based on where we live, or use some metering system. The bottom line is that under privatized scenarios we'll pay extra for using roads that would otherwise be provided by general taxation.

Or what if we privatized public sanitation and household toilets became vending machines? Don't have money to use the facilities? Time to get clean underwear. Needless to say, this won't go over well.

The point is that in numerous areas we have chosen public solutions over private ones, and done so for the simple reason that it's in the best interest of society. Yet defense, roadways and public sanitation are easy to understand. How about something more contentious, like healthcare?

<sup>6</sup> Public Good: Commodities or services provided without profit to all members of a society, often by government, because private markets are either unable or unwilling to supply them. But in practice many public goods are outsourced to private suppliers resulting in large, for-profit industries.

Maybe the most important question we needed to ask before pursuing national healthcare legislation was whether or not healthcare is a *public good*, and if so by what amount and in what ways. It would have been an important conversation, lively too. Because US healthcare has a long tradition of being private, many people will resist such an idea.

But millions of people don't have health insurance, while those who do subsidize the uninsured. This cost goes up when uninsured people don't seek care in an attempt to avoid the expense, often costing society more down the road.

What's more, healthcare is often a monopoly as the only substitute for life is death. So unless we as a society allow people to die who can't afford to pay we'll absorb the cost of their medical care, meaning that like it or not healthcare is a major public concern.

So we needed a national conversation about this issue before enacting the ACA. Instead, we addressed healthcare with a largely private solution. Although there's far greater access to healthcare now, the ACA was a political compromise that benefits the healthcare industry by allowing it to remain a private, pay-for-service business. That's the way it's been, and for millions of people that's the way they're comfortable.

Yet societies incur costs in over-privatizing economic sectors for ideological reasons, while ignoring more efficient public options. Consider defense and roads. If we insisted that our national defense be run as a market-based business but there were no markets willing to pay for it, what happens if we go to war? Of course society won't tolerate this so we keep it public. Or, imagine how slow mass transportation would have spread across the country if roads required consumer markets to fund them?

As to healthcare, consider that per capita US healthcare as a percent of GDP exceeds the average developed nation. Yhii Nor does America provide better healthcare. In fact, according to an annual survey by Commonwealth Fund the US ranks last among developed countries. Yet America is the only developed nation that keeps its healthcare system private. So a second limitation of free-market capitalism is that it *can't facilitate the efficient allocation of public goods*.

A third inherent deficiency in capitalism is something economists call *externalities*.xliv This is a fancy term for unintended side effects resulting from some action. For example, consider a paper mill. An unintended negative side effect might be that the mill pollutes a stream that kills cows owned by a rancher downstream. Although the paper plant owner did not intend to harm the rancher, it made no difference.

But aside from the lawsuit that may ensue, the paper plant owner has no economic motivation to restrict pollution. This is because financial decisions do not include the cost to control pollution, including the cost of potential negative side effects caused by polluting. So under a strict capitalistic model, the paper manufacturer has no incentive to care. Although in this case a lawsuit could provide that incentive, other situations aren't as clear.

Consider the practice of fracking. Since fracking became widespread, some people have complained that their water isn't potable, and in some cases even becomes flammable. There's

also a growing body of evidence indicating that the alarming uptick in seismic activity in states doing fracking may be caused by the process.

But this is meaningless to the damaged parties as the only truth that matters is that which is confirmed in court. Yet how these conflicting interests get resolved too often boils down to which side is better able to influence outcomes. And as the companies doing the fracking often have far greater financial resources to promote their desired legal result, or have influenced legislation to give them special privileges not available to average people, plaintiffs often have no meaningful way to pursue due process. It's another of many cases where the absence of attaching costs to negative economic externalities represents a weakness of unrestrained capitalism, and why unregulated, "free" markets belong to the economic entities best able to exploit these inherent limitations of capitalism.

#### Inefficient Markets & Excessive Profits

Okay, so now that the economics lesson is over what the heck does this have to do with the interests of average voters and taxpayers? It matters because our most contentious political battles occur over the policies the government enacts to correct or exploit these defects in capitalism, which in turn shapes whether economic resources and benefits go to the many or the few.

For example, the Dodd-Frank legislation enacted after the Economic Meltdown of 2008 restricted dangerous financial practices that were instrumental in causing our economic troubles.xlv It addressed the motivation to cheat.

Cheating represents a market inefficiency that powerful economic interests use to extract profits in excess of what otherwise more efficient markets allow them to earn. So from an economic standpoint cheating is the preferred option as it makes more money.

So it's no surprise that from the moment Dodd-Frank passed, corporate special interests and the politicians they influence have attempted to turn back the clock to the good old days when cheating was not only allowed, but legally protected and politically endorsed.xlvi

Or consider the extreme resistance by the forces opposed to the Affordable Care Act (aka Obamacare), including a sizable portion of the electorate and special interests with the most to lose. What's odd is that the core idea behind Obamacare expands the insurance base to make healthcare more affordable and available than private markets. This should be a good thing.

So the intense vitriol coming from both conservative politicians and millions of average voters, many of whom benefit from the ACA, is both perplexing and unnerving. We're told that Obamacare is a government takeover of healthcare and a violation of individual liberties that endangers the fiscal future of the country. Yet every developed country in the world adopted some form of universal healthcare and they're far from the destitute, authoritarian hell holes envisioned by the forces opposed to Obamacare.

Which leads one to question; is this resistance really about individual liberty and fiscal responsibility, or are the people claiming so shills in a much larger stakes issue? Maybe there's another motivation feeding the intensity of this resistance, one that's less visible but far more powerful.

Consider that the 114<sup>th</sup> House voted to repeal or change Obamacare over 50 times, knowing each time it was a symbolic gesture as President Obama would veto it.xlvii There seems to be no limit to the disaster scenarios proposed to us, which is perplexing considering the many positive resultsxlviii. If that weren't enough they even shut down the government and made multiple runs at the Supreme Court to try to squash it. And with the Republicans taking control in the 2016 election they're wasting no time attacking it. It sure seems like there's something else going on here. Maybe the actual problem with Obamacare is not what it does, but what it represents?

The ACA is modeled on a similar program implemented by Republican Mitt Romney when he was Governor of Massachusetts, which borrows some elements from the Heritage Foundation, a conservative think-tank, which intent was to create a market solution to healthcare built around private enterprise, and this is what the ACA does because companies and providers remain private.

One major change, among other things, is that insurance companies cannot discriminate against subscribers with preexisting conditions. In return, the government mandates universal coverage and helps consumers foot the bill, money which makes its way back to medical insurers and healthcare providers.

The legislation even allows anti-competitive practices in certain segments of the industry!. This means Obamacare keeps pay-for-service healthcare intact and does so by utilizing a market-based approach designed by conservatives to begin with. So what's the problem?

Maybe the narrative against Obamacare is that it represents an initial step toward a *single-payer system*. Single-Payer amounts to replacing private insurance with a universal Medicare-like plan. This is troubling to the healthcare industry; because if we adopted a single-payer system the government might become a healthcare *monopsony*. So what on Earth is a monopsony? A monopsony is like a monopoly, just in reverse.

Recall that a monopoly is an industry with a <u>single supplier</u> from which all buyers must buy. This means it can set prices as high as the market will bear and buyers have no option because it's the only seller. So in a monopoly consumers pay more for products.

For example, imagine a situation where there's only one source of food that everybody must buy from and there's nowhere else to go. This business will make a lot of money at the expense of overcharged consumers as there's no competition to keep prices in check. After all, we must eat.

So businesses love monopolies because they can extract profits in excess of what otherwise efficient markets allow. The result is that monopolies exploit consumers for the benefit of suppliers and cause an unfair (i.e. market inefficient) transfer of income and wealth from average consumers, employees and small businesses to those large suppliers "fortunate" enough to have a monopoly. Of course pure monopolies are either illegal or regulated, although the market power of some giant corporations comes close.

An option to the monopoly is the oligopoly. Oligopolies occur where a few leading competitors accomplish similar objectives. In this situation a small group of big suppliers control much of the market, which from the standpoint of wealthy elites is almost as "good."

Yet the great majority of businesses lack the economic power to participate in either monopolies, oligopolies or anything similar. However, for the multitude of suppliers unable to exploit consumers to these degrees, there exist numerous options to limit competition, restrain free trade and generally make it harder for consumers to benefit from lower prices that would be available if markets were truly free. And as businesses are motivated by their shared goal of maximizing profits, it's understandable why they'd want to utilize these unfair behaviors in order to extract profits in excess of what otherwise fair, efficient markets would allow. It's why trade groups, lobbyists and the politicians represent them.

So it's no surprise that elite special interests support government policies that allow them to restrict markets and subvert free trade; or in other words, to cheat. This benefits their economic self-interest, but hurts society. The main thing to keep in mind is that these anti-competitive behaviors transfer wealth from disorganized and powerless consumers to organized and powerful suppliers. And as their motivation is to maximize profits, businesses tend to pursue unfair, market inefficient trade practices whenever allowed.

A monopsony, however, is an industry with a <u>single buyer</u> to which all suppliers must sell. It's the opposite of a monopoly. This gives a monopsony the market power to set the prices it buys at, and sellers have no option because it's the only buyer. In a monopsony this single buyer can, in theory, demand lower prices until supplier profits decline almost to zero.

Of course this represents a huge problem for the businesses forced to sell to them. Because while monopolies transfer excess economic gains to suppliers by exploiting consumers, monopsonies transfer these profits from suppliers back to buyers and make the respective markets less profitable. Needless to say, this is not something wealthy elites want to allow. It's why they spend so much money lobbying to prevent it.

So if our government were to become the only buyer of healthcare, meaning a "single-payer," it could regulate the profits of the healthcare industry for the benefit of voters and taxpayers. It would do this by using its market power to negotiate lower prices, foster competition and pursue other means at its disposal. This would be great for consumers and tax-payers, but horrible for the profit-maximizing private healthcare industry.

For although healthcare providers remain private under a single-payer scenario as the government won't own the medical profession, it would control the rates and profits of providers on behalf of voters and consumers who want to pay as little as possible. This increases the negotiating power of average people, people otherwise powerless to impact the prices they pay when facing life or death issues.

The main thing to keep in mind is that monopolies, including practices that restrain trade, result in money flowing from "downstairs" to "upstairs." For wealthy special interests this is a good thing. As a result, they support legislation that allows these practices to continue.

But a monopsony would result in money flowing from "upstairs" to "downstairs." From the perspective of wealthy elites this is the wrong direction, which is why they fight any policies that

encourage it. After all, if markets become fairer for everyone they'd also become more efficient, and efficient markets benefit consumers over suppliers<sup>7</sup>.

The good news for consumers is that lower prices result from efficient markets. Yet businesses make higher profits when they keep markets inefficient, which is easier when consumers have less negotiating power. It's how a single-payer scenario could strip many billions of dollars from the healthcare industry for the benefit of consumers. Maybe this is the real reason behind the outcry over Obamacare?

Recall that in healthcare US consumers pay about twice that of other developed nations. Yet by numerous measures our healthcare is worse. In the result is that millions of people continue to go without insurance, living at risk that the next medical bill could wipe them out. Yet the billions of dollars of profit generated by the healthcare industry is a powerful incentive to remain private, which is why the industry and the politicians it supports fight so hard to keep it that way.

But there's much more at stake than just this piece of legislation. For although the voices predicting catastrophe are loud, in reality they're not so much concerned that it will fail, but that it may succeed. Because the success of the ACA would give people a genuine taste of what they've given up in the name of unrestrained capitalism (code name: free markets). If this happens, then people may become willing to transform the relationship between government and business into one that results in greater equality. For wealthy elites this would be a catastrophe.

Now, what about the word *externalities*? As mentioned earlier, an externality is a positive or negative unintended consequence of an action. An obvious one is pollution. For as with the example of the paper mill and the rancher, under a strict free-market scenario businesses have no incentive to restrict pollution. In fact, before governments got involved and restricted certain behaviors this is how businesses operated.

Yet the issue is much larger than pollution alone. The thing is that all economic activity and human prosperity traces back to the availability and consumption of natural resources, such as fossil fuels and minerals. These resources may be raw materials for production, such as steel used to manufacture cars, or they may be consumed in the aftermarket, such as the gasoline put in cars to make them run. Resources may also be consumed in the production process itself, such as the fuel needed to make steel, or to mine and transport iron ore. Although labor is a major component of economic value, people consume resources their whole lives in the form of food, water and air, meaning that labor too consumes natural resources.

So when GDP grows and economies expand they consume more and more resources. And although societies have learned how to better utilize limited resources, there's no escaping the reality that greater economic activity consumes more of the non-renewable, finite natural resources trapped within the top few miles of the Earth's crust.

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<sup>7</sup> This is not to suggest that a monopsony is necessarily a good thing. In fact, like a monopoly, an unregulated monopsony restricts efficient market outcomes. However, the reason why big businesses overwhelmingly resist legislation that provides more negotiating power to consumers is because they understand the power of creating inefficient market outcomes, and how detrimental it would be to their business interests...likely due to the experience they have using it for their benefit.

The consumption of these resources places substantial costs on society; costs in the form of pollution that impacts life, and increased costs to consumers as reserves disappear. But the ultimate costs will be paid by future generations destined to compete for scarce resources. Yet economic development does not factor in the full cost of amortizing our limited resources.

Since the Industrial Revolution businesses have churned out ever greater production while gobbling up vast amounts of limited, natural resources. The problem is that this is sustainable only so long as we have access to unlimited resources to fuel these levels of production and consumption, plus unlimited clean air, water and soil to pollute.

The inconvenient reality is that fossil-based resources are finite, as is the environment's capacity to absorb pollution. This means that economies cannot expand forever, at least not in the way they have. This inevitable limitation is being addressed through the global conversation of climate change. The world is waking up to the reality that our planet may become a very different place if we don't start taking actions now.

One of the key realizations of this is that since the Industrial Revolution of the 19<sup>th</sup> Century, a small fraction of recorded history, we've been extracting ever increasing amounts of natural resources without incurring full depletion costs or making provisions for disappearing reserves. Because under modern supplier capitalism businesses have no incentive, no Invisible Hand, to guide their behaviors with respect to natural resources. It's a systemic deficiency of the way capitalism evolved.

Of course, businesses do face some related costs due to pollution controls and regulations. Yet businesses and consumers don't face anywhere near the full societal cost of consuming and converting natural resources into productivity, revenues and profits.

What makes the conversation about climate change so contentious is that it raises the prospect of assigning costs to what had otherwise been considered free, the cost of environmental depletion. These new costs may come in the form of mandated renewable utilization, increased efficiency standards or new taxes, such as usage or carbon taxes. But in any case it means lower profitability and less wealth for businesses, primarily large, fossil fuel-related businesses.

Maybe this is why the Koch's and others work so hard to stop the conversation of climate change. Because like the conversation about Obamacare becoming one about single-payer healthcare, the conversation about climate change will require economies to recognize the true costs of exploiting Earth's finite natural treasures.

Of course the fossil fuel industry tries to scare us with the prospect of higher gas prices. It's one aspect of our energy model that's somewhat correct. Yet the argument is extortion. It suggests that society should agree to allow wealthy elites to trample political, economic and civil rights, plus the futures of billions of people, in exchange for cheaper gasoline. It's a Faustian bargain in which society trades its constitutional and economic rights, including the American Dream, to drive more miles or purchase more automobiles.

Yet as we focus on our gas tanks we collude in Big Money's master plan to keep markets inefficient and consumers broke and powerless. Besides, if the so-called free market was actually free then higher

pump prices may have enabled the electric car industry years earlier, in which case the price of gas would have less impact on society. It's why supplier capitalism is ill-equipped to solve negative economic externalities that conflict with the profit motive.

So despite the rosy talk about the wonders of free markets, the reality is that market profitability is often determined by those with the wealth and power to keep markets inefficient. These three examples illustrate how limitations in capitalism allow wealthy elites to extract excessive profits, and why the forces of wealth and power work so hard to exploit these imperfections. So it should come as no surprise we're told that cheating consumers, adopting higher-priced private solutions for public needs, and exploiting natural resources are necessary precursors for job creation.

So what does this have to do with reclaiming political and economic participation? Well, pretty much everything. Because the unequal influence of wealth and power, power acquired by exploiting inefficiencies in capitalism, strips average voters of representation, which is essential to protect equitable economic participation. By replacing societal interests with special interests the government shifts political and economic benefits from the needs of the many to the greed of the few.

This allows a tiny group of plutocrats to further enhance their political influence and perpetuate a reality in which "we the people" becomes less and less relevant. It's how a government "of the people, by the people and for the people" may in fact "perish from the Earth" It's also why any movement to gain political influence for average voters must also ensure that economic opportunity is fair, which is essential to reclaim the American Dream.

### Part IV: Community Behavior

Although taking back government from the powerful forces that control it may seem beyond the reach of average voters, the power of large-scale community politics and the economic influence of many households could reshape the way we make political and economic decisions. Imagine a vast community-led political movement consisting of millions of voters participating in consumer pools large enough to influence price levels, or that avoid existing suppliers altogether and form their own companies.

For example, if a large community decided it couldn't find an acceptable insurance provider it might become its own insurance company. In fact, with sufficient buying power an economic community could form various enterprises for the benefit of participants. It could, for example, create open source equivalents for expensive prescription drugs, cell-phone and Internet services, or even disease-resistant plants. In fact, a community network with the capacity to focus the economic strength and collective brainpower of maybe millions of participants could even acquire and create intellectual property. In this way, society could redirect the consumption from large segments of the economy away from businesses whose goals conflict with theirs.

So as the community scales up it would reshape the political and economic destinies of average citizens by replacing special interests with societal interests. This is critical because the reason why cheating the system and exploiting people exists is because those that do it are different from those it affects. It's the age-old conflict between elite, wealthy, plutocrat and employee,

consumer, voter. As long as the interests of these groups remain separate and at odds with one another there's little hope of sustaining a fair society.

But what if this dynamic were replaced with a community network in which members have similar interests? Under this scenario there's less incentive to act bad as people would cheat and steal from their own communities and themselves. Of course, this only works if people refrain from cheating each other. Yet although cheating and other bad behavior would seem to be human nature, there's evidence that communities can prevent this.

Consider that the Internet enabled the formation of many thousands, maybe millions, of communities. These communities quickly discovered that a minority of members will attempt to subvert community behavior for their selfish interests. Communities call these people trolls<sup>8</sup>.

Then an interesting thing happened. Some Internet communities adopted rules to police and maintain their integrity and purpose. It's an approach that for many communities works quite well. What this demonstrates is that if a majority of people want the community to remain true to its purpose, then it will.

One of the best examples of this is Wikipedia. The content in its vast knowledge base comes from individual people working toward a common purpose, while upholding certain rules and behaviors in the process. This is essential because given the huge reach of Wikipedia it's tempting for special interests to edit entries to accommodate their respective positions.

Although this has happened, the Wikipedia community catches editorial subversion, corrects it, and may even expose the perpetrator and/or the source. Nobody's told to do this or gets paid. It's a spontaneous, self-correcting feature of the Wikipedia community. It's also an example of how active, majority participation can protect a community from falling victim to special interest agendas.

But in some communities members could not maintain the community's integrity. Consider the case of now defunct DIGG. Once a popular social media site, a small minority of members "gamed" the community for their self-interest. liii

So without active participation, either due to a lack of interest or ability, communities can be exploited by minority interests. Getting around this requires that a community keep its purpose relevant and defend against subversive forces. For example, communities could adopt standards of behavior and assign participants to enforce them, while also guarding against the constant threat of special interest subversion.

Although this provides a valuable mechanism to maintain community integrity, the reality is that a community that wields vast political power and economic resources faces much more dangerous threats than Wikipedia. This is because greater incentives and motivations will entice special interests to grab power and subvert the community for their selfish goals. Guarding against this will require more than administrative solutions; it will also require structural ones. So the community must integrate checks and balances that prevent it from straying off course. This is not a new idea as major political and economic institutions also utilize checks and balances.

<sup>8</sup> Washington calls them lobbyists.

Capitalism is a good example. In his book *The Wealth of Nations*, 18<sup>th</sup> Century philosopher Adam Smith proposed an Invisible Hand<sup>liv</sup> composed of buyers and sellers who seek to maximize their benefits. Here's how it works.

Under capitalism sellers want to charge as much as possible relative to the cost of what they're selling. This maximizes profit. The motivation for buyers is the opposite. Buyers want to pay the lowest price for whatever they're buying. This maximizes value.

As each side represents a check and balance against the other they meet in the middle at a point where both sides do the best possible. Although in reality this ideal is rarely attained due to inherent characteristics in the system that keep markets inefficient, the self-regulating structure works quite well.

The Founding Fathers implemented a similar approach to our system of constitutional governance through independent executive, legislative and judicial branches to hold each other accountable, bodies held accountable by voters, or at least in theory. Although the system isn't perfect as evidenced by the current state of unequal representation and economic inequality across society, it's still far better than non-democratic systems.

### Community Network

The community could use a similar system of checks and balances. One approach would be to connect many small, independent groups that each have a shared interest in maintaining community integrity, and which together form a self-regulating network of checks and balances.

The key is to start with a basic community building block from which to form higher level communities. This core structure should be small enough that its participants develop strong interpersonal connections between each other. Such a structure might be called a *Social Block*. The appropriate size of a block is probably about six to ten households or maybe one to three dozen people, enough to form a meaningful group yet remain small enough to facilitate personal relationships.

The benefit of this block-structure is that tight social groups experience higher levels of personal responsibility and ethical behavior between participants. People will moderate their behavior with respect to neighbors if they have to face them each day. For not only does individual behavior impact each person involved, but it impacts the relationships of others in the community. What if Joe cheats Ben, but their wives are friends and their kids play football together? Also, each person impacted in this scenario has relationships with other members of the group. What happens to these relationships?

It's for this reason that small, close-knit groups have a strong incentive to protect group integrity, which encourages participants to exert influence to keep group harmony in balance. Such behavior amounts to a powerful system of social checks and balances. This is necessary to promote personal responsibility and integrity within communities.

But as a community scales up, these tight interpersonal bonds will weaken as impersonal and virtual connections replace face-to-face interactions. In fact, above even a modest number of people community participants can't know each other. Once these close, personal bonds break so too do the personal connections that guard against selfish behaviors.

So scaling up the community requires a structure that retains the social benefits of small groups. Such a structure might consist of layers of blocks that form a larger community. The first layer might consist of 10-20 blocks that form into a *neighborhood*, resulting in groups of up to 500-1000 people. A number of these people may attend the same churches, schools, or work at the same companies. Where blocks meet weekly, neighborhoods might come together every month or so.

Neighborhoods could then form into *boroughs* of ten or twenty neighborhoods with up to 10,000+people. Boroughs could hold annual or bi-annual gatherings that combine community business with major social events.

Groups of boroughs could merge into *municipalities* that approximate actual cities and towns. This would allow them to optimize voting influence in their respective localities. These municipalities could hold the equivalent of city council meetings with their own elected officials.

Municipalities could then combine within county boundaries that span county-wide issues and elections. County groups could form themselves into districts that elect Representatives to the U.S. House. And Districts could combine into state communities that impact state-level positions such as governor, and also the election of US Senators. The final level is, of course, to form state-level communities into a nationwide network of communities.

Although this may sound complex and unwieldy, the structure is similar to the Internet. Consider that the Internet is built on a standard protocol that networks billions of independent devices. In a similar way, community building blocks would possess certain common features, such as the way they make decisions and take actions, methods of interaction and communication, and shared by-laws and missions.

These shared characteristics will be built into a community protocol underlying the network. It's how a network of independent communities could use a common platform to focus their political and economic power.

But as the structure grows beyond local communities what happens to the social bonds at the block and neighborhood levels? After all, most people in a large community won't know each other. So community cohesion could break down as groups pursue independent agendas in conflict with the larger community.

But with the right organizational design these communities might maintain group integrity and harmony, because as every block impacts adjacent blocks it's in their shared-interest to exert influence on "neighbors." Such a dynamic will help balance the needs and goals of local communities with remote ones.

This social self-regulation begins within neighborhood communities where each block's behavior influences others. In turn, neighborhoods have shared interests to maintain the integrity of other adjacent neighborhoods, which is then reciprocated. This autonomous community moderation would weave throughout the community.

Such checks and balances would include social, political and even economic motivations. Economic implications could become especially powerful. Imagine, for example, a community that provides participants with various economic benefits, such as lower cost insurance, phone service, financial

services, and retail products. The community could also offer saving and retirement accounts. Even jobs could be provided through the community. This economic dimension will be vital to motivate participation across the community; because while the benefit of political participation is often nebulous and intangible, economic benefits directly impact people.

Voting is the primary act of political participation for most people. Yet given that any one vote often won't make a significant difference, combined with the loss of meaningful representation for most people as a result of special interest influenced politics, it's no wonder that American voting participation is anemic. There's nothing "in it" for them anymore.

Yet economic benefits are immediate and tangible. People take note when their cell phone, internet or cable bills decline, or when they can afford better food and housing. And by offering programs to divert purchasing discounts to personal wealth accumulation, people will sleep better as they feel less anxious and more hopeful about their futures.

Also, when people can see that their participation makes a real difference, either to them individually or to the groups they belong to, it motivates them to participate more. This increased participation leads to each member receiving yet greater value, thereby further motivating them. And when people feel that they make a difference to themselves, their families and their communities then they experience a sense of purpose, which is among the most important aspirations of the human experience.

These tangible benefits will provide powerful incentives to motivate people to participate, as individuals and groups that fail in this risk losing these benefits. This gives them strong motivation to not troll the system, or deal with those who do. These benefits also provide a mechanism to re-frame the way people experience their realities as they protect their shared interests, interests that cut across ideological differences. This is because community influence is a strong motivator for people to adjust the frames they create and the way they perceive the world around them.

For example, a 2014 study<sup>lvi</sup> of home solar installations revealed that by a significant margin the number one predictor of new installations were existing ones in the immediate vicinity. In other words, community influence was the biggest buying factor. It was a better predictor of future installations than either wealth or ideology, meaning that people who were ambivalent about solar ended up with home installations. In other words, the power of their communities shaped their individual attitudes and perspectives.

In a similar way, individual communities within the larger network could influence members to reconsider their "frames" in light of community behavior. Not only will this influence people to behave in ways that maximize their social and economic benefits, but communities will seek to maximize benefits and not fall behind their community peers.

The goal is to form a continuous chain of social, political and economic dependency and self-regulation in which linkages, represented by blocks, have a strong vested interest in maintaining the integrity of those above, below and beside them.

Readers may notice that these proposed community structures are characterized by geography, and many social blocks will form around where people live. Yet in addition to geographic communities,

groups will also form around criteria other than location. Examples may include shared interests, information gathering & news, elections, community moderation and other things that span geography. So in addition to physical blocks, the community will also include virtual blocks, and hybrid blocks.

Individual transparency is also essential. This transparency begins in community blocks where members know each other. Yet such transparency must extend into the online community; say by requiring community participants to verify their identities, including the identities of the communities to which they belong. There can be no hiding behind screen names, as anonymity encourages trolling and other unproductive behaviors.

In addition, community interactions must be tightly structured to shut-down trolling before it takes hold. One example might be to only allow goal-specific, moderated discussion, as opposed to unrestricted forums that often become cesspools of hate and vulgarity. By limiting anonymity to "yes" or "no" voting, communities could nurture positive participation and limit negative interaction.

Of particular importance is the transparency and integrity of community leaders, including both unpaid contributors, and possibly paid positions. To ensure that the behavior of leaders remains appropriate it's essential that every participant in the community belongs to a block. This way blocks can monitor influential contributors and leaders.

Nor can there be special treatment of participants in positions of leadership. For as soon as some participants receive preferential treatment there exists the potential that the community reverts into "haves" and "have-nots." Such a development could tear the community apart.

Another way to discourage elitism is to include blocks that consist of diverse groups of participants. For example, blocks could include people who don't often come in contact, such as conservative with liberal, young with old, rich with poor, or people of different religion or ethnicity.

Then, to further guard against unproductive behaviors, people in leadership would work their way up through the community and earn approval by means of open elections. In this way, community leaders would establish their integrity and character prior to gaining significant power. In addition, the community could retain the power to remove people. No election cycles, no tenure, no position security other than the support of the community. Lose this support and a participant's leadership role in the community could come to an end.

## **Community Solutions**

Community support between participants becomes the "glue" that holds the community together. This support requires that every participant take personal responsibility to hold themselves and other members accountable to maintain the integrity of the group; because without everyone taking personal responsibility to hold communities together for a common purpose they'll fail. This includes the responsibility to participate, the responsibility to seek the truth, the responsibility to vote; because for societies to prosper people must take personal responsibility. But how do we get there?

Conservatives want smaller government and seek to cut taxes and benefits as they believe that universal personal responsibility only occurs when people have no other choice. They believe the government works best when it's small and markets work best with minimal restraints.

Yet Liberals believe that people's choice - their capacity to take personal responsibility - is shaped by forces beyond their control, and the role of government is to keep the system fair.

Given this chasm of ideological separation it's no surprise that the solutions and policies from each side conflict with one another. Yet community-driven politics could bridge this divide. For example, a political community might replace certain governmental functions to both improve quality of life and reduce the size of government.

Think of the government as a vast social insurance company, with citizens as its customers. As with any company, the quickest way to reduce its size is to reduce the number of customers who need it. It's why organized boycotts can be so effective.

So if we want a smaller government then maybe the strategy is to need less of what it provides; in other words, boycott the government. Because if people receive social benefits through their communities then the government will shrink as it adapts to lower demand.

Yet to boycott the services and benefits we receive from the government something must take their place, because for millions of people "sink or swim" is not a realistic strategy. Nor is it realistic to expect prosperity from a society in which consumer buying power declines to the point where it no longer fuels the economy.

Yet a nationwide network of communities could replace some portion of government services. In time, the size of the community might influence the size of government that people need: Smaller Community, Bigger Government; Bigger Community, Smaller Government. Shifting roles and services from government to communities may lessen the need for government, while supporting the health and wellbeing of society-at-large. This model of *Community Government* could reshape the relationship between government and society.

# Community Government

Picture a small, western community in the late 19th Century. While people back then were rugged individuals, a useful and admirable character trait, they also adopted a community mindset. So while they remained strong individuals, they also abided by and upheld the norms, behaviors and shared interests of their respective communities. And they did so for the simple reason that it gave them the best chance at survival as they couldn't rely on the government. So they turned to a social structure that's existed as long we've inhabited the Earth; small communities.

Over millennia, these social structures have been the foundation of every society. They're at the center of people's lives. They define where people live, how they live, and how they identify with society. So for these communities to work they adopted rules that community members adhere to. This is essential because the core function of communities is to allocate resources among its members. This occurs when people in communities share and support

one another, and are held accountable to contribute. It's why effective community structures balance the needs of the individual with the needs of the community.

Over time communities changed as modern society and the central government replaced traditional community roles. The result is that in many areas of our lives we don't need these communities, or we need them far less. This has allowed people to be less community-minded and more individualistic than people of yesteryear.

But now many people protest the size of government, and the degree to which it replaced such community mindsets as self-reliance and personal responsibility. Yet the size of government is largely a reflection of social complexity.

So reducing the size of government would require us to return society to a time long past. Yet people aren't about to give up their modern medicine, iPhones or the Internet. So the notion that we can take a hatchet to the government and leave modern society intact is pure fantasy.

But maybe a Community Government model might provide a buffer between government and society? Under this model, individual communities and the overall network would develop rules and responsibilities that members follow. To a certain extent we see this in online communities that establish rules and moderate behavior, and participation requires people to act accordingly. The main differences are the magnitude of the community and the scope of the rules.

Under a Community Government approach people will look first to their communities before relying on the government. Although still an important force in people's lives, the government's role would be moderated by this new social structure.

Another feature of these communities is that they'll adapt to the preferences of their members. It's how different communities could accommodate different worldviews, yet still participate in the overall network. This is critical because the power of the network will require that communities share certain values and goals. The primary mission of Community Government is to allocate society's finite resources in ways that benefit the most people.

Because the inconvenient reality is that there are no free rides. From the conservative's understandable perspective, we can't keep increasing the size of government forever. Yet cutting expenditures on infrastructure and social benefits may end up costing us more in lower international competitiveness as we lose business to other nations, or being forced to build and operate more jails for those who have turned to crime for survival.

But neither can we solve problems by just throwing more money at them. At some point the system can no longer sustain itself. But a system of Community Government might transform the way people interact, build their lives, and secure their futures.

## Civil Rights

Another concern shared by many people, both conservative and liberal, is the degree to which special interest agendas attack constitutional rights and liberties. This happens because wealthy elites use their undue influence to gain preferred treatment and concessions, often at the expense of individual rights and civil liberties.

One example was the proposed Northeast Energy Direct ("NED") natural gas pipeline planned to run through multiple states in New England<sup>lvii</sup>. Although the project was ultimately terminated, it's indicative of the kind of private-interest infringement people face each day. Because if the pipeline had been constructed across Southern NH it could have resulted in hundreds of homeowners having their property taken through eminent domain; a law the government uses to appropriate private property if it's in *the interest of society*. But what's in the "interest of society" depends on who you ask, and too often eminent domain furthers private, profit-motivated goals.

Eminent domain is a legal principle that allows government take private property, by force if necessary. It can also allow private businesses to do so in the name of "public interest." An example is a vital highway that connects communities, but runs through private property. These are grave matters, but when they concern essential public interests we tolerate them.

Yet too often wealthy elites convince our politicians that their goals are in the best interest of society. This is unlikely in profit-driven decisions. In the case of NED the benefit from the gas did not justify the economic and environmental cost of the project as the operator tried to burden local ratepayers with the cost of construction.

An even larger concern is that once public interests and individual liberties succumb to the private objectives of wealthy elites, where will it end? Although the NED pipeline would have only impacted a small number of people in rural areas, it represented another attempt by powerful interests to subvert government from representing the constitutional interests of *we the people* to the profit interests of wealthy elites. But a political community might provide alternative solutions that address societal needs while preserving individual rights, such as community-coordinated reductions in energy utilization and distributed power generation.

The point is that societies function best with the equitable utilization and distribution of resources. Yet modern capitalism with its supplier bias can't produce efficient markets that benefit society atlarge. The same can be said for political processes influenced by concentrated power structures.

So without some means to keep the rules of the game fair for everyone, economic incentives will motivate suppliers to subvert the political process to create economic inefficiencies, generate excessive profits and attack individual rights. The liberal approach is often more government and regulation. The conservative approach is less of both. Yet neither approach can be sustained. Not only can't the government grow unchecked forever, but unregulated markets exploit consumers and result in economic bubbles followed by painful financial meltdowns.

Maybe the solution is a community-led movement based on the shared social, economic and political interests of participants. This is because a movement consisting of maybe millions of voters with trillions of dollars of economic buying power might restore fair political representation and economic participation.

# Fair Participation

The function of fair political participation is to make life better for the average consumers, employees and small businesses that propel the economic engines of society. So representation and economic participation should be distributed in a manner that reflects each citizen's constitutional

rights and individual contributions to society. It's the idea upon which the Founding Fathers created our government.

Although economic resources won't ever be entirely equal across society given the wide range of people's individual efforts, contributions and skills, the system is so skewed and elitist that our constitutional democracy looks more like a plutocracy, a system ruled and dominated by a small minority of elite and wealthy interests. While we want to believe in the promise that a better life is available to those willing to work hard, our political and economic systems primarily react to the demands of elite special interests. So for millions of people the American Dream is just that, a dream.

No, this isn't about whining, or being lazy or not wanting it enough so they get what they deserve. Because the system is stacked against many average people so no matter what they do they may never realize the American Dream, or even have the capacity to try.

Think of it this way. Imagine a football game that pits a top-notch high-school team that demolished all their opponents and won a national title, a team unparalleled in grit, determination, physical skill and coaching among peers, maybe even undefeated in over a hundred games, against the absolute worst, most pathetic, overpaid and under-performing team in the NFL?

Although we may want to cheer for the underdog does anybody think the outcome will be any different? For the reality is that the only place we'd see this courageous team prevail is in a heart-warming Disney movie with a lovable dog that catches the winning pass in her mouth, then soars into the end zone amid thunderous applause.

Of course, that's Hollywood. In the football-game-of-life, where we measure winning or losing by equitable political representation and economic participation, average consumers, employees and small businesses cannot begin to compete against special interests with unequal power. But the "game" isn't even fair as these elite and powerful players rigged both the rules and the outcomes to ensure they dominate the interests of average players. So no matter how much we try or how hard we work, many average citizens will never be able to participate in the same league.

Yet political and economic elites continue to make the same simplistic argument that genuine opportunity exists for anyone willing to work for it, while ignoring the obvious reality they rigged the game for their benefit before it even started.

So the opportunity for such a movement is to rewrite the rules of engagement so they're fair for everyone. This requires that people coordinate their political and economic power to level the playing field across society. Most relevant policy creation activities occur in four main areas: Media & Information, Public Policy, Candidate Identification and Elections.

#### Media & Information

A major hurdle to equitable representation is that much of the mainstream media have become mouthpieces for special interest politics. Driven by their never-ending quest for greater power and money, political parties and the special interests that influence them actively encourage this behavior.

The conservatives claim the media has a strong liberal bias. Given the degree to which they believe this it's understandable how powerful conservative media sources have emerged, such as Fox

News and others. Yet in seeking to balance this perceived bias these media often skew the news for an audience that's hungry to hear their beliefs validated. This isn't journalism, it's brilliant marketing. By delivering consistent messages that depict reality through the "lens" of their audiences they've monetized the anger and frustration of millions of people.

Yet the only way to ensure that this market-driven news appeals to a partisan demographic is to spin it to agree with the audience's beliefs and worldviews. This media model spawned enormous empires that have redefined "fair and balanced" to mean news that attracts the most eyeballs and generates the most money.

As a result, Roger Alias (late chief of Fox News), Bill O'Reilly (formerly a Fox anchor) and others extracted enormous riches by perfecting the profit-driven news model to the point where it often reigns supreme in audience ratings. The result is that competitors, including liberal media, must respond as they lose audiences and ratings.

So a scan of major news media reveals similar reporting that's heavy on salacious sound-bites, conspiracy theories and emotional journalism, and light on facts, verifiable sourcing and objectivity. It's a situation that leaves average voters perplexed as to where honest and reliable journalism ends, and tabloid news begins.

This dysfunctional state of the media should come as no surprise. After all, they too are large, private businesses driven by the same market-based demands and profit motives as other companies. Nor is there any reason to expect them to act differently. Because as profit-motivated entities themselves it's logical they'll replace journalistic objectives with financial ones.

Yet in spite of this, the media, right or left, is a reflection of society. For regardless how liberal the conservatives may perceive the media to be, or how conservative the liberals may see it, we hear echoes of society's discontent with political and economic realities.

So while a Fox story about a person on the lower-end of the economic strata bragging about not having to work because they get food stamps and welfare may seem callous and arrogant to liberals shocked by great concentrations of wealth, the actual issues are between audiences on the Right who lament society's lack of personal responsibility, and audiences on the Left who see the story as an intentional distraction from a system rigged to exploit lower-classes for the benefit of upper ones.

The problem is that the relevant issues - the systemic threat that a lack of personal responsibility means to society's capacity to operate as perceived by the Right, and the Left's observation that exploiting societal interests for the benefit of elitist ones results in manufactured inequality - are masked by the emotional spice that the media uses to inflame audiences and drive ratings. It's how the media trades objective news that should form the basis of rational political and economic choices for sensationalism, ratings and profits.

But a community-led news source with the capacity to guide evidence-based political and economic choices could bring back objective journalism. Imagine a Wikipedia-like model run by average citizens that's armed with more people and journalistic firepower than the mainstream media. It

could integrate large swaths of the Wikipedia community, professional journalists and blogs, and think-tanks into an army of community participants.

This is critical because a people's news source, one that's no longer beholden either to economic or political forces, and committed to objective insight and information, could usher in a powerful new reality of journalistic influence and integrity. Not only will this dilute special interest media subversion, but the capacity to gather, assimilate and deliver relevant, credible news lessens the influence that the ratings-obsessed mainstream media has on political and economic outcomes.

For example, such a news community could maintain detailed and easily accessible records of influential political, economic and media figures, including every action made, position taken and word uttered. Community participants could check facts, fact check the fact checkers, corroborate sources and infuse rigorous journalist objectivity into a media system that's driven further off course by economic objectives. Such a community-driven news source could eclipse traditional news cycles and become more timely, relevant and trustworthy than mainstream media.

Imagine a scenario where a politician makes some grandiose statement about a bill he or she supports. The mainstream media may shoot video footage, add whatever commentary and spin they feel appeals to their respective audiences and sponsors, and then air it or print it. The politician received the desired coverage, and the news sources kept their advertisers happy and their audiences unaware how little they learned. At this point it pretty much ends and we move on to the next news item.

Contrast this to a news community that can check, double-check, validate and correlate every point and claim made. They can compare it against every position or promise made by the respective politician (or news source), identify his or her sources of funding, how they benefit from the proposed legislation and how it could impact constituents and society. They would follow this up with a response by community participants to hold the politician accountable and influence public policy, such as flash protests at their offices.

This kind of coordinated media blitz could be measured not in days or hours, but in minutes. No longer could politicians and talking heads assume the mainstream media is rigged in their favor and grass-roots dissent won't amount to anything. Such media activism could provide society with an honest, objective and trustworthy source of information from which voters could participate in the political process, and assert their claims to fair political representation and economic participation.

## **Public Policy**

Before legislation is signed into law, before it's debated in Congress, before it makes its way into committee where it's watered-down and spun to have the best chance of success, it has to come from somewhere. The problem is that this "somewhere" is too often the same special interests that have the most to gain from it. That's right, special interests often write legislation that benefits them<sup>lviii</sup>. Under these circumstances it's not hard to guess who benefits the most, and the least.

But by the time most of us hear about proposed legislation there's little that average citizens can do to impact it. Of course, the special interest forces promoting new legislation know what they're doing, and the last thing they want is to allow voters to have an opportunity to get involved. Because if

millions of average voters directly participate in the process they may decide that special interests aren't that *special* after all. Needless to say this won't appeal to deep-pocketed special interests that influence political outcomes for their advantage.

Although anybody can propose new legislation as our government is "for the people," at least in theory, only congressional representatives can refer it to committee. It's at this point where things get interesting. For even if a member of Congress submits proposed legislation, the committees and subcommittees decide which legislation is considered and which dies before it gets a chance.

This process lets committees kill legislation they don't want. And regardless of who's in power at the time, the leading consideration will be its impact on the special interests that fund them, and whether or not it will attract the necessary support among peers to move forward. Of course no legislator supports new legislation without first polling their respective constituencies. So they reach out to the voters who put them in office, right? Hardly.

What they do instead is consult with their largest donors, the ones most responsible for keeping them in office, to see what they think. This capacity to have access to politicians and influence over political decisions is a primary benefit of making large donations.

For example, consider the controversy concerning Net Neutrality rules. Let's say a group of interested citizens approach their congressional representative about proposing legislation to treat all data the same on the Internet. Although this legislation is supported by Internet users and content providers, it might threaten the profitability of large service providers. But in this case, their representative supports the idea and refers it to a committee.

So it gets into committee. The first thing the committee chairperson does, if only figuratively, is hit speed dial on the conference phone. After a few rings the call is answered by none other than the CEO of Comcast, or any big donor ISP or industry lobbyist who may be impacted if the legislation passes. Does anyone believe this legislation is ever going to see the light of day? Nope, never, dead on arrival and that's the end of that.

Of course, they won't be so blatant about it. That risks running afoul of political corruption laws. No, their behavior will seem benign. For example, politicians might take lunch meetings with ISP lobbyists who describe their client's vision, which includes supporting bills important to the politician. Or maybe they're briefed in advance by big donors who happen to be ISPs. Or maybe the members feel they must tow the party line for the sake of their committee appointments, and ISP lobbyists within their party outnumber those of Net Neutrality supporters. But whatever secret handshakes or smoke signals they use it still facilitates the same result. It's this sort of political behavior that prevents productive public policy from being on equal footing with special interest legislation.

Yet maybe there's a solution. Maybe a political community that proposes and writes legislation might break the stranglehold special interests and congressional committees have over public policy. By approaching the process this way such a community might replace special interest power structures with voter-focused power structures.

Consider how this could change the outcome of the hypothetical net neutrality legislation. To start, the new scenario might unfold the same way with the CEO, or maybe lobbyists representing the CEO, convincing the committee to let it die.

But this time the community indicates to the ISP industry that it's considering moving its subscriber members, possibly in the millions, away from existing ISPs to a proposed community-owned provider. And just like that the legislation is back on the table.

Because no matter how powerful large corporations or special interests become, their influence still traces back to consumers, to average voters. So if disorganized groups of voters and consumers could coordinate their political activities and economic influence, outcomes will be different, especially in congressional committees and board rooms. In fact, instead of legislation being drafted behind closed doors by politicians and special interests, maybe we need a future where legislation is proposed, discussed and drafted in public through a network of political communities.

For example, take the preparation of a new bill to be proposed to Congress. The entire process might be spread across a number of teams within the community. The first team might identify and outline the goals of the legislation, including what it's intended to accomplish, who gets impacted and how, budgets and funding, etc. In this phase, communities would nominate, endorse and vote on the content of the legislation.

As the process unfolds, the bill could move to groups that analyze the proposed content and then either return the legislation to the first group or forward it to other groups to study the political aspects of the legislation, garner Congressional support and write the bill. Then prior to forwarding the bill to official Congressional channels such legislation could be submitted to straw votes by community participants who will eventually show up at the real polls. This People's Congress could function like a third congressional branch to represent societal interests.

In fact, such a model might link community groups together through layers of elections and representation, similar to the community's block-level organization. For example, the basic unit of a People's Congress might consist of say 5,000 or so people. These representative building blocks might be called Councils.

As of 2014 there were about 320 million people in the US, indicating about 60,000 Councils. These Councils could vote on a slate of relevant issues and public policies, which would then become each Council's policy platform. Councils could also choose Electors to represent them. But unlike US Representatives who only face the voters every two years, Electors could be replaced at any time by vote of the Council.

Such a People's Congress might choose to divide the country into Representative Districts. If, for example, each district consisted of maybe 100 Councils there would be about 600 districts in the country. These districts could then elect and send district representatives to national conventions.

At these National Conventions they could appoint a team of full-time, paid civic lobbyists to represent community interests in the formation of public policy. Yet unlike special interest lobbyists that influence political decisions with some manner of financial incentive, civic lobbyists could not only match special interest donors, but exceed their influence by delivering large voter blocks that

have committed to their respective platforms. Maybe then public policy can become relevant to the public again.

Of course for any of this to occur, individual people will need to feel that their participation, their vote, makes a difference. This is critical. Economists and political scientists tell us that individual votes don't matter, and statistically they're right. As this makes intuitive sense to voters they gain little personal reward from participating in the act. In addition, voting is a private matter, at least outside of direct social circles. So it should come as no surprise that voting turnout is low. Or maybe the real surprise is that so many people do vote.

However a community of interest-aligned social blocks, combined with a People's Congress, might change the way people think about voting. Recall that a key measure of block activity is participation, and blocks are compared to other blocks on this metric. So imagine a scenario where the voting behavior of blocks, neighborhoods and such are tracked and made public. This could cause a considerable change in the voting dynamic, at least as far as the community is concerned.

First, when people know their participation is public and reflects on their peers they'll be more inclined to care about voting. As a result, members within social blocks will tend to exert influence on each other so their block does not become a weak link. In turn, blocks within neighborhoods have an interest in seeing other blocks participate likewise. In addition, individual neighborhoods within their respective boroughs would be motivated to perform favorably against each other. This would continue up through the entire community.

In addition, positive network effects will reward voting members with a greater sense of empowerment. This sense of personal validation will encourage more people to join the network. At some point the community may transform the way politicians make political decisions, which in turn could impact the way economic resources are allocated across society. This would provide yet more incentive for people to join and participate, and could represent a major shift in voting rates and participatory democracy.

Such organized voting might also launch a new form of representation. Consider a scenario where a large political community enables a straw voting platform that allows members to register their positions across a range of issues. Verification could begin with standard identification mechanisms, such as social security numbers and driver's licenses, but also accommodate members lacking these forms of identification. As social blocks are motivated to maximize their participation they'll be inclined to support members to obtain the necessary identification to register and vote. Such a platform might even become more secure and trustworthy than the current voting system. In this way, voting outcomes will better represent the desires of large voter blocks. This will pressure politicians to give more consideration to average voters. In fact, with sufficient political influence such a platform might even replace our disorganized and antiquated voting process, and also address perceptions of voter fraud.

These are but a few examples of how a large political community might leverage its size and influence to shape public policy, disrupt special interest politics and enhance representation for average voters and consumers. Furthermore, such a scenario might unfold without even electing candidates to public office. That comes next.

### Political Movement to Political Entity

If a community were to emerge with the capacity to impact information cycles and public policy, the natural progression would be to transition from political movement to political entity, and then promote candidates to public office. This power to reshape political outcomes will be new and seductive to voters accustomed to feeling powerless and disenfranchised.

Yet although this empowerment, this sense of emotional attachment, is vital to garnering the participation necessary to give a movement "wings," it also has a dark side. This is because any movement with the capacity to impact meaningful political and economic change becomes vulnerable to power-induced emotionalism, both through internal subversion and external attack.

We see this when groups acquire influence and get whipped up into a frenzy, often spurred on by charismatic leaders who tap into the emotions of the group and acquire great personal power in the process. Yet these leaders may not operate in the best interest of the people who imbued them with their power, power which may conflict with the interests of supporters.

This happens because whenever social, political or economic power begins to coalesce into a major force it becomes attractive to people with conflicting agendas. Just look to the government to see this occur on a regular basis. Even politicians with good intentions often succumb to power-induced agendas and motivations. For like the Internet community that attracts trolls who seek to subvert its mission for their personal agenda, an influential political movement will entice far bigger and more dangerous people to attack the community.

So the first major test of an influential political movement will occur when it selects community leaders or supports candidates for public office. At this point the mission becomes vulnerable to dangerous people acquiring power, or gaining power without sufficient checks and balances. It's why the movement must resist the desire to push candidates onto the public stage until it figures out how to moderate them.

Make no mistake; expect the forces of subversion to be loud and persistent. They'll attempt to appeal to community members by suggesting they're victims of an evil collective intent on keeping them from reflecting the community's true purpose. These political trolls in sheep's clothing will find sympathetic ears to give them the validation they seek, support they'll use as a wedge to grab power for their narrow interests.

Furthermore, the larger and more powerful the movement the greater the threat that people in positions of power will allow personal and special interest agendas to dominate community ones. So before a new political movement creates future generations of leaders and politicians it needs to institutionalize the checks and balances necessary to ensure its mission remains intact, and is not put in jeopardy by the seductive, corruptible attraction of power.

As suggested earlier, such a system might start with comprehensive background checks and community discussion before potential leaders and candidates ever get close to the reins of power. This way the community could weed out those people who represent a threat to its mission, so only those people approved by the community progress. This will allow the community to see how these people conduct themselves and get a sense of their integrity and character.

The further they advance the more scrutiny they should receive. How do they handle money? How do they interface with big business and politicians? How do they react to great power? As the community gets better at this it becomes less and less attractive for people to attempt to wrest power from an organized community intent on keeping them out.

But the ultimate control the community may exert over future leaders, candidates and elected officials will be to provide or withhold support. So whenever leaders behave in ways detrimental to the mission of the community they must be stripped of financial and political support.

These "tethers" might consist of contracts between supported politicians and leaders and the community that describe the terms and conditions by which they act on behalf of the community and receive its support. Such agreements could address specific behaviors that may become questionable or cause the interests of the community and these people to conflict. For example, community leaders, some of whom may become employees, might enter into employment contracts with the community. These contracts would restrict behaviors that could threaten the community. Alternatively, candidates and elected officials might enter into *candidacy contracts* that spell out the terms and conditions by which the community supports them. Such contracts could prescribe principles and behaviors the community requires to extend support, and the consequences for failing to adhere to them. The following is an example of a candidacy contact.

### **Candidacy Contract**

I \_\_\_\_\_as a candidate for the office of \_\_\_\_\_agree that in return for receiving the financial and political support of the Community that I will abide by the terms and conditions set forth below, both during my candidacy and if elected during my full term or terms in office.

Funding: During my candidacy, and if elected my term in public office, I shall accept donations from only two sources: 1) monies provided through, or approved by, the Community or 2) small individual donations not to exceed prescribed limits as set forth by the Community. Under no circumstance shall I accept monies from any non-approved corporate or special interest entities. This includes any political funding groups formed by community members but not approved by the Community. All monies including amounts, dates of giving and validated sources shall be publically available and accessible.

Communications: Communications, including, but not limited to, televised or otherwise broadcast, online such as websites/social media, or written communications such as articles and press releases shall be pre-approved by the Community. Subsequent communications shall conform to the general messages and ideas as approved. Impromptu communications such as unplanned interviews and statements shall also conform to the established positions.

Lobbyists: Lobbyists and lobbying efforts towards community-supported candidates or elected officials shall first be vetted and approved by the Community. This process begins with a preliminary meeting or review in which the prospective lobbyist meets with representatives of the Community to present the content and objective of their proposed contact. Any subsequent lobbying efforts shall conform to those presented to the Community. Any contact by lobbyists with the politician or

candidate shall be scheduled. These meetings shall include at least one Community observer who is <u>not</u> a paid member of the lobbyist's, candidate's or politician's staff. Notes of every lobbyist contact and meeting will appear online and may even be recorded or videotaped. Any lobbyist unwilling to abide by these requirements shall not gain and/or lose access to the respective candidate/politician.

Voting: If elected, every vote I make must include a written statement that outlines my reasoning for voting as I did, how and why I believe it's in the best interest of my respective voting constituency, how the vote furthers the objectives of the Community, what political and economic forces were or might be impacted, my decision, and how I dealt with any forces that attempted to subvert my vote.

Behavior: As a candidate for public office chosen by the Community I agree, if elected, to legislate on the basis of community objectives. If I should lose a primary, public or internal, I agree to support the remaining community-selected candidate or candidates until the general election, and if a Community candidate is elected, to continue that support during his or her term in office. Also, prior to voting or introducing legislation I agree to have my proposed legislation straw-voted upon by the Community. Although I am free to behave how I choose I understand that I may lose the support of the Community.

Post Career: I agree to never work for or in any way receive compensation by any special interest whose interests I voted upon or supported at any point during my time in office. I also agree to never work as a political lobbyist unless it is on behalf of, or approved by, the Community.

Letter of Resignation ("LOR") from the public office I am seeking. The LOR will be held in trust by the Community during the period of my candidacy and, if elected, my term in office. If after my election I violate any of the terms of the agreement the Community may initiate a range of actions depending on the severity of the infraction, and which could result in requesting my resignation from office. Although I am free to refuse such a request, I understand that not only will the Community withhold support, financial or otherwise, but that it will work to remove me from office and resist any actions I may take while still in office. I also understand that the Community will elect a replacement to receive the support I have lost, and promote him or her to fill my seat.

I agree to abide by the terms of the Candidacy Contract as a condition for community support.

So why would anyone enter into such a restrictive contract? They'd do so for at least three reasons. First, they support the community's mission and understand that maintaining the integrity of elected officials is paramount to its goals. Second, they'd have no need to solicit donations while in office as the community provides all funding. And third, they probably won't get elected otherwise. What's more, if they didn't accept community support they'd find it difficult to run as either a Democrat or Republican as they'd have rejected both parties.

# Electing Candidates

So let's say a movement emerges and becomes powerful enough to promote candidates for public office. How might this play out? About the only thing we know for certain is that outside candidates

don't have a good record of gaining broad support. This means it'll be an uphill battle, but not an impossible one. In fact, over the past five election cycles voters have shown surprising willingness to support non-traditional candidates. Consider how the Tea Party's slate of preferred candidates dominated the 2010 midterm elections, or how the 2016 election of President Trump pitted Trump's radical conservatism and anti-establishment positions against a challenger who in many ways epitomized establishment politics.

Then there's Bernie Sanders. Although he lost to the party's chosen candidate, the unorthodox nature of his platform and spontaneous groundswell of support unleashed great political activism across society. So from both Right and Left, the evidence is strong that grassroots participation is on the upswing. This is noteworthy because greater participation by average voters reduces the subversive influence of special-interest groups. There are a few important ways this may occur.

First, greater voting turnout results in more representative elections. And as people acquire greater influence they'll be motivated to remain more engaged. Second, in the present political reality money means power. Yet as grassroots political engagement expands so will small-money donations. Not only does this help balance the financial influence of special-interests, but it causes average voters to have a greater stake in outcomes. A third important benefit of greater voter participation is that it allows new types of candidates and different platforms to become competitive.

Although it will be challenging to get these candidates elected, the mere presence of an outside candidate who attracts a meaningful share of votes can disrupt normal elections. This could occur by causing establishment candidates to reconsider their respective platforms. For example, consider how Bernie Sanders' presence in the 2016 Election caused Hillary Clinton to adjust her positions. So even without winning, outside candidates can influence political outcomes.

Consider also that outsider votes may not represent a net-loss for major-party candidates. This is because electoral participation among eligible voters tends to be low. Yet an outsider candidacy might energize non-voters to show up at the polls, votes that would otherwise not be cast for any candidate. This could be significant as these perennial non-voters represent a sizable pool of potential votes.

According to PewResearch.org, the U.S. ranks near the bottom of voter participation worldwide with about half of voting age adults showing up at the polls<sup>lix</sup>. Yet about a dozen other democracies have voter participation rates above 70%, while countries with compulsory voting approach 90% turn-out.

Furthermore, in local and regional elections voter participation can be anemic. Voter turnout also varies by demographic characteristics. According to the U.S. Census, fewer than 40% of voters turned out in the 2014 Congressional elections, a record low in recent mid-terms<sup>lx</sup>. So with fewer than half of eligible voters voting in elections, an outsider candidate who attracts a significant portion of non-voters stands to upset outcomes.

For example, imagine a close race in a low-turnout district where the major parties split about 40% of the voters. This means that 6-of-10 eligible voters won't show up, maybe higher among low participation segments.

But if an outsider candidate had a strong appeal to these non-voters, he or she might influence the electoral math. If, in this example, an outsider candidate received votes from 1-in-3 non-voters she'd

have split the vote three ways, and that's without taking votes from either of the two major party candidates, an improbable scenario. So what might bring a third of non-voters back to the polls? It's not establishment politics. But a people's political candidate might.

What this means is that weak voter participation rates represent a significant opportunity for an outsider candidacy. And given the extreme partisan climate in politics one has to wonder how many voters only vote as a defensive measure against the other candidate. How might they vote if presented with a different kind of candidate, one that actually represented their interests?

Consider that centuries of complex loyalties, obligations and conflicting agendas have shaped the major political parties. And as they're often partisan and detached from the realities of average voters, it's no surprise so many people avoid the polls. Yet a vibrant political community that responds to the needs of average people, and also integrates them into the political process, might change everything. Maybe then people will have something compelling to get them to the polls. Under this scenario the prospect of a different political reality becomes a much more intriguing proposition.

But even if these outsider candidates were to start winning a few elections, Congress includes 535 seats. So gaining an equal presence is a daunting prospect. But this is where the math gets interesting, because a different breed of politician might disrupt political and legislative mechanics with only a few elected seats.

Most votes in Congress conform to two characteristics. First, win or lose, outcomes tend to be close. And second, most candidates conform to party platforms shaped by narrow interests. So between rigid beliefs, special interest demands, the financial realities of politics and the fact that cross-party voting is rare, the extent of partisan politics isn't surprising. Yet it's this predictability combined with tight voting outcomes that could make even a small outsider presence in Congress powerful.

Because whether playing games, waging wars or passing legislation, the ability to predict the behavior of other participant's results in more effective strategies and tactics. And given that rigid, partisan behavior is almost certain in the current political environment, even a minor "people's presence" in Congress might play the two major parties against each other and win out-sized political victories.

Over the past two decades the average margin of control in the U.S. Senate was fewer than 5 seats out of a hundred, while in the House the margin of control averaged around 13 seats in a governing body consisting of 435 members. What this means is that a people's option that wins about this many elections in Congress could, in many cases, guarantee a majority vote to the minority party in either chamber. And in the Senate, it might be able to give the majority party a filibuster-proof 60+ votes. In fact, it might even be able to offer a veto-proof majority. This represents a tremendous amount of political power as each of the major parties could become irrelevant if they don't accommodate the agenda of this new center of influence. In fact, after the 2010 midterm election, Tea Party-elected members of Congress played a similar role.

Also, an influential political option might disrupt intra-party power plays and control mechanisms. Consider that in the present two-party environment party leadership wields a great deal of influence over its members. If a party member doesn't stick to the party line he or she risks being ostracized. For example, the offending member may risk losing committee appointments or be excluded from

key political activities. This represents a powerful control mechanism to keep party members in line because switching sides isn't an option in the partisan atmosphere of politics.

Yet a viable third-option could enable congressional members to threaten to jump ship and support the new political player. Nor would this have to be a third party. Instead, a few Independents or a powerful people's caucus within each of the major parties may be sufficient. This would allow them to function outside of their respective party leadership, maybe even collaborate on legislation in ways that the current partisan environment prohibits.

For example, imagine if sizable populist, non-partisan caucuses emerged in each party. As their voter and financial power bases expand so too will their influence. And by seeking objective, non-partisan solutions they'll contribute an intellectual foundation lacking in the major parties. If their influence grows they may replace the current emotional- and greed-driven pitchfork politics with a more rational ideology that balances competing interests.

So it'll be a lot easier for Democrat and Republican politicians to convince constituents of the veracity of joining an intra-party caucus, then to engage in treason and align with their traditional arch enemy. It's how a viable option that's less beholden to special interest influence could moderate politics.

In addition, a self-funded movement would avoid outside influence as it won't need to compromise its political mission for donations that come with strings attached to the special interests who supply them. So even though a third political option may never take numerical control of any governing body, its influence would be felt from Wall Street to Main Street.

This will of course take time to occur. It may take four or five Presidential election cycles, maybe more. But what's important is that there's a viable path for a new political reality to become a force in politics. So maybe it's time, if not overdue, to have a national conversation between millions of average citizens about how to accomplish what the government is incapable of doing; provide fair political representation and economic participation for everyone.

# Part V: Community Capitalism

For much of the 20<sup>th</sup> Century America learned to fear collective politics in any form. In a society founded on constitutional liberties, including the right of free speech, association, religion and the private ownership of property, political ideologies such as socialism and communism represent a frightening threat to many people. So for them the idea of a network of communities with the capacity to bargain on behalf of participants' sounds an awful lot like the dreaded "isms," ideologies we're taught to mistrust if not outright despise.

But we must reconcile this if we are to embrace a political reality built on Constitutional values, one in which government exists for "we the people." People need to rediscover that community-led politics is not a threat to their way of life, but an extension of it. Although the idea of a vast community network may feel ominous to some people, it's only a scaled-up version of the social communities at the centers of people's lives. These small, community building blocks have been an integral part of social fabric since the dawn of human existence.

So while suspicions run deep for collective politics in any form, the fact is that community-led politics would be nothing like either socialism or communism. Because under this approach both

market-based economics and our system of government remains the same, nothing changes. For one, our Constitution continues to guarantee citizens the same freedoms and liberties. In fact, a community-led, political reality may even enhance individual rights as societal interests take precedence over special interests.

But the big thing that stays the same, the one that separates capitalism from typical forms of collective governance, is private ownership. Because aside from the goods and services which society may choose to distribute through public channels, something we already do, under community-led governance individuals would still own their homes and other assets, shareholders will retain ownership interests in companies, and other forms of private ownership will remain the same. What does change is the composition of ownership as the enhanced economic power of many consumers allows them to increase their participation in the economy.

Consider that the only reason large corporations exist is because consumers buy from them. So there's nothing radical about consumers having a greater interest in the suppliers from which they purchase. Of course, for the largest corporations that control most of what we need and buy this is not good. Because a political reality shaped by societal interests will dilute their influence and produce greater efficiency as economic decisions become more democratic. And while efficient markets benefit consumers who receive more value for their money, businesses that supply these markets will often see their profits shrink as greater economic efficiency drives margins down and transfers value back to consumers.

And when profitability is under attack, big businesses will do and say almost anything to resist the forces of change. They'll preach the evils of regulation, and how regulations make markets inefficient. They'll fight to keep as much of the economy private as they can, with little consideration of the cost to society. They'll go to extremes to avoid facing the true cost of exploiting the environment. Yes, big business and the politicians they influence try to scare us into believing that such policies make markets inefficient and kill jobs, their ultimate weapon to breed fear throughout society. Of course this is nonsense as reality is the opposite.

In truth, they're not concerned that markets will become less efficient, but *more efficient*. This is because while inefficient markets allow powerful businesses to extract higher profits, efficient markets return these excess profits back to consumers.

Big business and the politicians they influence tell us that these inefficiencies are temporary, and in the long run markets will self-correct and become more efficient. Yet what they fail to point out is that consumers' have limited lifespans, as do sole proprietors, but not corporations. So by the time, if ever, markets get around to becoming more efficient, powerful corporations will exploit their favorite market inefficiencies with new groups of powerless consumers.

It's therefore no surprise that wealthy elites who proclaim the wonders of efficient markets are often the same special interests that influence the government to keep markets inefficient. So the idea that economic inefficiencies correct themselves is a hypocritical and specious argument.

But a large community that demands a level playing field would cause markets to become more efficient. This is because by spreading economic opportunity and ownership across society,

concentrations of wealth will decline and prosperity will be better distributed, the intent of capitalism in the first place.

So rather than seeing such a movement as a form of collectivism, a more accurate characterization is *Community Capitalism*; a system where communities of people leverage their economic and political power to demand that markets operate for everyone, not just the wealthy and powerful. This is in contrast to supplier capitalism in which powerful suppliers exploit powerless consumers in order to generate excessive profits from artificial market inefficiencies.

Under Community Capitalism people who work hard to provide for themselves and their families can earn fair economic rewards. But getting there requires that people demand a system that benefits everyone. For earning what we are willing to work for is the promise of the American Dream. Yet the American Dream is not a birthright. Not only must we work for it, we must also demand fair political representation or lose access to the economic opportunity that makes the dream possible.

One important area where Community Capitalism could benefit society is to better align economic decisions, and by extension public policy, with the actual forces that cause them. For example, consider the idea of *job creators*. The popular notion of job creation, as supported by powerful economic forces, is that businesses create jobs for the benefit of society. Under this viewpoint, the belief is that it's in the best interest of society to implement public policies favoring these powerful economic interests. These wealthy elites, so the story goes, will reward us by creating the jobs we require to live, a scenario where large businesses are depicted as the economic saviors of humanity. Often called Trickle-Down Economics, the idea is that money diverted to the top of the economic "ladder" trickles down to the rest of us.

The supposed logic in this reasoning is that favoring wealthy interests with lower taxes and fewer regulations results in more jobs, which in turn stimulates the economy as higher levels of employment produce greater consumption, the primary driver of economic prosperity. It's an odd idea in which suppliers create the consumer demand necessary to fuel their own growth.

But this "manna from heaven" perspective is backwards. It's simply not how economies create jobs. Because for it to work this way businesses must hire people <u>before</u> there's sufficient consumption to justify a larger workforce. Yet businesses won't hire until forced to<sup>9</sup>, and certainly not if consumer demand is weak.

What's perplexing is that the business-as-job-creator premise suggests that businesses will do exactly that; expand employment in advance of the economic justification for doing so. Yet supplier resistance to hiring more employees until consumer demand justifies them, as we saw in the length of the post-2008 recovery, is both logical and the response capitalistic theory predicts. The problem with this mindset is that much public policy has emerged from an idea that's the opposite of how actual job creation occurs. Rather, the motivation to create jobs comes not from those doing the hiring, but those doing the buying. This is because no business owner in his or her right mind is going to hire

<sup>9</sup> The singular and infrequent exception to this is when businesses expand or form new enterprises before there is clear market demand to justify them. Yet the distinction between demand-driven hiring, representing the vast majority of hiring, and entrepreneurial, non-demand based hiring, is often ignored in policy formation, and for obvious reasons.

employees until there's sufficient demand to justify them. To do otherwise is not a characteristic of successful entrepreneurs.

So if not suppliers, then who creates jobs? Job creators, as it turns out, consist of those people who generate the demand that signals employers to hire. These people have a name, they're called consumers. That's right, the motivation to create jobs comes not from the businesses that sign paychecks, and who'd rather hire fewer employees anyway, but from customers who buy from businesses and thus signal the need to hire more people. What this suggests is that job creation occurs not by the act of hiring, but the act of buying. This implies that the process of hiring is simply a reflexive response to greater consumer demand, and is done for the sole purpose of making more profits,

For example, consider how job creation occurs from the purchase of vegetables. When we buy vegetables at the grocery store we set in motion numerous business activities, each one creating new demand for employment. If we work backwards from the checkout counter, the last link in the chain of employment, we start with the checker and bagger. More groceries, including the vegetables we buy and the purchases of other shoppers, places additional demands on checkers and baggers. At some point this will force grocers to increase hiring in response to greater shopping activity, something they'll only do when absolutely necessary.

But before we make it to the checkout counter, we select our vegetables from the produce aisles. As we do so we notice employees putting out fresh vegetables. And the more we purchase, the faster vegetables must be replenished. In turn, this requires more people to stock the food aisles, an event that signals grocers to hire more people, but only as a last resort.

Of course the faster vegetables move to produce aisles the faster they must be delivered. This means more deliveries, which means hiring more drivers. Then as more trucks pick up vegetables, farmers must plant more acreage. This in turn necessitates that farmers hire more employees, an act they wouldn't think of doing without the increased buying of grocery shoppers.

Although this may seem the end of an extended chain of job creation, it's hardly the beginning. First, grocery stores often require large buildings, buildings that need numerous employees to build, maintain and protect. These buildings will require loan processors to finance them, and employees in the insurance industry to insure them. What's more, most employees receive benefits, meaning more employees must be added to these supporting industries as well.

In addition, delivery drivers require trucks, each of which necessitates employees to manufacture. Also, increased employment will be required to repair the vehicles and insure, finance or lease them. Nor can we forget that most vehicles rely on gasoline, which requires the petroleum industry plus a vast network of gasoline delivery and service stations, requiring yet more employees.

Also, additional farming equipment will be needed to make farmland more productive, equipment that's produced and serviced by other employees. Farming also requires seed, fertilizers, soil specialists, and of course more land, the purchase of which often includes realtors, attorneys, loan officers, inspectors and title agents, meaning that every one of these industries will also need to hire more people. Yet this is still just the tip of the job creation iceberg as heightened consumer demand causes wave upon wave of hiring throughout the economy.

In fact, the purchase of vegetables launches a vast chain-reaction of employment as suppliers respond to the buying decisions of consumers. Although the impact of any one consumer is negligible, when this event is multiplied by millions of consumers their collective consumption causes businesses to thrive or fail, fortunes to be made or lost, economies to expand or contract and great numbers of people to be hired or fired. For although shoppers think nothing of creating jobs when they buy the things they need, they're in fact the primary force driving employment.

Interestingly, notice that nowhere in this extended chain of job-creation did employers ever <u>want</u> to hire anybody, but did so only because they had no other option. So the suggestion by suppliers and politicians that because firms hire people in response to increased consumer demand, including their motivation to make greater sales and profits, they deserve to take sole credit for the role of "job creator" is a preposterous and arrogant proposition.

This does not, however, denigrate the critical role that suppliers do perform in the economy. Suppliers provide an essential service by making available the goods and services consumers require. They do this by forming labor and capital into productive entities called companies. These companies emerge in response to the needs of consumers, the ultimate source of economic decisions. In turn, businesses hire more employees whenever consumer demand necessitates them. So while suppliers provide essential services in the functioning of the economy, the one thing they rarely do is create jobs. That's the role of consumers.

So if we want to identify the real job creators we should look not to Wall Street, or Corporate America or even Main Street. Rather, job creators visit shopping malls, click online buy-buttons and buy vegetables at grocery stores. These people, the millions of average consumers who purchase things to support their livelihoods, create the jobs essential to society. So rather than jobs "trickling down" from wealthy economic interests, hiring occurs when the upward flow of money from increased consumer buying makes employers do something they otherwise resist, hire more people. In fact, in this model consumers are not just job creators, but businesses creators as well, because without customers business revenue falls to zero.

This contrasting economic premise might be called Trickle-Up Economics. Yet unlike the trickle-down model where wealth often remains static while waiting for heightened consumption to justify more hiring, increased consumer demand quickly creates jobs as employers compete for buyers by accelerating their hiring activity.

Under the Trickle-Down Theory, jobs are created at the point of hiring. This implies that employers are willing to create jobs they don't need in order to stimulate the economy, an unlikely prospect. But under Trickle-Up Economics job creation occurs at the point jobs become necessary, which is how hiring actually occurs as rational employers don't hire unneeded employees. This implies that jobs are created *prior* to the act of hiring. Under this model, job creation occurs as a response to increased consumer demand, which means employer hiring decisions depend on consumption. So it's consumers, not employers, who really create jobs.

So why are economic policies so skewed to Trickle-Down Economics rather than Trickle-Up Economics? In a word, money. This is simple; wealthy economic interests extract more money from the economy if they remain the center of the economic universe. It's why they spend so much money on political

outcomes. For example, visualize how we depict an atom, or even a solar system. At the center is a source of energy, such as an atomic nucleus or the sun that interacts with the particles or planets that revolve around it. Under Trickle-Down, or supply side, the center of the economic universe consists of employers, while consumers and employees revolve around this employer-nucleus. In this model, employers are the primary source of our economic prosperity, including both products and jobs. This economic "pole-position" is valuable to large employers as it guarantees that public policies and economic resources will favor their interests.

Yet a Trickle Up approach flips the model around by placing consumers and employees, often one and the same, at the center of the economy, while employers move to the periphery. Although this may seem odd, consider that employers only exist because they have access to two critical resources; consumers to purchase their products and employees to make them. So rather than the actions of employers shaping the destinies of employees and consumers, in reality it's the behavior of customers who determine the fortunes of businesses. The only reason why it doesn't look this way is because large economic interests have rigged the game to their benefit, and to the detriment of everyone else. And the reason why they get away with this is because businesses concentrate wealth and power better than either consumers or employees. This allows them to subvert the system for their narrow interests. What's more, this employer-centrist mindset so permeates politics and society that it's often impossible to even have a conversation about any alternate economic model.

So what can be done to balance the demands of wealthy elites with the needs of average people? Some ideas and policy positions include such things as campaign finance reform, various tax reforms and government programs. But the problem is more basic than this, and any meaningful response must first address the underlying issues. This requires that we adjust the way we perceive and interact with the economic environment around us. This different mindset consists of changing the way we comprehend economic processes.

For example, most people will say that employers create jobs. This is understandable. After all, most people depend on the paychecks they receive from employers. Yet although this perception is often invalid, it's hard for people to recognize their economic influence. The problem is that due to the economic demands of living, and the limited control we have over our respective destinies, people cannot comprehend how much power they possess in the aggregate.

In truth, consumers have great power as their actions determine the economic security, or lack thereof, of everyone, including both employers and employees. But individual consumers and households often feel powerless as there's little any one consumer can do to impact the system. It's this shared sense of powerlessness that makes us vulnerable to the belief that there is some "other" that provides the security we seek.

But it's an illusion, albeit one that's supported by economic elites with a large vested-interest in maintaining their position in the economy. It's also why it's so difficult for people to break free from this top-down economic worldview. But if people coordinated their economic decisions by implementing a network of communities with the capacity to negotiate, even legislate, better deals for everyone, society could create a new form of economic capitalism in which more people participate. And as this occurs people will perceive the economy, and their role in it, far different.

The idea of Community Capitalism envisions a reality in which millions of average consumers create jobs and shape economies, including the businesses that operate within them. This is in contrast to Supplier Capitalism where minorities of elite special interests subvert political processes and keep markets inefficient.

Yet this is not a new concept. Throughout history people have formed communities for their collective economic welfare, oftentimes becoming mini-economies that provided both the consumption and supply necessary to support them. What Community Capitalism does is expand the scope of this by coordinating nationwide consumer communities around shared political and economic interests.

### Small Business Interests

In addition to supporting individual consumption and employment, Community Capitalism could also benefit millions of small businesses that comprise the backbone of the economy. According to the Small Business Administration there were over twenty-eight million small businesses as of 2011. These small businesses employ about half of private sector employment and account for over 60% of new employment, something they can only continue doing if they have enough customers. <sup>lxi</sup>

Yet the same forces of power and greed also exploit small businesses. For although the influence of small businesses, and the empathy society has for them, is appropriated by powerful special interests in pursuit of their goals, the reality is that many of these firms are just as vulnerable and taken advantage of as everyone else. For when corporate special interests promote legislation reducing the capital gains tax or lowering corporate income taxes, many small businesses just scraping by gain little to nothing.

Furthermore, small businesses rely on the buying power of a prosperous middle class, which requires a strong national infrastructure. But by cutting taxes on wealthy elites and lowering expenditures for middle-class support and public investment, small businesses become the "canaries in coal mines" who are the first to feel the negative impacts of these toxic economic policies. Because it is the small business owners who will quickly feel the economic effects of weak consumption, and then endure the financial fallout if their business fails. It's an event that may impact small business owners for the rest of their lives. After all, small businesses can't expect to receive government bail-outs in the same way big businesses can.

Yet powerful corporations hold society hostage to extort vast amounts of taxpayer money from consumers and small businesses, while executives continue to receive their big bonuses. So suggesting that there's some kind of "kinship" between big and small business is an insult to the courageous small business owners who risk their financial security to form the backbone of our economy.

Community Capitalism might help correct this imbalance. For example, a sizable community could focus its purchasing on small business members. It could also use its consumer base to help small business members negotiate lower costs, facilitate virtual inventories or implement distributed-manufacturing arrangements. In this way, the community could help small businesses become more competitive.

Under this approach a community could also use its size to own and share patents and intellectual property. This would spread the cost of these intellectual assets across a larger supply base and provide economies-of-scale not otherwise available to small businesses. Communities of small businesses could also implement asset-sharing programs to realize greater economic utility of business resources. For example, rather than five farmers owning five tractors, under an asset-sharing program they might coordinate their schedules and get as much done with three. In fact, communities could maintain a range of asset-pools for business participants.

Such a concept could even include community ownership of large infrastructure assets and the provision of services for the benefit of community participants. These assets, such as telecommunications networks and intellectual property, would be owned in trust by the community but made available to community members on the basis of their participation. This could cause economic resources to be better distributed and utilized.

So Community Capitalism, rather than a threat, can provide numerous benefits to members and small businesses. For example, communities could partner with local Chambers of Commerce in ways that provide their small business members with access to new customers and benefits. Doing so will help them compete against giant corporations and the national Chamber of Commerce, whose economic and political interests often conflicts with theirs<sup>lxii</sup>.

Nor is the idea of Community Capitalism either radical or new, but rather a modernized version of traditional social and economic practices, some of which were instrumental in the growth of America. Consider that communities have provided vital social and economic benefits to people throughout history. During America's development, communities were the building blocks of society. This is because communities allow people to share responsibilities and achieve goals for which members have a common interest. This dynamic created important function-specific communities that touch all our lives, such as churches and civic organizations.

One important economic community that left its mark on society is The Grange. The Grange is a social and economic organization formed after the Civil War to "encourage families to band together to promote the economic and political wellbeing of the community and agriculturelxiii." Its mission was to preserve and expand American democracy by strengthening agricultural communities. It even participated in a nationwide movement in response to the great inequalities of the Gilded Age. In fact, things like the eight-hour work day and laws mandating food purity emerged from this movement.

The Grange, still with numerous chapters in communities across the country, is a non-partisan, societal-minded organization that promotes the values of equality and personal responsibility. For example, as stated on the Oklahoma State Grange website; "We desire a proper equality, and fairness; protection of the weak; restraint upon the strong; in short, justly distributed power." lxiv

These principles of social and economic justice motivated The Grange, on behalf of farmers and farming communities across America, to push for regulations on the railroads in the late 19<sup>th</sup> Century. They recognized that by monopolizing farmers' access to markets, railroads strangled the country's agriculture economy and attacked society's capacity to realize the American Dream.

These ideas are central to Community Capitalism, yet shared by an organization about 150 years old. In fact, the founders of The Grange epitomized American beliefs in individual effort and hard work,

and had a deep commitment to traditional social and spiritual values. So The Grange, a social and economic organization with parallels to Community Capitalism, is hardly a radical, un-American idea.

So the economic model of Community Capitalism represents not a departure from the traditional roots of American society, but a return to them. It's why the idea is only radical to the forces of wealth and power that want to continue exploiting society for selfish interests. As The Grange demonstrates, when faced with our pursuit of the American Dream people gravitate toward traditional, community-led solutions. This is because America has a long tradition of strong communities and individual rights. It's an approach to governance that's embedded in our social DNA, beginning with our citizen-led revolution and constitutional form of government.

The reason why populist ideas disappeared from the political landscape is due, in no small part, to the "cloud" of communism that keeps people suspicious of collective activity in any form. In fact, the imagined threat of communism and socialism is the gift that keeps on giving to plutocratic political forces and wealthy elites who pursue their selfish interests by exploiting society's fears, fears often far less threatening and imminent than they're portrayed.

#### Part VI: Reclaim the Dream

Since more efficient, community-driven markets generate less profit, big businesses will resist them. In fact, what passes as capitalism now is a system where most markets are neither free nor efficient. Instead, efficient markets are replaced by a perverse form of plutocratic cronyism and elitism in which the ability to exploit market inefficiency is sold to the highest bidder. But Community Capitalism could shift more economic power back into the hands of consumers and small businesses. This would unleash a new economic reality in which markets become more efficient and average people realize more of the benefits of capitalism.

Yet for Community Capitalism to advocate on behalf of consumers, employees and small businesses people must work together to take back government from powerful special interest groups and the politicians they influence. Because the idea of Community Capitalism is that economic opportunity should be available to anyone willing to work for the American Dream. And by working together to create a consumer-centric economy, capitalistic markets could become more efficient, which will then increase the societal value of economic prosperity. The alternative is to do nothing, in which case markets remain inefficient and serve the elitist power structure at the expense of everybody else.

But the moment a movement becomes a genuine political force to make markets more efficient we should expect to hear it compared to communism, socialism, fascism, Hitler, The Holocaust, slavery, and anything else they can come up with to dissuade average citizens from protecting their rights to fair political representation and economic participation. Given the expected vehemence of the response some people will see no way past this resistance. The wealthy elites trying to control our futures count on it. What's more they'll go to great lengths to make people feel their only hope is to try to appease these gluttonous special interests; unethical, wealthy elites whose appetite for ever greater amounts of economic and political power will never be satisfied.

Yet there exists a critical vulnerability in special-interest dominated politics, one with the capacity to disrupt existing power structures. A force so powerful that it could topple both special interests

and the political hegemony that serves them. But given the overwhelming power of entrenched political parties and moneyed special interests this vulnerability is difficult to recognize.

Yet a viable third political option could reveal this vulnerability, and then use it to return power to the many people the Government is supposed to protect. So we should expect loud protests from wealthy elites. For whenever society questions political and economic fairness, special interests step up their rhetoric and contributions. And right on cue the politicians they fund become vocal advocates for the continued exploitation of average consumers, employees & small businesses.

Consider the rhetoric over so-called *class warfare*. This term is tossed about to explain the friction between upper and lower classes caused by a widening inequality gap, more so whenever society has the audacity to expect fairness. As a result, the controversy over class warfare may seem like a new thing, something forced upon us by an evil, populist agenda intent on causing "unnecessary" dissent.

What many people may not realize is that class warfare is nothing new, and it's caused a huge transfer of income and wealth from lower income classes to higher income classes. For example, during the past 40 years the share of wealth held by the top .1% tripled.\(^{\text{lxv}}\) It's estimated that within a few years the top 1% will own more wealth than the rest of the world!\(^{\text{lxvi}}\)

Of course, because wealthy elites have prevailed time after time they've had every reason to keep quiet about it. Yet the moment there's serious discussion about fairness and the overabundance of a minuscule slice of society, we're told this talk distracts us from our "real" problems. This argument blames the non-wealthy for causing divisiveness, while arrogantly implying that stripping everyone else of vast wealth and income is somehow not a "real problem."

Such callous apathy is typical of the way politicians feel about voters. So it should come as no surprise that people believe the government serves little purpose when it comes to responding to the needs of average citizens, or at least it often feels that way. And who can blame them? Given how average voters have seen their political relevancy and economic affluence disappear they need to blame somebody, and who better to blame than a dysfunctional government that many view as the problem, not the solution.

Yet the government has no incentive to do any better than it does for people. For not only is the system controlled by the ever larger donations of special interests, but there's no competition, no Invisible Hand, to motivate them to change. It's why for most of our country's history politics have been controlled by two dominant ideologies. Over the years they've established a political duopoly that's become exceptionally responsive to special interest influence.

So in spite of political dysfunction there's no reason to change. The result is that even though dissatisfaction in government continues to grow, nothing gets better. This in turn breeds further pessimism which only serves to validate people's ill feelings towards the government.

Of course, this is great for special interests that exploit people's frustration to subvert government policy. Their success at exploiting the government and the economy, which means average voters, consumers and small businesses, only exacerbates the hopelessness of the situation. And so the cycle continues, resulting in an endless downward spiral.

Yet while it may seem that nothing is happening, an understandable conclusion given our continued state of political dysfunction, there's a great deal taking place. For right under the surface of this frustration people are getting angry, very angry. We see this in the perplexing contrast of people saying they love their country but hate the government. We hear it from partisan media spewing endless hate and dissension, indicating there's a big market for it. Or how people claim they want to "get America back" or make it "great again," without any clear vision of what it means. All they know is that their lives are more difficult, their futures bleak, and they're angry. In fact, they're furious.

This anger is reflected in a partisan political atmosphere, a willingness of voters and politicians alike to embrace wild conspiracy theories, and a general sense of mistrust that pervades political interactions. This under-the-surface anger is the critical vulnerability which could cause our political and economic realities to shift back in favor of "we the people."

Yet public indications of frustration barely touch the depth of anger society feels. We know this is true because sometimes it leaks out as a reactionary movement such as the Tea Party, Occupy Wall Street, or the election of Donald Trump, events which only seemed spontaneous because people underestimated voter discontent.

We also saw this frustration in the 2016 election cycle. Who could have foreseen the political momentum of a bombastic billionaire and a self-described democratic socialist? This frustration came to a head with the election of Donald Trump, a President swept into office by extreme anger, nationalistic fervor and racism as he sold the country on his vision of revitalized American exceptionalism. Yet right after his inauguration the country experienced unprecedented amounts of activism in terms of protests, angry town halls, and civic participation. Although this often came from non-Trump supporters, there's also emerged a backlash from Trump voters. Regardless of one's political views, we're witnessing deep frustration from an electorate weary of business as usual. So there's good reason to conclude something has to give, possibly resulting in a major shift in the political winds.

Now this anger should be a source of great concern to politicians and the special interests that influence them, but it's not, at least not yet. And the reason why it's not is that the political establishment has become so accustomed to its duopoly status that it has no incentive to care or do anything different. It's an attitude that will prevail so long as we accept that a meaningful third option is impossible. Because as few people believe this will ever happen, the parties will continue to do pretty much whatever they want, and only concern themselves with their other side.

But if a viable third political force emerged it would disrupt political processes that rely on financial support from special interests. Consider that special interest donors only make large donations because they know that the system is rigged in their favor, and that politicians need their money to remain in office. As a result, they donate with confidence that their "investments" will pay off, a premise that's validated by the money trails between special interest legislation and the politicians who support it.

So maybe it's time to introduce some competition to make the system more responsive. Because a third center-of-power with the political and economic influence to impact outcomes and affect big donors would change everything. Under this scenario the value of political donations will become less

certain as politicians are forced to consider a new set of interests that conflict with those of powerful special interest donors. This represents a serious threat to the powers-that-be as the movement converts societal anger into political competition. At some point special interest donors may decide their money is better spent elsewhere, resulting in an implosion of traditional party politics. Such an outcome would be catastrophic for a political establishment long-accustomed to colluding with wealthy elites. The reason why this could occur is because the ineffectiveness of the government has created an electorate that's frustrated and angry, resulting in a groundswell of social energy just waiting for the right moment to launch a movement; a movement of, by and for the people.

### Cooperation

Society is good at amplifying the differences between people; the dissension, the conflict, the anger. It seems everywhere we look emotion and partisan passion rule society. Just flip through news channels or read articles and notice how they highlight our differences, and how those differences drive us apart. It seems the more this is the focus of public conversations the more the gaps between us widen. Yet our media tells us they only report the news, and the great animus infecting society is a sign of the times, a circumstance that's the inevitable course of human development. Or is it?

For who wins when society splinters into angry factions trapped in perpetual battles fought over conflicting beliefs and worldviews? It's not average people as these hostilities only serve to squander precious human resources, things we can't get back like happiness, prosperity and the time we have on Earth. What's more, it's hard to find anything productive that comes of it. Yet as we're trapped in the middle of this conflict we can't see what's happening to us, that we're split apart with no tangible benefit.

But maybe these ideological wars are not as natural and inevitable as we're led to believe. Maybe instead special interests encourage them to keep us far removed from the seats of power, kept busy with futile skirmishes that lead nowhere. After all, creating dissent to profit from the subsequent hostilities is not a unique approach. Arms dealers have done it for ages. So maybe powerful economic and political forces support these social wars to profit from the ensuing conflicts? Such as stripping trillions of dollars of wealth from average citizens, and getting away with it.

But regardless of what drives it, this noise and anger prevents us from having the conversations we need, which is not how we're different, that's established, but how we're similar.

For while strident conservatives and fire-breathing liberals may have little in common politically, even socially, they each have jobs, families, responsibilities and dreams. Although they may have different views on how to get there, at some level both share the desire to create meaning in their lives.

We want to protect our individual rights, including the realistic opportunity at "life, liberty and the pursuit of happiness." We want to look toward our futures with hope and possibility. These things should be available to all citizens, regardless of our differences.

So if we shift our conversations from differences to similarities, we may reshape our reality into one in which more people participate. And when we get around to these discussions, we may find that we

have more in common than we thought. We may also discover the capacity to build bridges between us, bridges that lead somewhere meaningful. For it's clear that fights over beliefs are bridges to nowhere.

We may find that if we embrace our similarities there is much we can agree upon, and much more we can accomplish. After all, people are often angry about the same things, such as society's loss of political relevancy and economic mobility. Deep expressions of partisan behavior represent people's differing ideas of how to solve our shared problems. Because whether conservative or liberal we must find common ground upon which a new political reality may emerge, one with the capacity to reclaim fair political representation and economic participation for everyone, not just the privileged few.

### Making it Happen

Is the idea of this vision, or any durable, broad-based political movement, realistic? Or is it just another pipe dream destined to be discarded on the dust heap of rejected ideologies and failed political movements? The answer, of course, is waiting for us somewhere in an uncertain future.

But if you think it hasn't a chance, you've got plenty of company. You've also got history on your side as third political entities, even popular movements, rarely amount to anything over the long haul. That's a pretty hard record to bet against. Heck, even the Tea Party's lost steam.

So it's no surprise that the popular wisdom across the political spectrum is that a third option is not in the cards, not now, not ever. But there are significant problems with this "never gonna happen" position. The first is how we define success. For when people talk about something succeeding or not they often jump right into their opinions one way or the other and ignore the most important part of the question. That is, how do we define success, how do we know when it's achieved, and, critically, can people agree on a common standard? In many things we do agreement is easy. But on major political, economic and social issues it seems impossible.

Consider something simple like running a one-mile race. Every contestant accepts that 5,280 feet is the length of a mile, and success means being first across the finish line. That's easy enough, but how about the emergence of a third-political option? A key problem here is that there's little agreement on how to measure a successful outcome.

Listen to politicians and the media and you'll often hear them proclaim how "it" will or won't succeed. Yet these arguments are flawed as they assume universal agreement for what "it" is. For example, if a movement formed into a community that transformed political and economic decisions, but never elected a candidate to public office, would "it" be a success or a failure? Furthermore, we can't ever know what "it" is until after it's occurred, which makes such predictions meaningless.

So arguing that "it" will never happen because such efforts have failed, assumes that whatever occurs in the future will be the same as past attempts, and which will occur under the identical conditions as the previous outcome. Yet the only thing we can be assured is that change is constant, and both the form and conditions of what may occur will be unlike what happened before.

What history does reveal is that periods of significant social change encounter great resistance, and the bigger the change the greater the resistance. In fact, self-serving definitions of "it" plus strong resistance to anything new are arguably strong indicators of impending change.

So if momentum for a third option were to materialize we can expect the political, economic and media powers-that-be to spew endless lists of the reasons that the status quo will never change. Yet "it" often turns out to be different from most expectations, which is why we often can't recognize major events before they occur.

So rather than focus on what happened in the past, maybe we should consider how unfolding social, political and economic developments might impact future events? For if we want to evaluate whether Realism or some similar movement may unleash a political renaissance, or just become another inconsequential historical footnote, we should consider what we do know about our present circumstance and its implications for the future, a future that will probably look nothing like the past.

First, we know our current political and economic reality is unsustainable. Something has to give. There's no getting around this.

Conservatives sense that the government can't grow unchecked forever, and at some level they're right. Liberals see government as sold to the highest bidder, with little left over for the rest of society. Given developments in recent decades these fears are understandable.

Yet both share a deep concern for the future and a sinking feeling that something must change. People are disillusioned with the country's trajectory; they're ready for change, ready to be counted, ready to act.

We know people feel that political and economic power structures have conspired against them; that the system is rigged and that the American Dream is slipping away. People may have different ideas of how to respond, but they share similar concerns.

We know that large numbers of people can assemble and mobilize. We know this because we've witnessed the meteoric grass roots formation of the Tea Party, the massive response to Bernie Sanders and Donald Trump, and the speed by which social networks expand.

We know that technology, including the Internet, can enable the kind of community participation required to launch a new political reality, and we've seen how committed groups of people can leverage this technology to enable a movement. We also know the Internet's enormous capacity to facilitate crowd-sourcing and crowd-funding.

We know that the tools, structures and ideas available to us will evolve into more powerful mechanisms with the capacity to effect ever increasing layers of political and economic change.

We know that the forces of money and special interest will attack any such change in the status quo with a degree of ferocity that will fuel the fires of discontent, anger that will become a powerful force to reshape our political reality.

We also know that powerful resistance precedes significant disruptions. Yet countering this resistance is the power of millions of average, organized voters whose combined political and economic influence is staggering.

We know that while most wealthy elites oppose anything that could hamper their quest for greater wealth, and often support policies that exploit societal interests, this is not true for all big businesses.

Because some wealthy elites have discovered how to reconcile their interests with those of employees, consumers and society at-large, yet still generate sizable profits.

And we know that some wealthy capitalists have demonstrated their commitment to greater economic participation. For them being a catalyst to such a movement may be more enriching than anything else their money could buy.

We also know that such a disruption may emerge in stages. Yet even if it took decades it would represent an imperceptible blip when measured on the timescale of human existence.

Above all we see ample evidence of a strong and growing undercurrent of discontent among the public, a powder keg of anger and frustration ready to explode.

So given the degree to which our social climate is poised for change, the birth of Realism and Community Capitalism, movements to reclaim fair political representation and economic participation for everyone and reignite the American Dream, may be but a spark away. So who's ready to make this happen?

<u>About the Author</u>: Rod Watkins is an average middle-class citizen, concerned voter and family man. The Realism Manifesto is his response to economic and political inequality. Rod lives with his wonderful wife and son in New Hampshire and may be contacted at <u>rod@realismnow.com</u>.

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<u>Dedication</u>: The Realism Manifesto is dedicated to the memory of Doris Watkins, a woman who believed active, informed voters are essential for responsive government.

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