

## PEJ Report Officially Received by President

• On Aug. 3, 1987 after months of on-again, off-again scheduling, the report by the **Presidential Task Force on Project Economic Justice** was officially presented by Task Force Chairman J. William Middendorf, II to President Ronald Reagan who spoke at a special White House briefing before 200 guests, including ambassadors from 25 Central American and Caribbean nations. The briefing was followed by a reception-press conference at the elegant Hay-Adams Hotel across from the White House. (See full story in *CESJ Special Report*.)

• CESJ will hold a special fundraising dinner in mid-November in Washington, D.C., honoring J. Peter Grace, businessman and noted head of the Grace Commission. In an acceptance letter addressed to PEJ Task Force-CESJ Chairman Bill Middendorf, Grace expressed his keen interest in the future of Latin America and his "wholehearted support" of the goals of CESJ. CESJ is also honored by the acceptance of presidential hopeful Paul Laxalt and retired Senators Russell Long and Jennings Randolph to serve as dinner co-chairmen.

• Democratic Sen. Terry Sanford introduced an amendment to a recent foreign trade bill, calling for a study to assess the feasibility of promoting broader stock ownership, including employee ownership, as part of debt-to-equity conversions. Sanford, who had advocated expanded capital ownership when he sought the presidential candidacy in 1976, cited in his testimony the recommendations of the PEJ Task Force report.

• Another Democratic presidential hopeful, Bruce Babbitt, is reportedly highlighting ESOP initiatives in his speeches.

• Former Sen. Russell Long (champion of most of the existing ESOP tax legislation) recently testified on ESOPs before the Senate Committee on Banking, Housing and Urban Affairs. Among Long's suggestions for future legislation was the establishment of an

employee ownership bank, or alternatively, an arrangement whereby existing banks which grant ESOP loans would receive preferential access to the Federal Reserve's discounting system for notes representing those loans.

• In July the U.S. Global Strategy Council, a group of former high-level U.S. government officials and businessmen, produced a major paper calling for a long-range U.S. game plan for promoting world freedom and combatting Soviet strategy for world hegemony. Among the study's proposals is a strong argument for expanded capital ownership: "An option in America's long-term efforts to reverse the growth of socialism while advancing the use of free enterprise, and to strengthen the world economy, is the concept of economic justice. To have economic justice...means not only an opportunity to be a productive factor in the economy (e.g., via a job) but also an opportunity to own a stake in the productive factors of the economy (i.e., capital ownership)." The study continues with an endorsement of the Project Economic Justice task force report and significantly, outlines the report's major recommendations.

• CESJ Chmn. Bill Middendorf, together with Norm Kurland and Walter Bish, the president of the Steelworkers' Union at Weirton Steel met July 16 with National Security Advisor Frank Carlucci. They discussed the Project Economic Justice report and how it might fit into current White House planning on Central America. The three had earlier met with Chris Arcos, the State Department liaison with the White House for the Central American initiatives, who expressed strong interest in the expanded capital ownership proposals. On the same day, Kurland, Middendorf, and Bish met with Charles Greenleaf, Domestic Policy Advisor to George Bush. Greenleaf was presented with the PEJ report, and Bish issued an invitation for the Vice President to tour the 100% employee-owned Weirton Steel, America's most profitable integrated steel company.

• The June 15 Heritage Foundation "Backgrounder" ad-

vocated expanded capital ownership reforms to policies of the Inter-American Investment Corporation (a subsidiary of the Inter-American Development Bank chartered in 1986 to help small and mid-sized private enterprises). The "Backgrounder" suggests that the IIC "explore options for expanded capital ownership, such as employee stock ownership plans and other schemes involving workers in their ownership of Latin American companies."

• During his visit to Washington in August, Humberto Rodriguez (a CESJ member and President of the Dallas-based Free People Foundation) arranged a series of important meetings on Capitol Hill. He and Norm Kurland met with Sen. Terry Sanford, Texas Cong. Dick Armey, and a top aide to Sen. Richard Lugar to discuss the White House briefing on Aug. 3rd.

### August Meeting of CESJ

When: Sat., August 15th, 1:00 p.m.

Where: National Graduate University

1101 N. Highland, Arlington, Va.

(across from the Clarendon Metro station).

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

Dr. Kathi Friedman, an outstanding lecturer on the sociological and historical development towards expanded capital ownership, will discuss *"The Income Implications of the Credit Revolution."*

Brainstorming Session (Sat. 15, 9:30 am, NGU) will focus on Art Ankeny's CESJ Chapter Developmt. Plan.  
Board Mtg: Sun., Aug. 16, 9:30 a.m. at the Kurlands.

### \* \* \* Closing Thoughts \* \* \*

*"All the armies of the world are  
not as powerful as an idea  
whose time has come."*

Victor Hugo

