



How Wall Street Occupied America

by Bill Moyers

The year I was born my father was making \$2 a day working on the highway to Oklahoma City. He never took home more than \$100 a week in his working life, and he made that only when he joined the union in the last job he held. I was one of the poorest white kids in town, but in many respects I was the equal of my friend who was the daughter of the richest man in town. I went to good public schools, had the use of a good public library, played sandlot baseball in a good public park and traveled far on good public roads with good public facilities to a good public university. Because these public goods were there for us, I never thought of myself as poor. When I began to piece the story together years later, I came to realize that people like the Moyerses had been included in the American deal. "We, the People" included us.

It's heartbreaking to see what has become of that bargain. Nowadays it's every man for himself. How did this happen?



Bill Moyers

The takeover began with a memo

The rise of the money power in our time goes back forty years. We can pinpoint the date. On August 23, 1971, a corporate lawyer named Lewis Powell—a board member of the death-dealing tobacco giant Philip Morris and a future justice of the Supreme Court—released a confidential memorandum for his friends at the US Chamber of Commerce. We look back on it now as a call to arms for class war waged from the top down.

Recall the context of Powell's memo. Big business was being forced to clean up its act. Even Republicans had signed on. In 1970 President Nixon put his signature on the National Environmental Policy Act and named a White House Council to promote environmental quality. A few months later millions

of Americans turned out for Earth Day. Nixon then agreed to create the Environmental Protection Agency. Congress acted swiftly to pass tough amendments to the Clean Air Act, and the EPA announced the first air pollution standards. There were new regulations directed at lead paint and pesticides. Corporations were no longer getting away with murder.

Powell was shocked by what he called an "attack on the American free enterprise system." Not just from a few "extremists of the left," but also from "perfectly respectable elements of society," including the media, politicians and leading intellectuals. Fight back and

fight back hard, he urged his compatriots. Build a movement. Set speakers loose across the country. Take on prominent institutions of public opinion—especially the universities, the media and the courts. Keep television programs "monitored the same way textbooks should be kept under constant surveillance." And above all, recognize that political power must be "assiduously

[sic] cultivated; and that when necessary, it must be used aggressively and with determination" and "without embarrassment."

Secret corporate crusade

The public wouldn't learn of the memo until after Nixon appointed Powell to the Supreme Court that same year, 1971. By then his document had circulated widely in corporate suites. Within two years the board of the Chamber of Commerce had formed a

Inside this Issue:

Last May's CUSJ AGM Letters
Income inequality rising...
Is Zero Economic Growth possible?
And more...

task force of forty business executives—from US Steel, GE, GM, Phillips Petroleum, 3M, Amway, and ABC and CBS (two media companies, we should note). Their assignment was to coordinate the crusade, put Powell's recommendations into effect and push the corporate agenda. Powell had set in motion a revolt of the rich.

The Chamber of Commerce, in response to the memo, doubled its membership, tripled its budget and stepped up its lobbying efforts. It's going stronger than ever. Most recently, it called in its agents in Congress to kill a bill to provide healthcare to 9/11 first responders for illnesses linked to their duty on that day. The bill would have paid for their medical care by ending a special tax loophole exploited by foreign corporations with business interests in America. The Chamber, along with nearly 1,300 business and trade groups, urged Congress to pass the new tax bill, signed into law just before this past Christmas (2010)

and filled with all kinds of stocking stuffers, including about fifty tax breaks for businesses. The bill gave some of our biggest banks, financial companies and insurance firms another year's exemption to shield their foreign profits from being taxed here in the United States; among the beneficiaries were giants Citigroup, Bank of America, Goldman Sachs and Morgan Stanley, all of which survived the financial debacle of their own making because taxpayers bailed them out in 2008.

Supreme court ratifies the revolt

Those "men of action in the capitalist world" were not content with their wealth just to buy more homes, more cars, more planes, more vacations and more gizmos than anyone else. They were determined to buy more democracy than anyone else. And they succeeded beyond their

expectations. After their forty-year "veritable crusade" against our institutions, laws and regulations—against the ideas, norms and beliefs that helped to create America's iconic middle class—the Gilded Age is back with a vengeance.

The revolt of the plutocrats was ratified by the Supreme Court in its notorious Citizens United decision last year (2010). Rarely have so few imposed such damage on so many. When five pro-corporate conservative justices gave "artificial legal entities" the

same rights of "free speech" as humans, they told our corporate sovereigns that the sky's the limit when it comes to their pouring money into political campaigns. Against such odds, discouragement comes easily.

We'll rise again

But if the generations before us had given up, slaves would still be waiting on their masters, women would still be turned away from the voting booths on election day and workers would still be committing a crime if they organized.

So take heart from the past, and don't ever count the people out. During the last quarter of the nineteenth century,

the Industrial Revolution created extraordinary wealth at the top and excruciating misery at the bottom. Embattled citizens rose up. Into their hearts, wrote the progressive Kansas journalist William Allen White, "had come a sense that their civilization needed recasting, that their government had fallen into the hands of self-seekers, that a new relation should be established between the haves and have-nots."

Not content to wring their hands and cry "Woe is us," everyday citizens researched the issues, organized to educate their neighbours, held rallies, made speeches, petitioned and canvassed, marched and marched again. They ploughed the fields and planted the seeds—sometimes on bloody ground—that twentieth-century leaders used to restore "the general welfare" as a pillar of American democracy. They laid down the now-endangered markers of a civilized society: legally ordained minimum wages, child labour laws, workers' safety and compensation laws, pure

Editor's note: The following message was prepared by the CUSJ Board of Directors to be used as a handout to people in the Occupy Movement.

BRAVO THE OCCUPY MOVEMENT!

You are acting for many Canadians from all walks of life who share your frustrations. Canadian Unitarians For Social Justice support your action to protest growing income inequality and corporate greed. You are exposing **the underlying unfairness of an economic system** that has left a tiny elite with a disproportionate amount of wealth while hard-working Canadians struggle to make ends meet.

The growing inequality in our country and around the world must be reversed. The needs of people, families, communities and the natural world must have an equal place at the table. We support more open, fair and transparent democratic processes; a compassionate society with fair, progressive taxation and good programs to help people get on their feet; real changes in our economic system with a balance between government, corporate and NGO sectors.

Thank you for taking a stand! Thank you for your **commitment to non-violent system change.** May you walk your message in love and peace and may you be heard by all Canadians.

foods and safe drugs, Social Security, Medicare and rules that promote competitive markets over monopolies and cartels.

The lesson is clear: democracy doesn't begin at the top; it begins at the bottom, when flesh-and-blood human beings fight to rekindle what Arlo Guthrie calls "The Patriot's Dream."

Legendary journalist Bill Moyers was the host of NOW with Bill Moyers for three years, until he came under tremendous pressure by Corp. for Public Broadcasting chair Kenneth Tomlinson. Over the past three decades he has become an icon of American journalism. He was one of the organizers of the Peace Corps, a special assistant for Lyndon Johnson, a publisher of Newsday, senior correspondent for CBS News and a producer of many groundbreaking series on public television. He is the winner of more than 30 Emmys, nine Peabodys, three George Polk awards and is the author of three best-selling books.

Published on Friday, November 4, 2011 by The Nation. For the complete address, see <http://www.commondreams.org/view/2011/1/04>

President's Message

We certainly do live in interesting times. There is so much going on in the world of great moment. There is so much opportunity to bring ourselves into full brother- and sisterhood with all peoples. We can imagine a world where true democracy would prevail. Political solutions to sharing the world's resources would be found. We would recognize the gifts and services from the natural world that sustain us every day. All peoples everywhere in the world would be seeking to live in harmony.

We watch the people in the Middle East rising up. They demand democracy. They demand human rights. More realistically, they dream of a lifestyle like ours, and they want to have it too. Meanwhile, we hope for an awakening.

To obtain or maintain this lifestyle, all governments in the world are focused on growth. But there are limits to growth. The earth is a finite system of resources. It is not logical to expect it to continue to



The Rev. Frances Deverell

Continued on page 4

Editorial

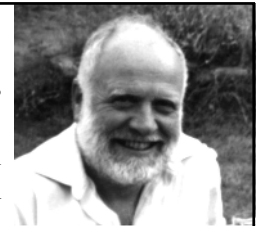
As the Occupy Movement's occupied sites are dismantled by city halls across this country, questions remain. What started it?

This question is at least partially answered by the lead article in this issue, "How Wall Street Occupied America" by Bill Moyers. The two objectives the Occupiers most often cited for their movement, among the many offered, were the rising inequality in income, and the inordinate influence of wealthy people and corporations on our governments. These topics have been the subject of many articles in JUSTnews over the years, and you'll find two or three more in this issue.

The Occupy Movement drew attention to those two main issues and many others, but another question is, will the Movement have any lasting effect? Will anything change as a result of it? Only time will tell, but the Movement offered an opportunity to activists like us to seize the moment and do our best to see that changes resulted.

So what did CUSJ do? For a start, and quite coincidentally, we published Discussion Paper No. 22, "A Bronze Bullet: The Spirit Level—Why Equality is Better for Everyone," a summary of an extraordinary book by Wilkinson and Pickett. Even before the Occupy Movement had begun, the CUSJ Board of Directors had agreed that copies of that Discussion Paper should be sent to every Member of Parliament. As a result, all 307 members received it. How many even skimmed it, we'll never know. Copies were also sent to about 10 columnists who had commented with some sympathy on the Occupy Movement, including Jeffrey Simpson, Andrew Coyne, and Gerald Caplan. Several CUSJ members felt we needed to support the Occupy Movement overtly, so the Board of Directors drafted the "Bravo the Occupy Movement" handout that is reproduced on page 2. Some members provided food and goods to the camping Occupiers.

But some of us feel we should do still more. We need real change, and as George Monbiot points out in the final article in this edition of JUSTnews, "we cannot rely on politicians to drive these changes." The secret corporate crusade began with a memo, explains Moyers on page 1. Can we social activists organize ourselves through a similar sort of memo? What should it say? Who will write it? To whom should it be addressed?



provide more and more of any substance we require forever.

Yet our government proceeds as if there are no limits and pursues growth at any cost. Canada is already one of the richest countries in the world. Will we plan a slow-down to a no-growth economy and share the world's resources? Or will we become less democratic, more military, and generate a world with very rich and very poor? Will we take responsibility for our greenhouse gas emissions? Or will we race ahead to use all our resources before the next generation is even born? Who are we in Canada today?

This new energy for freedom and equal opportunity holds much promise. But we also fear that new governments will take the same totalitarian form as previous ones. Is democracy growing in the world? Or will either corporate power or military power control our future?

Your CUSJ Board has had an extensive discussion on Canada's energy future, culminating in the following actions: 1) writing a brief to the Darlington Commission recommending against nuclear power; 2) preparing a major discussion paper on the pros and cons of nuclear energy; 3) agreeing on a policy to support and promote every effort by any level of government to develop and expand renewable energy. The future for the human race is in renewable energy rather than carbon-based or nuclear energy. It is time to awaken to this reality and move forward with confidence. If large projects are unacceptable to people then the governments should promote small, local, creative energy projects. Incentives, subsidies, tax policies and research and development money should favour renewable energy.

We are also very concerned about democracy in Canada. The legacy of 9-11 is new laws that reduce freedom and rights for people and accountability for government. There are many cases where people are accused and convicted without trial, and without seeing the accusations or the evidence against them. What evidence there is may have been obtained through torture. This is Canada in 2011.

Our government has castrated Statistics Canada by eliminating the mandatory long-form census. It has reduced the amount of data collected and the reliability of that data so that accurate year-to-year comparisons will no longer be possible. Lack of good data and reliable information reduce our ability to study our society and learn about ourselves. It makes forming an educated opinion about our society—a cornerstone of democracy—more difficult.

Another cornerstone of democracy, the CBC, has been under attack by both Liberals and Conservatives for more than a decade. The CBC is on its knees, dependent on an unfriendly government that doesn't believe in it, and on the corporate sector through advertising. If we lose a free and independent CBC with the public interest at its heart, will we lose the capacity to influence the dominant discussions in the society? Will we lose the freedom of the press? How will this effect the world view we hold and the shape of our dreams?

CUSJ will be joining with other groups who also care about democracy, our energy and economic future, and human rights in Canada. To see what we are doing, please visit www.cusj.org. There you will see the issues we have been researching, the positions we have taken, and links to

other groups with whom we are cooperating. We have shared your stories about working for affordable housing. There are issue discussion pages for your congregation with many sources of information. There are links to action campaigns.

Join CUSJ. Join our e-discussion group to share your ideas. If you want to help us, I am looking for writers and photographers who will share with us the stories of Canadian Unitarian involvement so we can all be aware of what is going on and how we can help one another to make a bigger impact.

You may want to create a CUSJ chapter to address provincial issues. Together we can help the world move towards a sustainable, peaceful human livelihood on spaceship earth. You might want to purchase CUSJ *Standing on the Side of Love* T-shirts as a promotion for your group. Everything is on the website. I hope you enjoy visiting us at www.cusj.org.

Rev. Frances Deverell, President of CUSJ



President Frances Deverell (left), past president Katharine Im-Jenkins and CUSJ member Don Wilson.

Last May's CUSJ AGM: Making the Desired Future Real

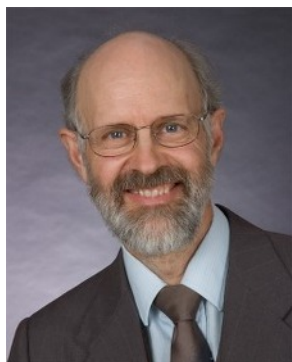
Church of the Holy Trinity, Toronto ON
Friday May 20, 2011, 9:00 to noon—Clarifying Our Mission and Honing Our Voice



CUSJ members and friends engaged in an interactive process to develop and strengthen who we are and what we are doing.

1:00–1:45 AGM

2:00–4:00 Speakers Mike Nickerson, Judy Velland and Mairy Beam stimulated a discussion and sharing on all the ways forward and how people are working towards the New Economy.



Mike Nickerson, author of "Life, Money, and Illusion"

Mike Nickerson: Living On Earth as If We Want To Stay

Mike Nickerson presented the challenge that we face as a species, now that we understand that the old goals and structures of our society are at the root of many social, ecological and environmental problems.

As a species we have been living through a period of childhood and adolescence. We need to grow up. Having never been mature as a species before, we have little precedence for a mature cultural form.

That said there are a large number of organizations that have seen the problems unfolding in the various areas and have done extensive work at pioneering how they can be resolved. As M. K. Hubbert, the father of the Hubbert Curve upon which the concept of Peak Oil is based, said, "Our

ignorance is not so vast as our failure to use what we know."

Mike calls us to gather our common concern into a wake up call to the human family, to make it clear that we now have to use what we know and design our society and its structures with the health of the planet in mind.

Judy Velland: Green Neighbours



Judy worked for the Recycling Council of Ontario in the 1970's-80's doing education on the 3 Rs—Reduce, Re-use, Recycle,

Judy Velland, Green Neighbours, Toronto

and Compost. She then went on to do very different work for one of the Out of the Cold programs in Toronto.

But in her retirement, she felt compelled to respond in some way to the pressing environmental and energy challenges that we face. In February of 2007, she helped launch a group in her neighbourhood called Green Neighbours 21. It holds regular meetings with speakers and films, and hosts larger events such as conservation fairs and all-candidates' meetings. It also undertook a major 18-month project called Green Together that helped homeowners through the process of getting an energy audit and making energy-saving changes in their homes.

Mairy Beam: Whole Village

Mairy has long been concerned with lessening the environmental footprint. Currently she lives in an eco-village, Whole Village.

Whole Village is an intentional community where members attempt to live in harmony with one another and with nature. They grow a significant amount of their own food and buy the rest in bulk from an organic food coop.

Whole Village shares resources and, perhaps more importantly, information amongst themselves, with neighbours, visitors, and with school groups to increase the level of awareness and encourage everyone to live a more sustainable life.



Mairy Beam, Whole Village

CUSJ Writes

Omnibus Bill

CUSJ President Frances Deverell wrote to Prime Minister Stephen Harper on Sept. 26, 2011 expressing concern about the omnibus bill on Criminal Justice (The Safe Streets and Communities Act).

"We are concerned that by lumping nine different pieces of legislation into one act, there will be insufficient scrutiny of the laws being passed and their possible consequences," she wrote in part. "We object to the imposition of mandatory minimum sentences, especially for minor drug offences such as cannabis."

"The government's Parliamentary Budget office projected the increased costs related to just one of the bills would be more than five billion dollars..."

"Canadians want to live in a culture of hope. Politicians should not be terrorizing the public with misinformation about a system where crime has been in decline for more than a decade," she concluded.

There has been no response from the Prime Minister's office.



The Reverend Frances Deverell, President of CUSJ

Indignez Vous

Christina Duvander, Ruth di Giovanni, and Frances Deverell attended Indignez vous on behalf of the CUSJ Board. The conference was sponsored by the Council of Canadians in Montreal in October. It was named after a small book by 90-year-old French activist Stéphane Hessel, where he calls us to learn how to resist the pull

toward totalitarianism together. We must learn how to put effective pressure on governments towards democracy and to change the economy in the direction of more equality and environmental sustainability.

In the spirit of the conference we had leaders and speakers from English and French Canada and from First Nations people. We had speakers from civil society, labour, and from the student movement. The disappointment of the conference was that no official

speaker came to share the vision of the NDP.

Major themes included CETA (Canada Europe Trade Agreement) and Global Trade, the impact of the financial crises we are facing, banking, the importance of the Occupy Movement, health care, education (the loss of independence of our Universities), water, energy, World Social Forums, and the importance of First Nations being a part of all solutions.

With the growing disparity between the rich and the poor one First Nations speaker said we must talk to Stephen Harper about compassion. He needs a change of heart. This is missing from his policies.

- One speaker talked about the importance of the arts as an ally.
- We learned that the PSAC (Public Service Alliance of Canada) is aggressively organizing part time workers and we heard about the multiple attacks on the collective bargaining process.
- We heard about some inspiring actions for change. One example was the effort to have municipalities declare water as a human right.
- We talked about the need to prepare ourselves for civil disobedience as a necessary strategy for helping to push the society towards the transformation we believe is needed and necessary.

All in all a very inspiring conference. The Council of Canadians is a group to support.

In faith,
Frances Deverell, President
Canadian Unitarians for Social Justice

In Memoriam Ken Morrison

On 29 July 2010 the Lakehead Unitarian Fellowship lost its most influential and best-known member. Ken Morrison has been a tireless advocate of UU values and principles, within the LUF, the Thunder Bay Community and even nationwide.

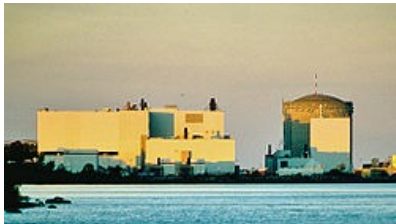
At a CUC board meeting in 1970 Ken introduced a motion that the CUC sponsor lay chaplains for accreditation by provincial governments to perform marriages and other rites of passage. At the 2009 CUC ACM in Thunder Bay, Canada's Unitarian chaplains honoured Ken for this initiative.

It is an understatement to say Ken took pride in stirring up constructive discussion! The Ken Morrison Lecture Series established in his memory, with discussions on limits of toleration and ethical decision-making continues to do so. We are now left with the memory of a fine man who lived true to his conscience, who fought the good fight and leaves us with the challenge to be truly engaged in living.

Truth about nuclear power continues to reverberate

It was encouraging to read the wide range of opinions in Discussion Paper No. 21. Too often, I find, we pay attention only to those points of view of which we are already convinced. I'm impressed by the courage of the writer who challenges someone prestigious within the anti-nuclear movement—not that I am ready to dismiss Dr. Caldicott's concerns, but I think it's vitally important to keep questioning and reassessing our positions.

As a non-scientist, I find myself incapable of making decisions that rely heavily on sophisticated scientific knowledge. Although it's clearly important to “stretch” towards a better understanding of the science behind many of today's issues, it seems to me that we should be very careful indeed before taking a stand on them. My own preferred strategy is to seek out the opinions of the most generally respected scientists, looking for whatever consensus can be found and basing my position (at least tentatively) on that. It was in that way that I became convinced, for instance, that climate change was almost certainly real and needed urgently to be addressed. I haven't yet been able to make such a decision about nuclear power.



Darlington nuclear power plant.

With the greatest respect to my colleague and friend Frances Deverell, I am not at all sure that it is up to each of us to determine (for example) if nuclear energy is safe and cost-effective. I believe it is my job to be as aware as possible of the range of opinions of those who are far more qualified than I am to make such determination, to challenge whatever I don't understand or for which there seems inadequate documentation, and to call politicians at all levels to account for the basis on which they make their decisions.

Please understand that I am not suggesting we should hand over our decision-making to “the authorities” (how totally un-UU that would be!) but that we should recognize the huge complexity of many of these issues and not overreach our capacity.

I would, of course, be particularly interested in the views of any JUSTnews subscribers who are among those qualified to assess such issues.

Anne Treadwell, Nova Scotia

A Thought about “Occupy”

An early detail coming out of the “Occupy” movement was about its apparent lack of demands. The sense was that a demand requires an authority that might grant it. The order of the 1% being occupied has lost its legitimacy due to the damage it has caused to communities and the environment. By occupying the sense of legitimacy, we lay the foundation for a new order. We need a new legitimacy.

Occupy the conventional wisdom.

The “Occupy” movement is about shifting society's goals. We need to occupy the conventional wisdom (that which is understood to be true and proper). Our occupation asserts that legitimacy has moved from the goal of maximizing monetary wealth, to a new order based on fair treatment and the long-term well-being of all peoples and other living things.

How a shift of legitimacy can change the course of civilization is clarified here:

<http://www.sustainwellbeing.net/legitimacy.html>.

A free mini-course on “Shifting Society's Goals” is offered here:

<http://www.sustainablewellbeing.net/invite.html>.

If you think this idea has merit, pass it on.

For a sustainable future,

Mike Nickerson

The Omnibus Crime Bill

Comment by J. McRee (Mac) Elrod

As Canadian Unitarians, whose first principle is the inherent worth and dignity of every person, we are distressed to learn that the Omnibus Crime Bill introduces mandatory minimum sentences, particularly for victimless drug offences. Certainly cannabis, less harmful than nicotine or alcohol, would better be addressed by the measures which have had some success in reducing the harm caused by both.

Studies published by the Canadian Senate, the European Commission, the United States Congressional Research Service, the Fraser Institute, the Canadian Centre for Policy Alternatives and the Rand Corporation, among others, have uniformly concluded that mandatory minimum sentencing (MMS) for drug law offences is ineffective, expensive and socially destructive.

For example, a Canadian Department of Justice study in 2002 found that “Mandatory minimum sentences do not appear to influence drug consumption or drug-related crime in any measurable way.

A variety of research methods concludes that treatment-based approaches are more cost effective than lengthy prison terms. MMS are blunt instruments that fail to distinguish between low- and high-level, as well as hard-core versus transient drug dealers.”

In addition to the fiscal and social costs of incarceration, Bill C-10 will require Canadians to finance more trials for offenders who will have less incentive to plead guilty. This will create huge logistical and financial burdens on our already under-resourced justice system. The imposition of mandatory sentences for non-violent drug offences will squander finite resources that should be directed toward prevention, treatment, harm reduction and other proven public-health approaches.

Many drug law offenders are battling mental illness, as well as drug addiction and poverty. Courts currently employ alternative sanctions to address these issues, balancing the needs of the community with those of the offender, advancing the goals of restorative justice.

The Canadian Unitarian Council has passed a Social Responsibility Resolution, “Alternatives to Drug Prohibition”, advocating a more rational approach to the problems caused by drugs in society.

The Rev. J. McRee (Mac) Elrod is a member of First Unitarian Church of Victoria

Why people vote against their own interest

Thank you for producing Discussion Paper No. 20: “Why people vote against their own interest.” It should be an eye-opener for everyone.

Here are some more suggestions why I think voters do this.

- Voters are attracted by the looks and charisma of a party leader, and so do not see the difference between the leaders’ goals and the voters’ interests.
- Voters are often blind to their own interests.
- Voters disdain some party leaders, even though that party’s goals concur with the voters’ interests.
- Misleading or false statements in editorials and reports by the mainstream media.
- The right has branded the NDP as reckless spenders who would ruin the country.
- Voters are misled by false promises from political parties.
- Cutting taxes sounds appealing, until one realizes that it generally reduces taxes for the rich as well as benefits for the average worker.
- Voters are dogmatic in sticking to a notion (right or wrong) that they have somehow acquired.

Lars Anderson

Unitarian Church of Vancouver, B.C.

Income inequality rising quickly in Canada

By Tavia Grant

Conference Board of Canada says the gap between rich and poor has been rising more rapidly in Canada than in the U.S. since the mid-1990s.

The gap between the rich and the rest is growing ever wider—with the chasm increasing at a faster pace in Canada than in the US.

That’s the conclusion of a Conference Board of Canada study, September 2011, which says income inequality has been rising more rapidly in Canada than in the US since the mid-1990s.

Its global analysis found that Canada has had the fourth-largest increase in income inequality among its peers. Between the mid-nineties and late 2000s, income inequality rose in 10 of 17 peer countries—including Canada. It remained unchanged in Japan and Norway, and declined in five countries.

“Even though the US currently has the largest rich-poor income gap among these countries, the gap in Canada has been rising at a faster rate,” noted Anne Golden, president and chief executive, adding that high inequality raises both “a moral question about fairness and can contribute to social tensions.”

Of total world income, 42 per cent goes to those who make up the richest 10 per cent of the world’s population, while 1 per cent goes to those who comprise the poorest 10 per cent, it says.

Tuesday’s report landed on the same day the US Census Bureau said the 46.2 million Americans in poverty last year was the largest in the 52 years that data have been published.

Countries with very high inequality are clustered in South America and southern Africa. Countries with low inequality are mostly in Europe. Canada and the US have medium income inequality, the report says. [See JUSTnews Discussion Paper No. 22 for more details.]

While plenty of prominent economists in the US, including Nobel Prize winner Joseph Stiglitz and University of Chicago professor Raghuram Rajan, have devoted much analysis to the growing income gap south of the border and its economic impact, the issue has not garnered much attention in Canada.

No explanation offered

The Conference Board’s report offers little explanation on why the income gap is growing more rapidly in Canada than elsewhere. Broadly, it says market forces and globalization are increasing disparity, along with institutional shifts such as dwindling unionization rates and stagnating minimum wages.

It also doesn't delve much into what's happened with the gap in recent years. Part of the challenge is finding solid statistics—national data on income levels are typically two years out of date. The most recent figures, for 2009, show Canadian poverty rates started to rise again in the recession after a decade of improvement.

Canada's income gap is a worry to several business leaders, as discussed in a story I wrote with Anna Mehler Paperny in May.

[<http://www.theglobeandmail.com/news/politics/how-paying-peoples-way-out-of-poverty-can-help-us-all/article2011940>]

A separate Conference Board report published in July showed the richest segment of Canadians increased their share of total national income while poor and middle-income individuals have lost ground since 1993.

Follow Economy Lab

[http://www.twitter.com/economy_lab] on twitter & Globe and Mail Blog

The Great Switch by the Super Rich

By Robert Reich

Forty years ago, wealthy Americans financed the US government mainly through their tax payments. Today wealthy Americans finance the government mainly by lending it money. While foreigners own most of our national debt, over 40 percent is owned by Americans—mostly the very wealthy.

This great switch by the super rich—from paying the government taxes to lending the government money—has gone almost unnoticed.

But it's critical for understanding the budget predicament we're now in. And for getting out of it.

Over those four decades, tax rates on the very rich have plummeted. Between the end of World War II and 1980, the top tax bracket remained over 70 percent—and even after deductions and credits was well over 50 percent. Now it's 36 percent. As recently as the late 1980s, the capital gains rate was 35 percent. Now it's 15 percent.

Not only are rates lower now, but loopholes are bigger. Eighteen thousand households earning more than a half-million dollars last year paid no income taxes at all. In recent years, according to the IRS, the richest 400 Americans have paid only 18 percent of their total incomes in federal income taxes. Billionaire hedge-fund and private-equity managers are allowed to treat much of their incomes as capital gains (again, at 15 percent).

Meanwhile, more and more of the nation's income and wealth have gone to the top. In the late 1970s, the top 1 percent took home 9 percent of total national income. Now the top 1 percent's take is more than 20 percent. Over the same period, the top one-tenth of one percent has tripled its share.

Wealth is even more concentrated at the top—more concentrated than at any time since the Gilded Age of the late 19th century.

So what are America's super rich doing with all this money? They're investing it all over the world, wherever they can get the best return for any given level of risk. Treasury bills—essentially loans to the US government—have proven good and safe investments, particularly during these last few tumultuous years.

You hear a lot of worries about foreigners dumping Treasuries if they lose confidence in the dollar because of our future budget deficits.

What you hear less about are these super-rich Americans, who are just as likely to abandon Treasuries if spooked by future budget deficits.

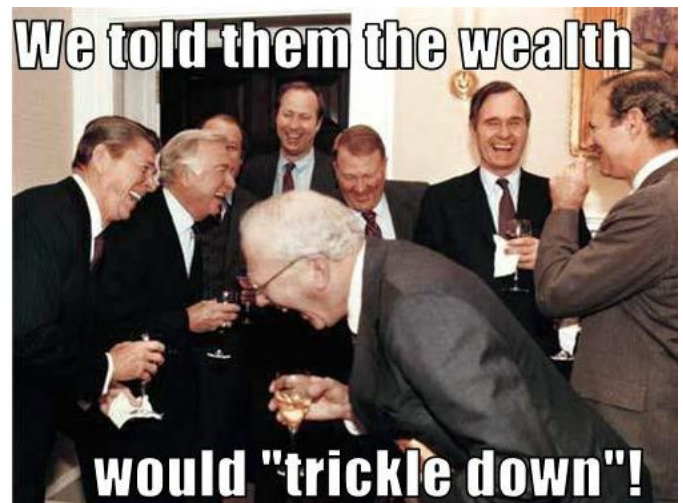
The great irony is if America's super rich financed the US government the way they used to—by paying taxes rather than lending the government money—that long-term budget deficit would be far lower.

This is why a tax increase on the super rich must be part of any budget agreement. Otherwise the great switch by the super rich will make the income and wealth gap far wider.

Worse yet, average working Americans who can least afford it will either lose the services they depend on, or end up with a tax burden they cannot bear.

Robert Reich's Blog, May 18, 2011.

[<http://www.readersupportednews.org/opinion2/279-82/5985-the-great-switch-by-the-super-rich>]



Editor apologizes: This issue of JUSTnews has been delayed by the acquisition of a new computer and software. Publication of the next Discussion Paper and regular issue of JUSTnews should put us back on schedule.

Is Zero Economic Growth Possible?

By Clive Thompson

Could you live on \$14,000 a year? Could everyone in Canada? And could we live on \$14,000 a year for the rest of history?

That's the sort of uncomfortable, prickly question Peter Victor likes to ask. And the way you answer might say a lot about the future of the planet.

That's because Victor is an economist at York University who is a leading pioneer in "no-growth" economics, a field that tries to figure out whether it's possible to create an economy that stops growing—yet doesn't collapse.

Environmentalists, of course, have long warned that humanity is chewing through the world's natural resources—land, trees, minerals—at an unsustainable locust's pace. But every country's prosperity currently depends on constant growth: more people, more consumption, more stuff.

A few years ago, Victor wondered: could an economy stop growing but still remain prosperous?

To find out, he began working on a computer model that replicated the Canadian economy. Once he'd built a model approximating reality, he began tweaking some of the major variables to cut growth: he lowered consumption, tweaked productivity, and halted the increase of population. He imposed a slew of government policies aimed at increasing taxes for the wealthy and reducing the use of fossil fuels. Then he extrapolated forward to see what would happen.

The upshot? Victor's virtual Canada slowly stopped growing after 2010, and after a few turbulent decades, unemployment dwindled to just four percent. Greenhouse gases went down to Kyoto levels. And then...things just stayed the same. Ecological catastrophe was averted. In 2008, he published *Managing Without Growth*, and became the first economist to prove—virtually, anyway—that a steady-state economy is possible.

"I'm trying to plant the seeds of this idea," he tells me. "The climate is changing things rapidly, and people think, 'Well, what are we going to do?' They need ideas." In the wake of his book, Victor has become something of a rock star amongst environmental economists, travelling the world to explain his ideas at conferences, and even meeting with the curious finance minister of Finland. People, he tells me, are fascinated by the details: What would it be like to live in a non-growing world? Could we handle it?

Could you? Well, there'd be one big upside: We would all work less—a lot less. That's because technology naturally reduces workforces: say it takes 100 people to make one airplane this year. Next year,

technological improvements will mean it only takes 90. Soon after, just 80; in a decade, perhaps as few as 50.

Currently, such rising productivity—the amount of work one person can do—creates unemployment, so governments push policies that grow the economy and create jobs for those 50 people who are no longer building airplanes.

Victor's plan works differently. Instead of firing workers as we become more productive, we just share an ever-decreasing pile of work. Keep employed, but work fewer hours. In Victor's computer model, Cana-

dians gradually work their way down to a four-day workweek, perhaps even less. ("When I mention this to people," Victor says, "you can hear their sigh of relief.")

Working less would transform society in many ways: imagine the spectacular upsides for health care and education if Canadians had more time to spend caring for themselves and teaching their children.

Sounds great—but it wouldn't be easy.

To achieve zero growth, Canadians would need to seriously curtail their consumption. In a recent paper, Victor plotted out a global non-growing economy—the whole planet this time—then ran the numbers and found Canadians would need to decrease their average income to around \$14,000—roughly our prosperity from the '70s. Granted, the rest of the world would see its income rise dramatically from hundreds of dollars to thousands: we go down, but Bangladesh shoots up. (Victor's no-growth vision is decidedly in favor of more economic equality.) And since technology increases productivity, that \$14,000 buys a lot more quality of life than it did in the '70s. But it would still be a hard sell on most Canadians.

Even bleaker, though, is the challenge of stabilizing population. Victor's model requires a flat population curve, and it's hard to figure out how to achieve that without some pretty authoritarian family-planning policies (à la China's one-child rule). Victor is well aware of how crazily difficult it would be to craft a no-growth world. For a guy with some of the most radical ideas around, he's an unassuming, avuncular sort — more tweedy professor than ideological bomb-thrower.

"I know that these ideas are almost impossible for politicians to embrace now," he says matter-of-factly. But as resources dwindle, Victor is starting a difficult and crucial conversation—one that we may soon have no choice but to join.

This article "On zero-growth economist Peter Victor" by Clive Thompson is reprinted from This Magazine, <http://this.org/magazine/2011/05/11/this45-clive-thompson-peter-victor/>



Peter Victor

Progressive causes are failing: here's how they could be turned around

By George Monbiot

So here we are, forming an orderly queue at the slaughterhouse gate. The punishment of the poor for the errors of the rich, the abandonment of universalism, the dismantling of the shelter the state provides: apart from a few small protests, none of this has yet brought us out fighting.

The acceptance of policies that counteract our interests is the pervasive mystery of the twenty-first century. In the United States, blue-collar workers angrily demand that they be left without healthcare, and insist that millionaires should pay less tax. In the UK we appear ready to abandon the social progress for which our ancestors risked their lives with barely a mutter of protest. What has happened to us?

The answer, I think, is provided by the most interesting report I have read this year. *Common Cause*, written by Tom Crompton of the environment group WWF, examines a series of fascinating recent advances in the field of psychology. The report offers, I believe, a remedy to the blight that now afflicts every good cause from welfare to climate change.

People are not rational

Progressives, he shows, have been suckers for a myth of human cognition he labels the Enlightenment model. This holds that people make rational decisions. All that has to be done to persuade people is to lay out the data: they will then use it to decide which options best support their interests and desires.

A host of psychological experiments demonstrates that it doesn't work like this. Instead of performing a rational cost-benefit analysis, we accept information that confirms our identity and values, and reject information that conflicts with them. Confronting people with inconvenient facts is likely only to harden their resistance to change.

Our social identity is shaped by values that psychologists classify as either extrinsic or intrinsic. Extrinsic values concern status and self-advancement. People with a strong set of extrinsic values fixate on how others see them. They cherish financial success, image and fame. Intrinsic values concern relationships with friends, family and community, and self-acceptance. Those who have a strong set of intrinsic values are not dependent on praise or rewards from other people. They have beliefs that transcend their self-interest.

Psychological tests in nearly 70 countries show that values cluster together in remarkably consistent patterns. Those who strongly value financial success, for example, have less empathy, stronger manipulative tendencies, a stronger attraction to hierarchy and inequality, stronger prejudices towards strangers and less concern about human rights and the environment. Those who have a strong sense of self-acceptance have more empathy and a greater concern about human rights, social justice and the environment. These values suppress each other: the stronger someone's extrinsic aspirations, the weaker his or her intrinsic goals.

The social environment shapes our values

By changing our perception of what is normal and acceptable, politics alters our minds as much as our circumstances.

Governments that have emphasised the virtues of competition, the market and financial success, have changed our values. The British Social Attitudes survey, for example, shows a sharp fall over this period in public support for policies that redistribute wealth and opportunity.

This shift has been reinforced by advertising and the media. The media's fascination with power politics, its catalogues of the 100 most powerful, influential, intelligent or beautiful people, its obsessive promotion of celebrity, fashion, fast cars, expensive holidays: all these inculcate extrinsic values. By generating feelings of insecurity and inadequacy—which means reducing self-acceptance—they also suppress intrinsic goals.

Advertisers, who employ large numbers of psychologists, are well aware of this. Rightwing politicians have also, instinctively, understood the importance of values in changing the political map. Conservatives in the United States generally avoid debating facts and figures. Instead they frame issues in ways that both appeal to and reinforce extrinsic values. Every year, through mechanisms that are rarely visible and seldom discussed, the space in which progressive ideas can flourish shrinks a little more. The progressive response to this trend has been disastrous.

Appeasing altered public values doesn't work

Instead of confronting the shift in values, we have sought to adapt to it. Once-progressive political parties have tried to appease altered public attitudes. In doing so they endorse and legitimize extrinsic values. Many greens and social justice campaigners have also tried to reach people by appealing to self-interest: explaining how, for example, relieving poverty in the developing world will build a market for British products, or suggesting that, by buying a hybrid car, you can impress your friends and enhance your social status. This tactic also strengthens extrinsic values, making future campaigns even less likely to succeed. Green consumerism has been a catastrophic mistake.

Common Cause proposes a simple remedy: that we stop seeking to bury our values and instead explain and champion them. Progressive campaigners, it suggests, should help to foster an understanding of the psychology that informs political change and show how it has been manipulated. They should also come together to challenge forces—particularly the advertising industry—that make us insecure and selfish.

Politicians won't do it

There's a paradox here: we cannot rely on politicians to drive these changes. Those who succeed in politics are, by definition, people who prioritise extrinsic values. Their ambition must supplant peace of mind, family life, friendship—even brotherly love.

So we must lead this shift ourselves. People with strong intrinsic values must cease to be embarrassed by them. We should argue for the policies we want, not on the grounds of expediency, but on the grounds that they are empathetic and kind. And we must point out that extrinsic values are selfish and cruel. In asserting our values we become the change we want to see.

Published in the Guardian 22nd October 2010. See www.monbiot.com for the unabridged article.



Monbiot

JUSTnews is published by
Canadian Unitarians for Social Justice

www.cusj.org

President
Frances Deverell

Editorial Committee
Philip Symons, Editor, Nichola Martin,
Don Vipond.

Production Team
Ruth di Giovanni, Bert MacBain,
Don McDiarmid, Philip Symons

Submissions to or enquiries regarding
JUSTnews should be addressed to:

Philip Symons, Editor JUSTnews
2125 Lansdowne Rd.
Victoria, BC, V8P 1B5

Phone 250 592-6484
philmar@islandnet.com

The views published herein do not necessarily reflect views and opinions of the Canadian Unitarian Council, Canadian Unitarians for Social Justice or all Canadian Unitarian Universalists.

STATEMENT OF PURPOSE

The CUSJ purposes are:

- to develop and maintain a vibrant network of Unitarian social action in Canada and elsewhere and to proactively represent Unitarian principles and values in matters of social justice and in particular
- to provide opportunities, including through publication of newsletters, for Unitarians and friends to apply their religious, humanistic and spiritual values to social action aimed at the relief of (1) poverty and economic injustice, (2) discrimination based on religious, racial or other grounds, (3) abuses of human rights whether of individuals or peoples, (4) abuses of democratic process, and
- to promote peace and security, environmental protection, education, and literacy in keeping with the spirit of Unitarian values.

These purposes are an integral part of the Constitution of CUSJ, adopted at the CUSJ Annual Meeting in Mississauga, ON, May 19, 1999, and amended at the 2003 AGM.

I agree with the above Statement of Purpose, and wish to
☐ join or ☐ renew membership in CUSJ.

Enclosed please find my donation of \$_____

Name_____

Address_____

Tel ()_____ Postal Code_____

Email_____

Add me to the CUSJ ListServ: ☐ yes ☐ no ☐ I want to know more

Name of Congregation (if a UU member):

Date:_____

Please mail to: CUSJ Membership, c/o Bob Staveley,
P.O. Box 40011, Ottawa, ON K1V 0W8

Publications mail agreement No. 40037866



Return address:
60 Cockburn St
Perth, ON
K7H 2B6

