

Commonway Institute

Creating a World That Works for All

Howdy--

We are unable to grasp the magnitude of the problem. In America's financial tsunami, the real wave hasn't even hit us yet.

Several years ago, in the prelude to the horrific tsunami in Sri Lanka, the water went OUT, instead of coming in. People were startled by seeing the shore line recede, sometimes hundreds of yards, and were delighted that they could walk out into the now dry ocean floor and pick up fish. People were standing there, amused, amazed and bewildered at this site, when the water returned -- with a vengeance.

We are similarly stunned by the news of financial turmoil on Wall Street and elsewhere. So much is happening, so fast, that the collapse of two major banks just in the past few days barely registers in our consciousness. Lehman Brothers, Merrill Lynch, AIG, Fannie Mae and Freddie Mac, last week Washington Mutual and a short while ago, Wachovia. Americans watch this carnage, but don't react. This is because we don't know HOW to react. It's like being in a redwood forest, watching the giant trees crashing all around you. But, so far, they're not crashing on you. So, what do you do? Do you run for cover? Do you stay put? Do you make some popcorn, get a lawn chair, and enjoy the spectacle?

What is the real problem? (You may not like my answer.)

The problem is NOT mortgage-backed securities, credit default swaps, collateral debt obligations, or any of the other gobbledygook cobbled together by Wall St. whiz kids. Yes, they have created a wall of opacity compounded by incomprehensibility. But, that's not the problem. The problem is not even "greedy" corporate CEO's with golden parachutes.

The real problem is... you and me. I say this for 3 reasons: 1. We have created a society that profits from greed and waste. Wall St. didn't create it, we ALL are complicit in its creation. (Yes, some of us are more complicit than others, but that does not change the fact that almost all of us participated in this orgy.) Every one of us who bought a bigger than needed car or house ("We just needed a little more room"), who lingered over those advertisements for the \$80,000 car or the \$10,000 watch (even if you didn't BUY it, your lingering created the ALLURE, the DESIRE of the unattainable) contributed to the "you can have it all" mentality. We look at these huge Wall St. hogs, all lined up at the trough. Although we are just little piglets, we are lined up at the same trough.

2. We have created a nation of debt. We ALL created it. Our political and economic leaders have mortgaged our children's future to pay for their addiction-induced wild partying. (In my book, "Creating a World That Works for All", I talk about money addiction as the only form of addiction where the supply of the addicting substance is

completely controlled by the addicts themselves.) But, our leaders are US. Don't you run your household on a debt basis? Don't your credit cards, car bills and mortgage greatly exceed your fixed assets? That bubble had to pop at some point in time. What you're seeing is simply the check that has finally come due.

3. We maintained the silly belief that we could grow forever, without any consequences. In Nature, the only entity that grows forever is cancer. And that is only until it kills its host. But, we said, "We're different." Now, as it turns out, we're not.

The real problem is not an economic or financial crisis. Our real problem is a moral and spiritual crisis that has manifested itself, this time, in the financial arena. And, in these troubling times, we lack the moral and spiritual leaders and institutions to even address it – most of our "religious" institutions are just as complicit in this crisis as we are. Our "religious" leaders looked the other way as the collection plates filled up and the "churches" get larger, fancier -- and richer. It's hard to denounce greed and money addiction when you are the direct beneficiary of it.

It is time for confession, repentance and forgiveness. All of us.

As a pre-condition of any bailout or rescue, the CEO and senior officers of each troubled institution should go before the public and confess their addiction. Confess how greed, the quest for power, the addiction of having MORE drove them to make risky and foolish gambles. Promise that, if given another chance, they won't do it again. (And no, this public confession shouldn't be used in a lawsuit – that's just more of the same old mindset.) If they aren't willing to admit their addiction... don't bail them out.

Without confession and a sincere request for forgiveness, the responsible actors will simply do the same thing all over again. They are **ADDICTED**. Addicted to money, addicted to power, addicted to "more is better", addicted to "having it all", with no consequences.

People who are drug addicted will do anything for the next fix. They will jeopardize their health, their family, even their lives for the sake of their "high". Addicts lie, cheat, steal, even sell their own children to satisfy their addiction. The money addicts go one step further – they are willing to sacrifice the health of their entire country for their money fix.

The addiction of the Wall St. players has just been exposed. They have nowhere to hide. So, what do we do? The "bailout" offers the drug addicts all the heroin they can shoot, no (few) strings attached. That's what the bailout is... a free supply of highly addictive drugs.

There must be an answer. This crisis is too important to do nothing. But, the "bailout" is worse than doing nothing. With our collective house on fire, Congress shows up with a tanker truck filled with gasoline.

After the confession, what comes next?

The Democrats talk about “re-regulation”. The Republican mantra is “de-regulation”. Both miss the point. Instead of taking over the “toxic” debts, leaving them free to screw up again, the answer is to take over the BANKS. The answer is to turn our nation’s banking system into a “Mondragon” type system, where the banks are owned by the people, managed by the people, and exist to start small, human-scale businesses. (If the CEO’s of these financial institutions were people like you and me, they wouldn’t have any multi-million dollar salaries in the first place.)

Think this sounds too much like “socialism”? Well, get over it. “Socialism” is just fine when it is the rich and powerful who receive the benefits of state welfare. Here in the 21st Century, it’s time for us to move beyond the “Breaker” concepts of “capitalism” and “communism”. (Even the Communists aren’t communist anymore!)

Creating a “Mondragon” style banking system would mean a complete restructuring of our economic system, converting down to a system that works by and for the people, and is understood by regular human beings. This will mean a lot fewer millionaires – and a lot fewer bankruptcies.

Our economy, every part of it, must be re-oriented away from greed and material acquisition. Our entire society must be re-oriented toward the most pressing problems of our times: ending violence in all its forms, and healing the harm that humans have done to this planet. With all of us pulling in the same direction, with all of us providing leadership and a high moral example for the rest of the world, we can achieve truly great things.

If, though, we keep up our current delusional excesses, we will be a different kind of example to the world: what NOT to do.

What we do, at this time, is our choice. Let’s choose wisely...

Peace,

Sharif Abdullah

[PS: Some of you haven't heard from me for awhile; technical difficulties. I think they've been resolved. Please check out the brand-new Commonway website!!

www.commonway.org]

