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The Rules Change Vision: Why Now?

The Rules Change Project spotlights, amplifies and broadens support for economic and corporate "rules change" efforts. It is an informal, non-partisan collaboration -- of individuals and independent groups -- fostering a national conversation to help America to follow its democratic ideals.

When the elite Founding Fathers met in Philadelphia to craft the U.S. Constitution, most American communities were small. One could walk the town common, attend a town meeting and converse with fellow citizens face to face. Government was a tiny influence on daily life. Most corporations were local and had little influence on legislatures or elections.

Today, however, the two greatest concentrations of power in the American public square are government and corporations. While each provides important services and benefits to people, much of the American public is worried about the potential of each for unchecked influence.

Effects of Globalization

The actions of many who run global corporations effectively disenfranchise citizens. Key publiccompany CEOs make hundreds of times the wages of their average workers. The wealthiest onepercent of families in this nation control up to 40 percent of the total wealth, while 80 percent of our citizens possess only seven percent. Wall Street gambling in derivatives has replaced the production of real goods and services, shrunk the supply of credit available for most businesses, and jeopardized our life savings and government budgets.

While large corporations and banks hoard cash, many experience continued foreclosures, unemployment, and an inability to get loans. Trade agreements continue to tip our balance of payments in the wrong direction, give away our jobs, and invalidate American labor and environmental law. Further, our current measures for economic growth disregard urgent environmental and social problems.

Throughout our history, Americans have often acted to reduce concentrated power. This is one such time. Changes in the way we govern and interact with both government and corporations are required to revitalize our democracy, level the global economic playing field and sustain earth's life-giving resources.

If we don't address these fundamental problems, many fear we will enter a period of increasing political and social instability, accelerating inequality, authoritarian control, and environmental destruction. It's time to change the rules.

Our Shared Vision

Many say the rules of the game are rigged against middle-class Americans. If that's true, we need to take a time out and examine how the rules of capitalism and free markets have evolved over the last 40 years. One approach is not to end or replace the game, but to reset the rules to make them fairer for all stakeholders – employees, customers, citizens, communities, the Earth – and stockholders.

Effective change is needed in government policies, the way corporations govern themselves, access to marketplaces, and in our communities and relationships. The Rules Change Project recognizes mainstream ideas for changes in the way large, public corporations are regulated, managed and compete in at least five key categories: influence, measurement, ownership, accountability and governance.

We support:

- Laws, charters, trade agreements, accounting standards and fiduciary obligations that measure and reward corporations that serve society and the planet rather than focus exclusively on short-term shareholder profits;
- Greater tax and wage fairness; equity in how regulations are applied;
- Natural resources being valued because they belong to us all and can be managed to last;
- A more assertive role in corporate decision-making by shareholders, and increased marketplace influence through organized consumer activity and knowledge, including stakeholder review of endowment priorities.
- Access to information which empowers all citizens and exposes illicit activity;
- Electoral reforms that restore faith in our democratic process.

Intentionally or otherwise, the people who run global corporations and their agents have succeeded in dividing and marginalizing those who challenge their actions. This Rules Change vision identifies and promotes our common ground. It seeks to expand the pool of resources and tools that support collaboration and citizen impact.

Maintaining "The American Dream"

Reviewing and changing the rules of the game requires that we inquire about and appreciate what others see -- to walk in their shoes. Some see our nation as divided by different perspectives:

- Many Americans believe in an American Dream rewarding hard work and ingenuity. They have seen their parents and grandparents prosper, and believe they will too, pulling themselves up by their own bootstraps.
- Many Americans also believe that sometimes a helping hand is needed, and seek to offer one individually or through the support of families, charitable organizations, or more broadly, through our government.

• There are also Americans who are dispirited and cynical, lacking knowledge or resources to find or reach their own bootstraps. They don't know how to reach the first rung of the success ladder. Many have lost faith that anything can help.

The Rules Change vision is that we all share these perspectives, to varying degrees. Change becomes possible when we acknowledge what we share. Rules Change supporters believe we must rekindle faith in the American Dream, by making sure it is more available to everyone, before those who are dispirited succumb to despair, violence, or tyranny.

How We Act

Rules Change supporters act in two ways:

- EDUCATE -- We take opportunities to illustrate the profound effects of large corporations on our communities, government, lives and world. We do so in order to lay a foundation of public understanding for those working to achieve rules changes to improve economic opportunity for average Americans.
- CONVENE -- We discover, report, spotlight, encourage and convene advocates of key leverage points, such as initiatives listed at <u>corporateruleschange.org</u>. There are hundreds of groups and millions of Americans working on projects which align with a vision of justice for all.

Consistent with our educational and convening role, The Rules Change Project spotlights key leverage points and promising ideas for study at <u>RulesChange.org</u>.

Over 250 years, whenever economic power has become overly concentrated, the well-being of the majority of Americans, fairness in economic life, and the functioning of democracy has deteriorated. What America's Founding Fathers did to counter power concentrated in the British monarchy was unprecedented, amazing and transformational for the time, undiminished by their lack of gender, race and economic diversity.

At its best, government is "of, by and for the people." In our names, we ask it to nurture vital education, health, environmental, transportation and safety services that separate us from anarchy. We also ask government to give corporations permission to exist by legislative charters to obey law laws, serve the common good and cause no harm.

Rules Change supporters believe that it's time to recall that government power and corporate influence derive from the people, and that we, the people, must use our authority -- in the voting booth, the public square, the media and the marketplace -- to again check concentrated power.

Our goal is to make America work -- for all of us.

<u>Make America work – for all of US.</u>

HISTORY OF CORPORATE CHARTERS:

- <u>http://www.ratical.org/corporations/</u>
- http://reclaimdemocracy.org/wordpress/wp-content/uploads/2012/07/hidden_corporate_history.pdf
- <u>http://www.ratical.org/corporations/TCoBeij.pdf</u>