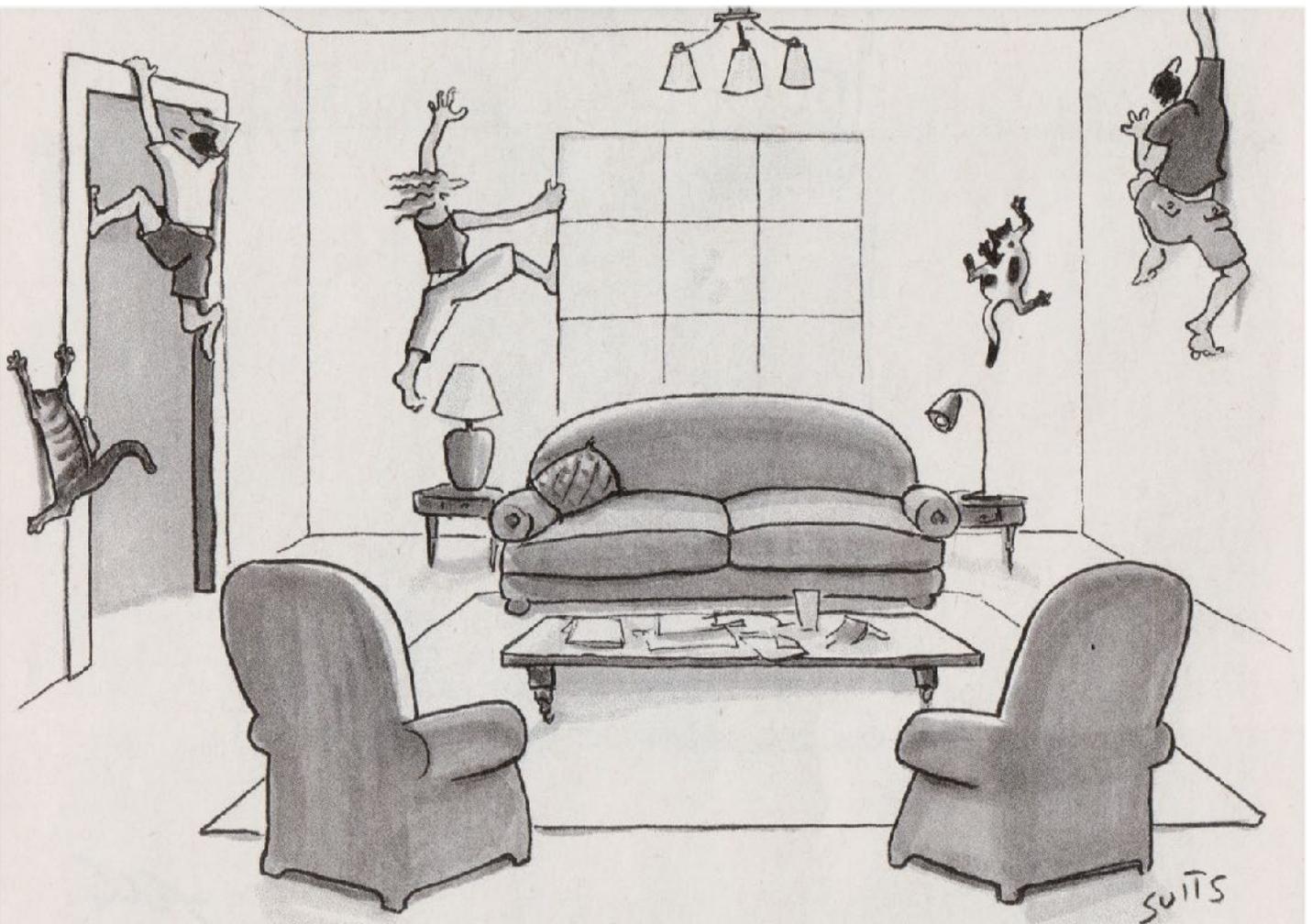


PEGASUS

A NEWSLETTER FOR THE CAUX ROUND TABLE FOR MORAL CAPITALISM NETWORK LOOKING AT BUSINESS ABOVE THE CLUTTER AND CONFETTI



"It's great to have something we can all do together."

Pegasus

Introduction by Michael Hartoonian	Page 2
Emerging from a Cultural Wilderness by Richard D. Van Scotter	Page 4
Amazon and Facebook: Internet Champions in the Game of Monopoly by Rich Broderick	Page 10
Cartoons: Collected by Steve Young and Curated by Patrick Rhone	Page 14

Introduction

A cartoon is essentially a metaphor. A metaphor has two important attributes. One, it is a simile. That is, “life is (like) a river.” And secondly, a metaphor implies that life (is) a river, as indeed, it is. Metaphors carry multiple handles of meaning, allowing a person to hold connotations depending on individual taste and understanding. The beauty of a cartoon is manifested not only in its art form, but more importantly, in its ability to touch emotions, as well as thought at different levels of significances. The cartoon elicits from the reader a medium of meaning consistent with the reader’s depth of knowledge concerning the topic at issue.

Patrick Rhone on our staff has suggested a collection of cartoons that will bring meaning and humor to several of today’s important issues. They will serve as discussion starters, suggesting points of view that can only be presented metaphorically. In many ways, a cartoon functions as a countervailing message to the given cultural narrative. It does not cancel anything. It puts ideas in a different light, sometimes more clearly than that which we read in the news.

Richard Van Scotter offers a description of education that is necessary if we are to understand the subtleties of life and the skills necessary to hold the office of citizen. He remembers as a high school teacher putting political and cultural cartoons on the overhead projector when they related to a relevant topic. He also placed cartoons on the bulletin board for students to puzzle, as they entered the classroom. This had the potential to not only amuse and befuddle students, but also deepen their thinking and provide insights into their understanding of issues. Van Scotter’s essay on education suggests that education should also be a countervailing force to the sense and non-sense of contemporary life, providing the perspective needed to understand the precursors and possibilities of individual and institutional agency.

In an application of the content and critical thinking skills delineated by Van Scotter, Rich Broderick, Editor of *Pegasus*, reviews two books for us: *Fulfillment: Winning and Losing in One Click America*, by Alec MacGillis and *An Ugly Truth: Inside Facebook’s Battle for Domination*, co-written by Sheera Frankel and Cecilia Kang.

Both reviews present a common, yet little understood veracity among the concepts of culture, government and any economic system. That is, governments and economies live downstream from culture. The book reviews make clear that monopolies are in operation when consumers are restricted in their abilities to make choices. Informed individual choice is the bedrock of moral capitalism. While appearing to enhance choice, these businesses leave the individual with a “variety” of similarity; a market without discriminating for aesthetics, quality or real cost. This is a common anesthesia for the masses – that is, creating sleepy people, who have lost awareness, purpose and identity. These monopolies seem to be convinced that if they change the cultural institutions of government, education, law and religion, they will gain the power to cause capitalism and democracy to become illiberal and by definition, nonexistent.

This is the logical extension of monopoly of whatever variety. Perhaps I'm assigning too much wisdom to these monopolies, but they seem to understand that the way to control power is to change or eliminate individual agency and just let the "system" call the shots. As soon as the notion of system becomes the intellectual and ideological explanation for individual ethical weakness, people will lay down the melancholy burdens of responsibility and reassign responsibility to any amorphous system, thus allowing the illusion of comfort to get us through another day.

What these books tell us is that we are in the twilight of enlightenment. Enlightenment means that individual, rational thought and behavior equate to power and wealth (excellence). These (kinds of) companies may be identified as monopolies, but their real danger is to the culture, turning individuals into more ignorant, poorer and purposeless souls. Illiberalism feeds on the absents of individual agency, the place where ethics live.

Michael Hartoonian
Associate Editor
Pegasus

Emerging from a Cultural Wilderness

Richard D. Van Scotter

As the late social critic and media analyst, Neil Postman explained, “The reason for public education is to create a public not serve a public.” As Professor Postman continues, “What kind of public does it create?

“A conglomerate of self-indulgent consumers? Angry, soulless, directionless masses? Indifferent, confused masses? Or a public imbued with confidence, a sense of purpose, a respect for learning and tolerance?”¹

How prophetic! He wrote this over two decades ago.

I’m not for a moment suggesting that schools have created the American public we now witness. Our public schools increasingly have taken a backseat to the larger culture over the past several decades. Once the powerful influence of television took hold more than a generation ago, schools, in effect, became a second curriculum; television, with its omnipresence, the first curriculum.

In today’s cultural environment, the irresistible impact of the internet and its social media creations, such as Facebook, Instagram, Twitter, Pinterest, YouTube and a host of others, relegate public schools to a third curriculum.

How is this devastating distortion overcome? Not easily, nor with a magic wand. So, let’s begin with what’s not helpful. *Testing* students offers valuable information on student needs, but ramping up testing will not create students, human beings and a public with the facility and imagination, for example, to be stewards of our vulnerable earth.

Likewise, to emphasize *STEM* skills will do little to build a sustainable physical infrastructure, unless schools imbue a public with the will to do so and maintain it from crumbling.

While schools increasingly emphasize *workplace preparation*, it often is

¹ Neil Postman, *The End of Education: Redefining the Value of School*, Alfred A Knopf, Inc., New York, 1995, 18.

done without addressing its inevitable companion, *consumerism*. People want a good paying job, so one can consume more. Wise and moderate consumers are admirable, but not the profligacy we witness that clash with public investment.

Technology has enhanced economic productivity, but the young will learn how to use the computer without schools devoting time and resources to training. It's part of the air they breathe in daily life.

What the students need to know is not *how to use computer* technology, but *how it uses you*. How it affects our relations with others, attention spans, social interaction, personal feelings and depression, particularly of the young.

This will take more than techniques and computer gurus. It requires teachers with a keen sensibility and to nurture critical thinkers or what novelist Ernst Hemmingway described as “crap-detecting.”

I must offer an amusing disclaimer. I know a Ukrainian woman in her late thirties, who came to the United States as a nine-year-old. Her English is fluent and impeccable. She learned the language as a young girl watching TV sitcoms “Saved by the Bell” and “Full House,” as well as “Madlock” during the late 1980s and early 1990s.

So how are we to educate students and build a coherent, stable, humane culture out of people with diverse languages, customs and religions? How do we strengthen and sustain a society among a fragmented public holding divisive and alienated ideologies?

We must begin not by treating students as consumers of information, but by generating *scholars*, *citizens* and *artisans*. Nothing here is overly complex, arcane or beyond the ability of all students.

In developing skills and habits of scholarship, students:

- Come to class prepared and willing to participate.
- Contribute to the learning of the classroom.
- Communicate learning needs to teachers.
- Generate novel ideas and apply them to new situations.

- Express ideas, information and opinions in a clear, coherent style.
- Develop habits of serious thought, critical awareness, respectful skepticism and curiosity about matters beyond their immediate needs.
- Approach topics with a perceptive and discriminating mind.
- Accept critical evaluation essential to learning.

Said differently, students become scholars in developing “habits of the mind” to include curiosity, thoughtfulness, reflection and imagination.

To develop skills and habits of citizenship, students:

- Arrive at school and to class on time.
- Complete class assignments and bring original thinking to them.
- Contribute to the civil environment of the classroom.
- Demonstrate understanding, adaptability and concern for others.
- Show willingness to take risks.
- Understand the needs of others.
- Participate as team members to negotiate agreements and mediate differences.
- Assess one’s strengths and weaknesses.

Expressed simply, students become citizens of the classroom and larger society by displaying responsibility, dependability, care, commitment and other genuine “habits of the heart.”

Behaviors and skills of an artisan include:

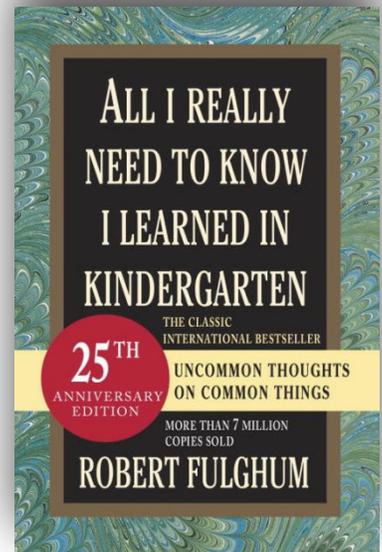
- Trust in one’s unique gifts and talents.
- Use those personal talents to produce works of art, music, scholarship and athletics.
- Add an artistic touch or dimension to assignments and projects.
- Approach subjects or themes with imagination.
- Confront challenges in novel and resourceful ways.

- Own a project, writing assignment, oral presentation and other works essential to learning.
- Discover one’s true or authentic self through serious work.
- Exhibit courage to trust the creative process and enter areas of emotional and intellectual discomfort.

In becoming an artisan, students tap into their special gifts to create high-quality work that commands deep involvement, while giving meaning to their efforts through acquiring “habits of the soul.”

Some years ago, Robert Fulghum wrote an entertaining, insightful and popular book titled, [*All I Really Need to Know I learned in Kindergarten*](#). It included memorable quotations, such as:

“I believe that imagination is stronger than knowledge. That myth is more potent than history. That dreams are more powerful than facts. That hope always triumphs over experience. That laughter is the only cure for grief. And I believe that love is stronger than death.” ²



Here is advice that he offers children that we carry throughout life:

Share everything
 Play fair
 Don't hit people
 Put things back where you found them.
 Clean up your mess
 Don't take things that aren't yours
 Say you're sorry when you hurt somebody
 Wash your hands before you eat.
 Flush

² Robert Fulghum, *All I Really Needed to Know I Learned in Kindergarten*, Ballentine Books, New York, 2003, ix.

Take a nap every afternoon.³

And so on. Good stuff, but schools and teachers can build on to this by incorporating the scholarship, citizenship, artisan learning trilogy in appropriate ways throughout elementary, middle and high school.

Given the society we live in nowadays, schools also would do well to serve as a *countervailing agent*. By this, I mean if our lives are inundated with advertising, marketing and endless persuasions to buy stuff, schools can help resist such temptations.

If life in the streets and communities are crass and dangerous, schools can offer an antidote with kindness and learning opportunities that encourage us to resist.

If our shopping centers are heavy with fast food and trivial temptations, schools should help students experience nutritional and social experiences in aesthetic settings.

When roadways, highways, streets and byways are defined by noise, clutter and junk, schools and classrooms ought to be places of civility, moderation and calmness.

When the outside environment inundates us with endless technology and stimulation, schools can be spaces that respect tradition, simplicity and restraint.

These observations seem nearly endless to those acutely aware of our cultural habitat. As such, schools must be places that provide children relief from the disorder, chaos, crassness and intrusions of life. They can be a haven in which students, teachers and staff find intellectual stimulation and emotional safety.

The object of education is to prepare the young to educate themselves throughout their lives.

³ Robert Fulghum, 2.

Robert Maynard Hutchins
President of University of Chicago, 1929-1945

Richard Van Scotter is an educator, writer and cultural critic. He is author of several books and writes extensively for professional journals and newspapers on a range of cultural, economics and historical topics. He lives in Longmont, Colorado.

Amazon and Facebook: Internet Champions in the Game of Monopoly

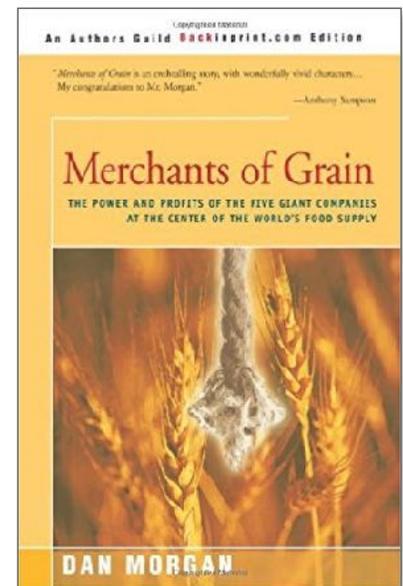
by Rich Broderick

Although we tend to think the term “monopoly” refers to a form of economic concentration coined to describe the structure of so-called “capitalist systems,” the word can also be applied to social, political, military and, above all, domination of an entire country’s system of class, ownership, political participation, collection of raw materials, including foodstuffs and distribution of the end products of those materials to the many, according to the whims of the few.

Since the inception of urban societies more than 5,000 years ago, there have been absolute monarchies, cities and nations dominated by a small class at the top of the existential ladder, cabals of generals, dictators, slavery and elaborate variations on feudalism in which wealth and resources are passed down from a king or emperor at the top of the pyramid through each successive and wider layer before reaching the bottom of the ladder, the realm of the serfs, whose primary reason for their existence is to serve every layer of society in the order of their ascension.

Ever since the beginning of the age of capitalism, the precise structure, if not the meaning of the word, of monopolies has evolved and continues to do so with no reason to believe the ultimate end is in sight. Initially, capitalist monopolies consisted of the concentration of money and control in the accumulation of raw materials and of the factories and mills where that raw material was turned into industrial or commercial products. Thus, we had monopolies among steel mills and coal mining companies and linen mills and even enterprises that gathered and processed foods, from meat to fish to grain. Some of these companies were owned by a shareholder system, sometimes by a single owner or family.

The book, [Merchants of Grain, by Dan Morgan](#), is a brilliant look at the world’s grain market dominated by six international companies that control some 80 percent of the planet’s grain processing, sales and distribution (one of the grain merchants cited no longer exists, so the world market is now dominated by only five companies). As with almost all other capitalist enterprises, these merchants have employed time-honored tactics to undermine, absorb and ultimately eliminate competition from rival companies, to small family farmers in the American West, to native farming communities in Africa, Southern Asia, Central America and elsewhere.



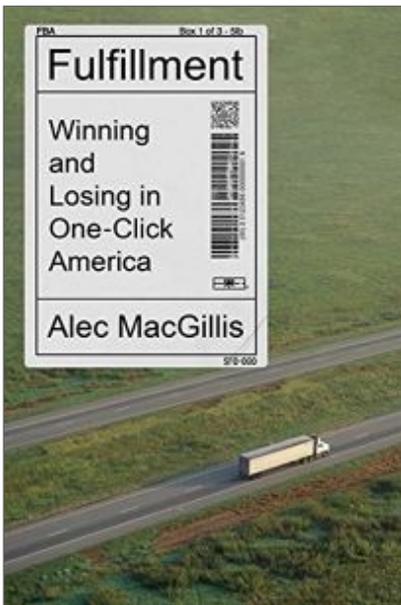
When new kinds of revolutionary enterprises emerge, it does not take long for them to acquire the potential for monopolization.

Trains in the years following the American Civil War, a national conflict that, as a four-year long monopoly of a very different kind, actually acted as a temporary check on commercial monopolies; the discovery of crude oil in Pennsylvania in the late 19th century; long-distance communication, especially telephones (anybody remember when AT&T ruled the world?); self-propelled automobiles in the early 20th century and so on up until the present day. Even industries that serve merely to entertain – radio networks, film, mass-produced records and the machines used to play records – all veered toward concentration.

In our time, the trend has continued. Personal computers in the 1980s were quickly followed by laptops. The internet and World Wide Web in the 1990s. Web-based sales enterprises in the mid-1990s. Web-based social networks in the past 20 years.

Which brings us to the subject of two books we are reviewing today: [Fulfillment: Winning and Losing in One-Click America, by Alec MacGillis](#) and [An Ugly Truth: Inside Facebook's Battle for Domination, co-written by Sheera Frankel and Cecilia Kang](#).

Both are surprisingly easy reads, with sweeping, lucid and in-depth coverage of their subjects. In terms of structure, the primary distinction is that Fulfillment, which examines the rise of Amazon, does not focus exclusively on Jeff Bezos. It also presents stories that include both professional and personal details about former Amazon employees who have engaged in forbidden activities, like trying to unionize a company where, until recently, the top wage for non-executive employees of the multi-billion dollar company was \$15 an hour: a figure that has just been raised to the even more munificent sum of \$18.50 per hour. The book also delves into the public campaigns and private lives of non-Amazon activists seeking to inspire anti-trust actions against the monolithic giant. An Ugly Truth, meanwhile, is centered on Mark Zuckerberg and his COO, Sheryl Sandberg, a veteran of Google, who now leads Facebook's extensive lobbying and public relations activities.



Since its inception in 1994, Amazon has come to dominate – and manipulate – the playing field of online commerce to a degree that now affects not only our shopping habits, but has also re-mapped the scale and practice of retail sales. Before Amazon, there was, of course, an important, though hardly dominant, realm of mail order purchases, but those services were, by and large, controlled by retailers themselves, rather than third-party providers.

In less than 30 years, Amazon has all but erased this now quaint paradigm and has, through determination, goal-orientated fixation, engagement in classic – and innovative – tactics of pursuing domination in an industrial, retail and financial domain, emerged victorious. This clean sweep has also been accomplished with the aid of many, shall we say, “disingenuous” responses to questions raised by the public, government regulators, legislators and lawyers representing clients whose retail services have been all but swallowed by the leviathan that is Amazon. To date, these victims and critics have been dismissed by Amazon with misleading, sometimes outright dishonest, excuses, responses and counter-accusations.

Amazon is unquestionably good at providing reasonable prices and high customer satisfaction, but at a steep price. It places traditional retail companies at an extreme disadvantage, in all likelihood speeding the demise or consolidation of older firms, such as Sears. It has also prospered on the back of the safety of its line workers and “contractors,” whose draconian hours for delivering orders to homes via vans risks burnout. Serious injuries, sometimes resulting in death to Amazon's worker bees, have occurred. The list of

victims also includes damage to the health – and occasional death – of citizens who have had the misfortune of getting in the way of an Amazon delivery truck barreling along.

At one of the company’s ironically entitled “fulfillment centers,” the 10 to 11 hour workdays require back breaking goals, while offering floor workers a pair of 10 minute bathroom breaks (one in the morning, one in the afternoon or evening) and a luxurious 20-minute lunch break. Meanwhile, as “contract employees” (who are, nonetheless, forbidden by the company from working with any other retail delivery operation), Amazon drivers have to pay for their own vehicle insurance policies and repairs, but are offered the option of purchasing the company’s health insurance coverage at a price that would impoverish almost everyone not already a member of America’s upper 1%.

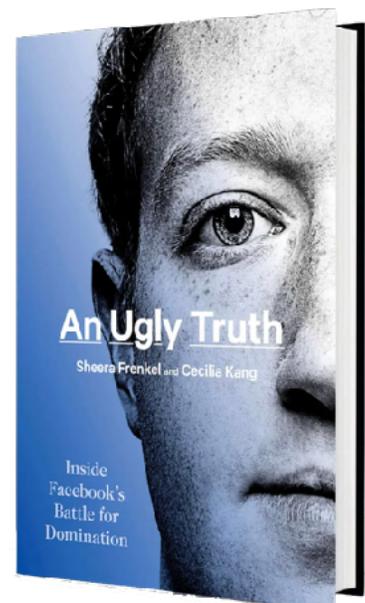
The Universe of Facebook

It may seem strange, but it is difficult not to feel a bit sorry for Mark Zuckerberg, in particular, when compared with the sexually promiscuous, space-voyaging adventures of Jeff Bezos. Yes, Zuckerberg did essentially co-opt a primitive site – also called Facebook – that offered Harvard students a means of hooking up online – from twin brothers bearing the Dickensian sounding name of Winklevoss. When these two Harvard undergraduates turned to Zuckerberg for his assistance because of his near genius for electronic communications, he soon turned Facebook into his own potential goldmine.

(Don’t be too alarmed about what’s happened, Harvard’s then-President consoled the twins. Facebook’s not going anywhere. The name of this academic genius? Larry Summers, Secretary of the U.S. Treasury Department during President Bill Clinton’s Administration and part of the brain trust who supported overturning the Glass-Steagall Act and helped author the Commodities Futures Modernization Act. Both strokes of genius helped lay the groundwork for the financial crisis of 2008.)

Zuckerberg has been relentless in creating the now-dominant instrument of social networking. As of today, more than two and a half billion individuals worldwide have Facebook accounts, which include access to accessories like WhatsApp. His company has made hundreds of billions providing companies targeted advertising based upon logarithms that identify what subjects and products Facebook users seem most interested in.

In large part because of Facebook’s prioritizing income from advertising *uber alles*, it and its related sites have served as a fertile stalking ground for commercial and political scammers. The most dramatic example? The 2016 U.S. presidential election, when thousands of web-based sources in Russia and former member states of the Soviet Union hacked into the Democratic National Committee’s email, online and telephone communications and made the information found therein public.



In turn, Facebook's domination of online social sites has been driven by the pursuit of profits, themselves the reward yielded not by allowing individuals from around the world to meet and share cat photos and recipes for pecan pie, but from advertisers willing to pay Facebook for data computed by algorithms that direct vendors to Facebook users likely to prove interest in what the commercial clients have to offer.

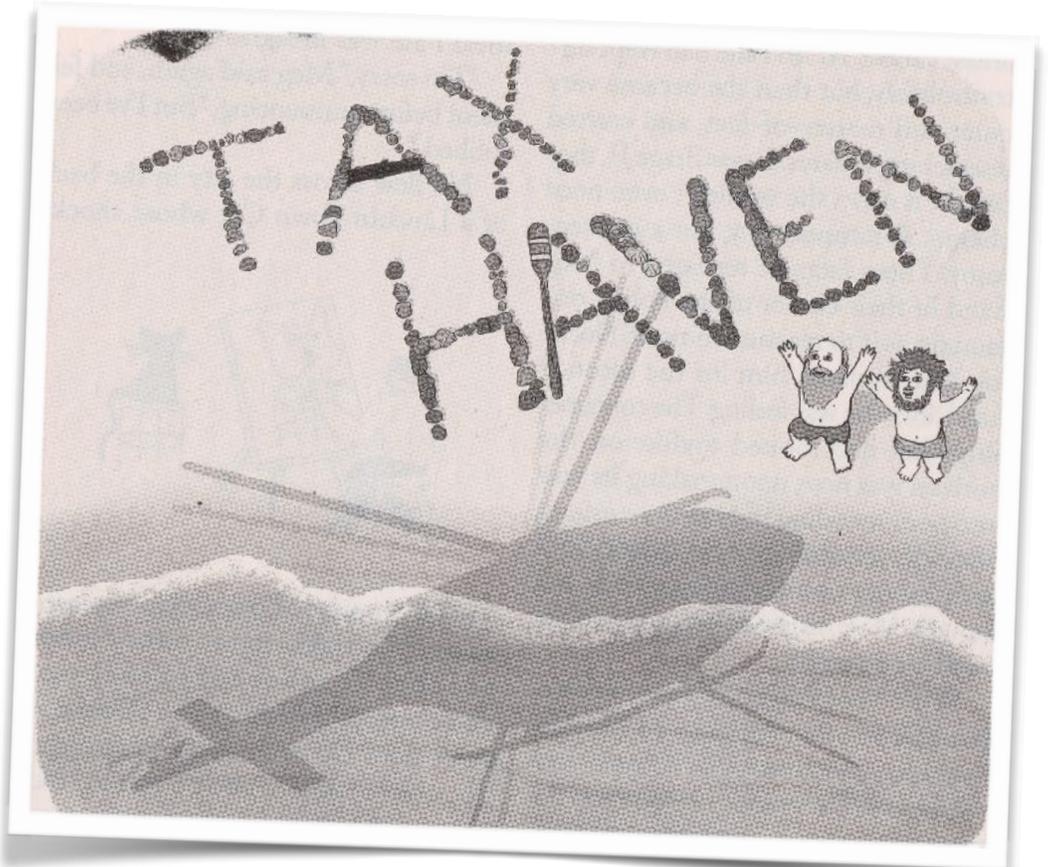
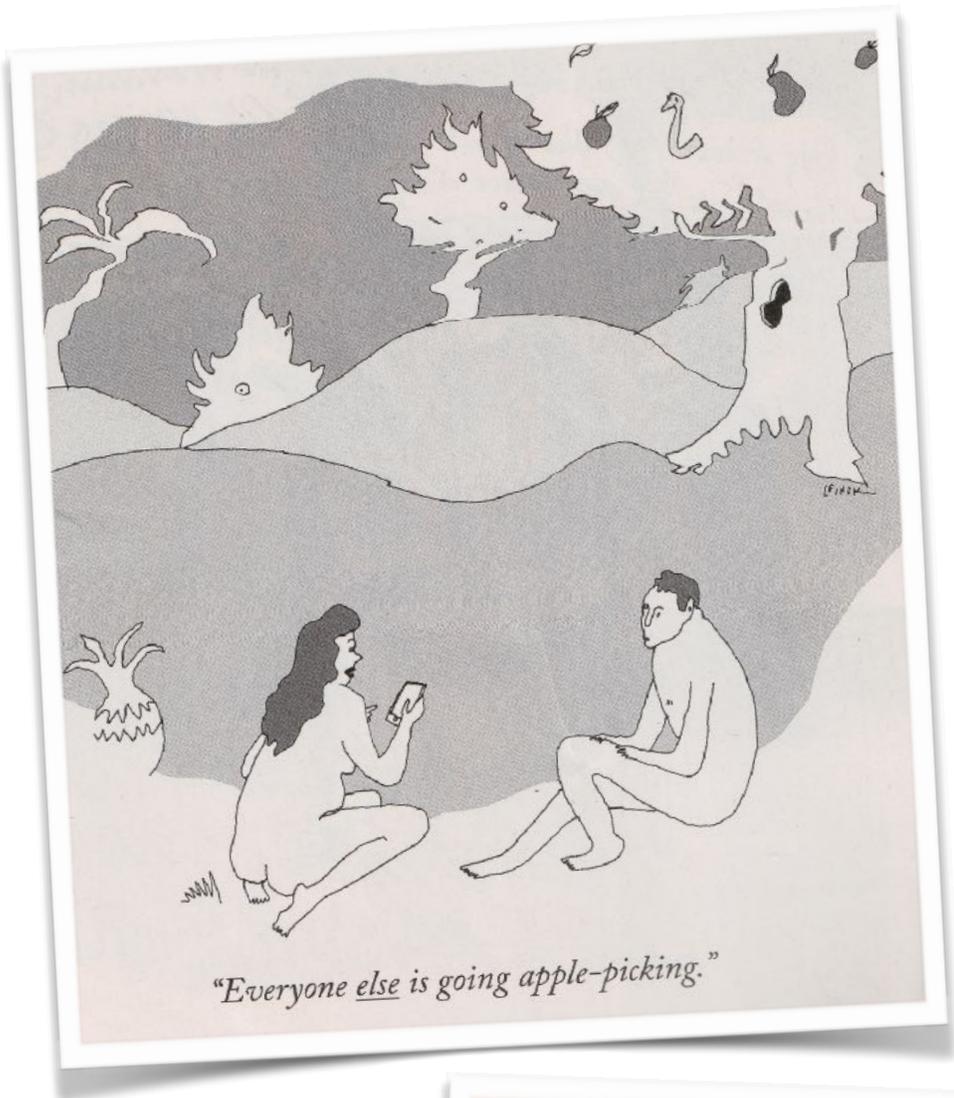
Because Amazon is designed specifically to connect buyers with merchants, it has not attracted the ire increasingly directed at Facebook. In the past decade, Mark Zuckerberg has been summoned to hearings before the U.S. Congress, while the company itself is the frequent target of lawsuits.

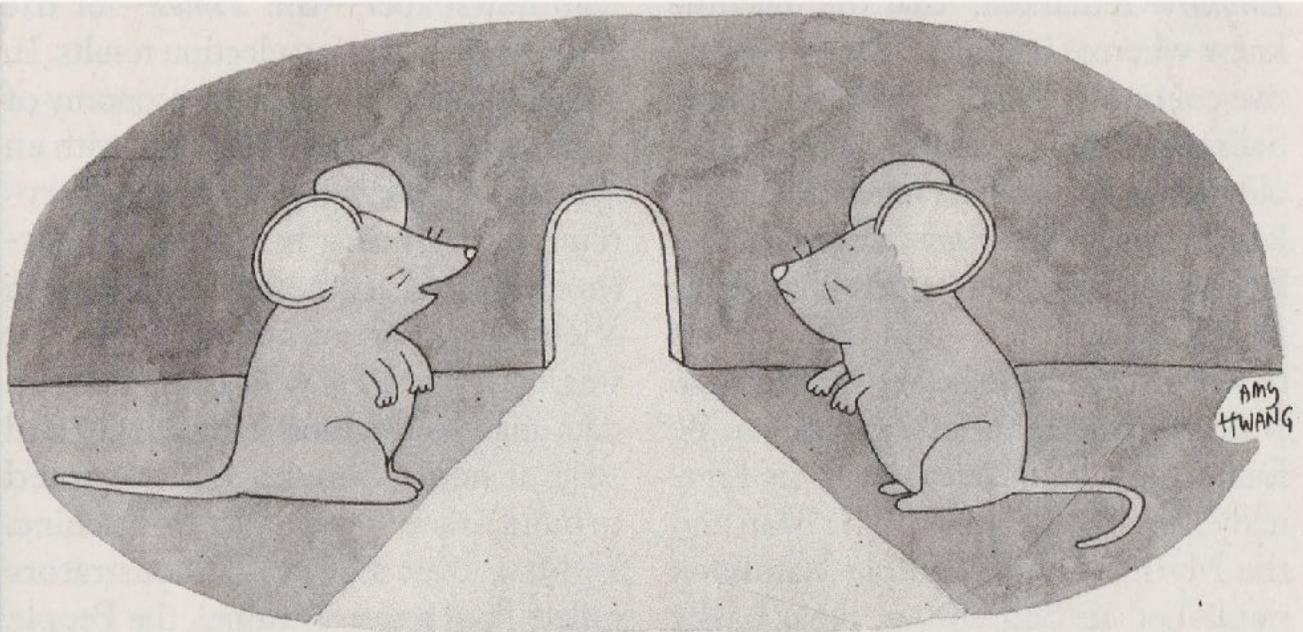
These hearings and lawsuits are, ultimately, the product of organizations and individuals seeking, ultimately, the breakup of Facebook into several independent companies. Think of AT&T, divided in the mid-1980s into seven "Baby Bells." While Amazon does not, at the moment, face such a reversal of fortune, it is likely Facebook will be broken up into a number of "Baby Zuckerbergs." Only time will tell. As the saying goes, "The more things change, the more they remain the same."

Go ahead. Just type "anti-trust laws in the United States" in Google. You'll find millions of pages dedicated to slightly different versions of the same subject.

Rich Broderick is Editor of Pegasus.







"The possibilities of what could go wrong out there are stressing me out."

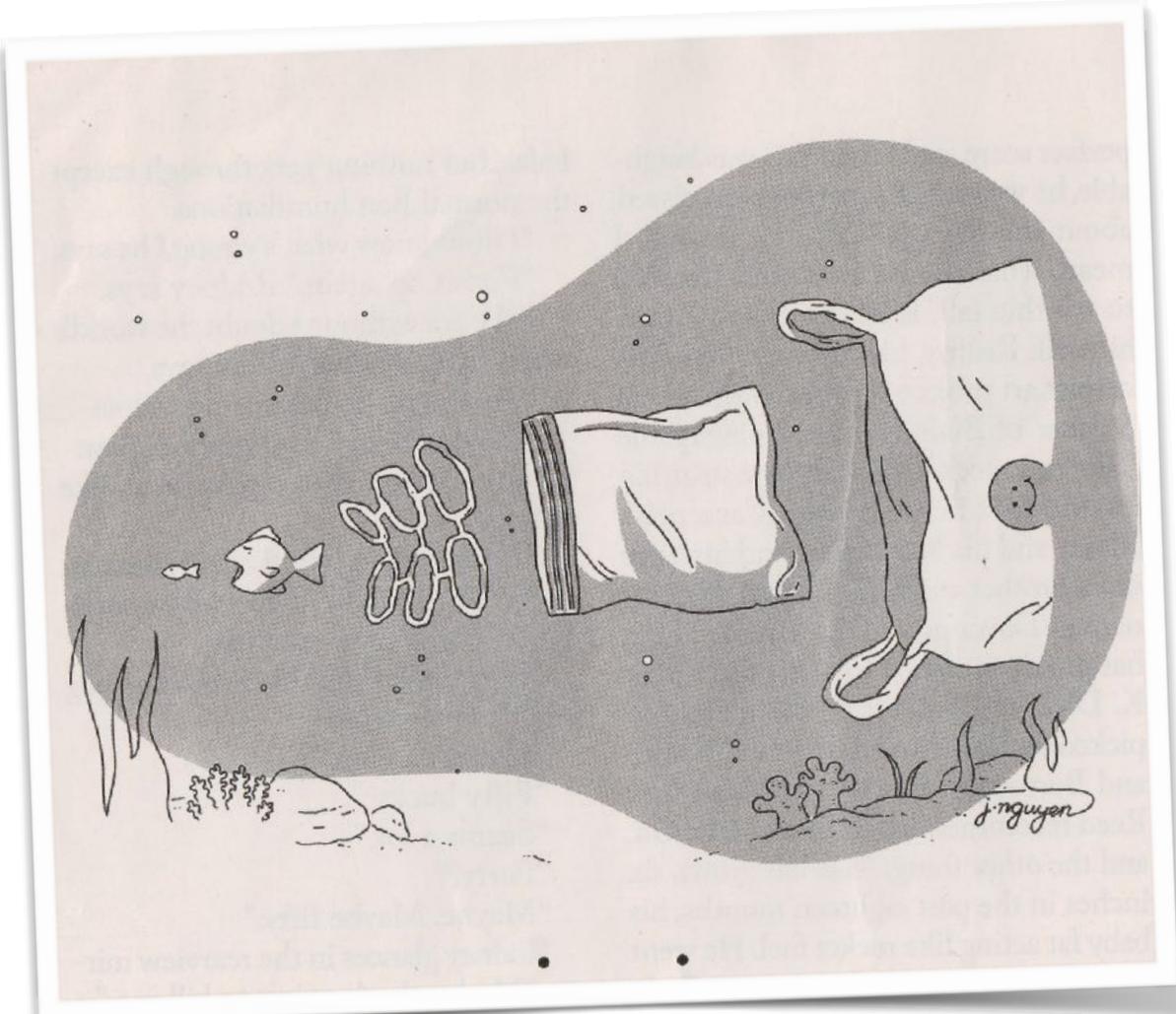


"Can I get my badge now?"

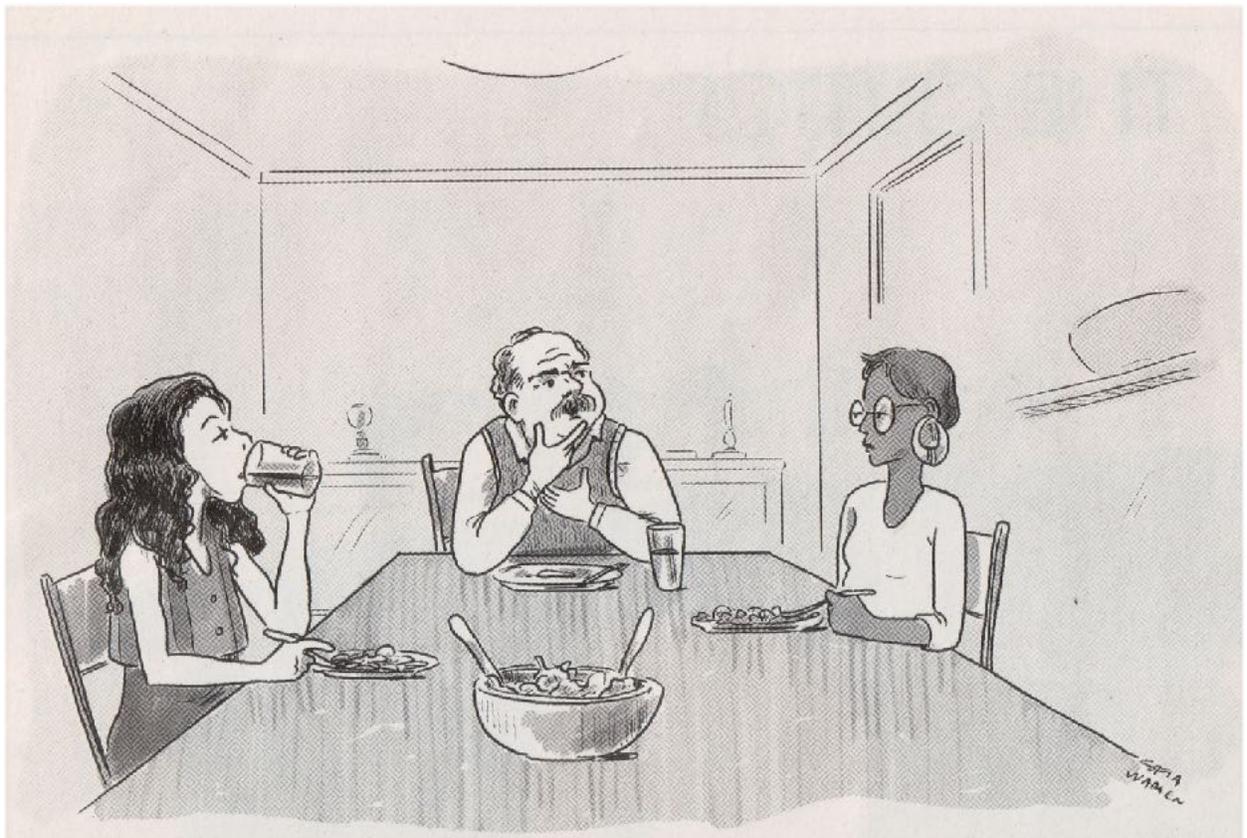


"Go to sleep. Everything will be worse in the morning."

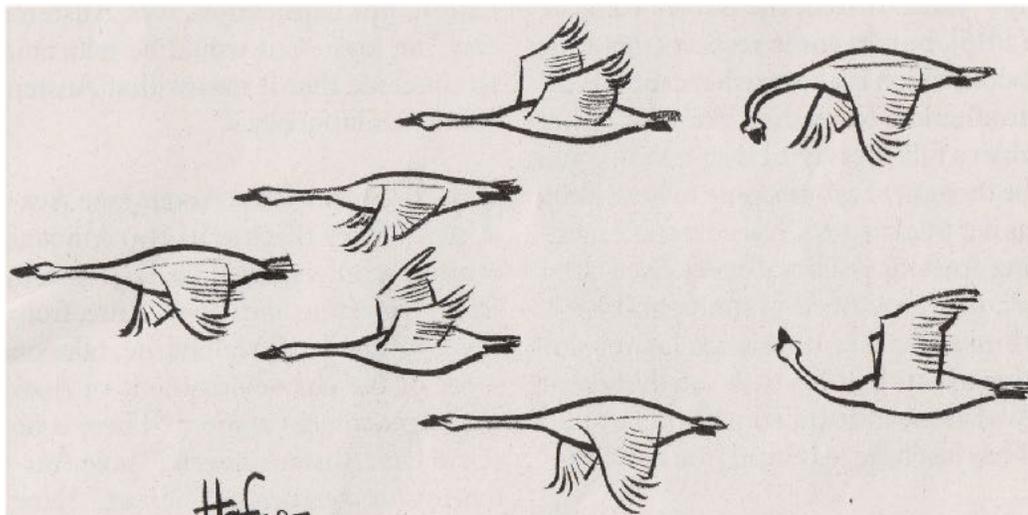




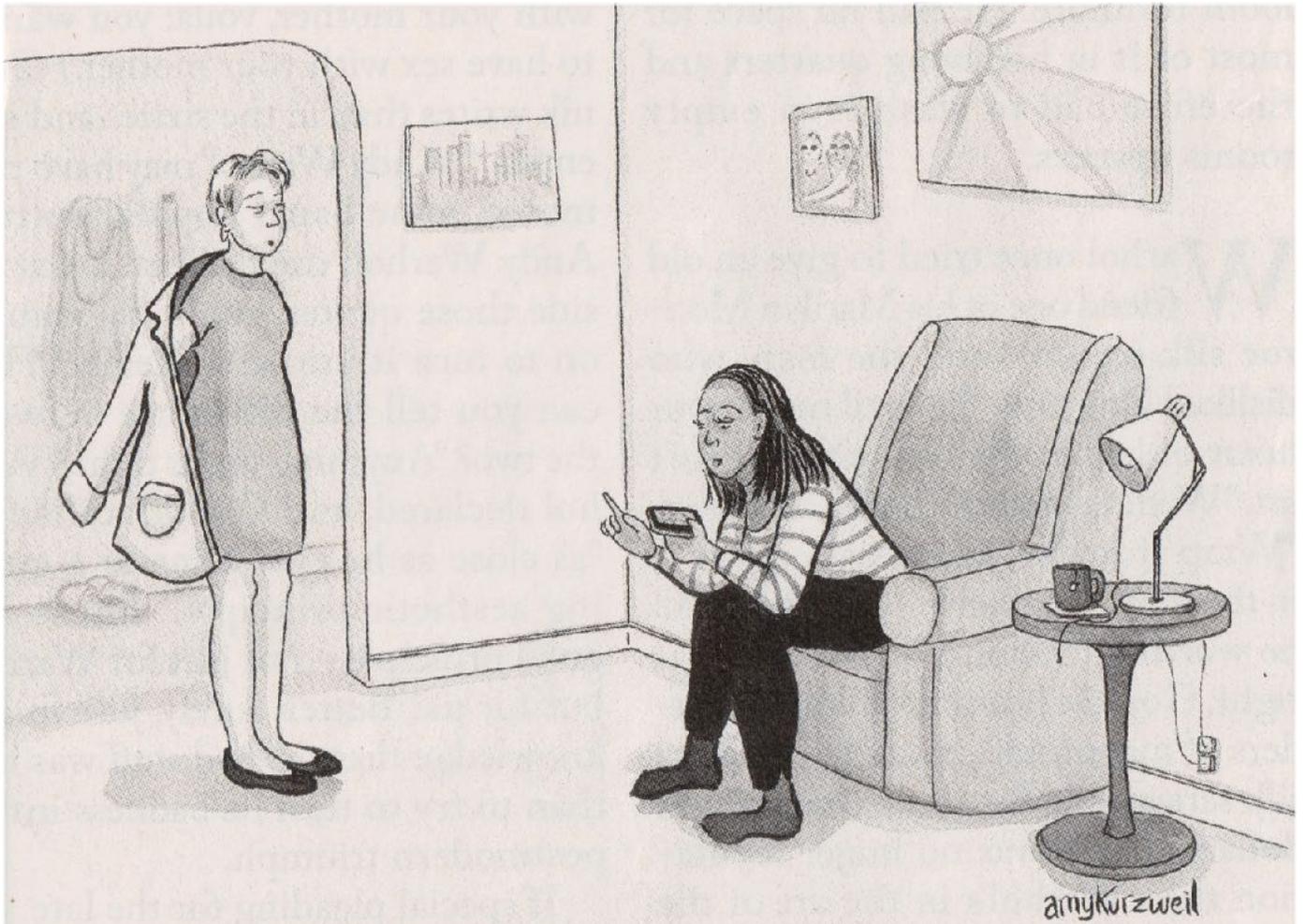
"Ignore it. He barks at everything."



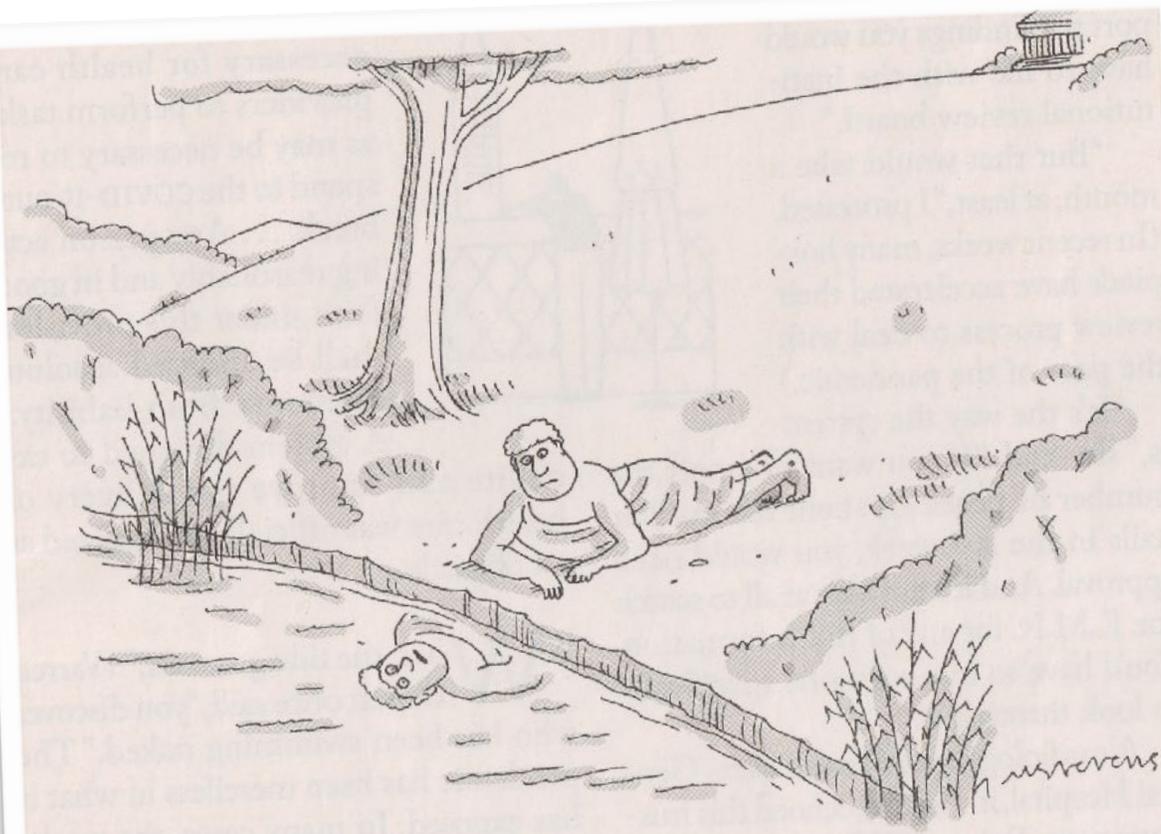
"That's strange. I remember it differently, in a way that aligns with my world view and casts me in a positive light."



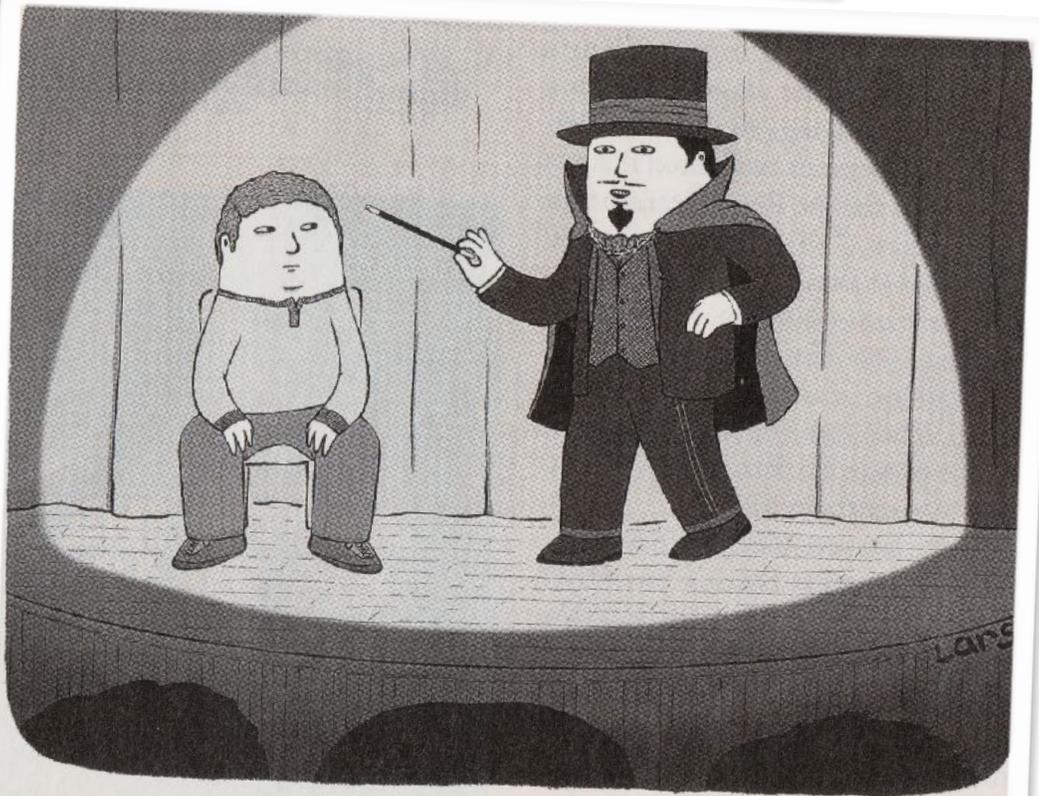
"We tried forming a collective—no leader, no structure, no power dynamics—but we just ended up flying in a circle over Winnipeg."



“Let me just check my e-mail, my texts, my missed calls, Instagram, Facebook, Twitter, WhatsApp, my credit score, my horoscope, the results of this latest personality test, the S. & P., the Dow, the news, this article about cute dogs, and the weather, and then we can go.”



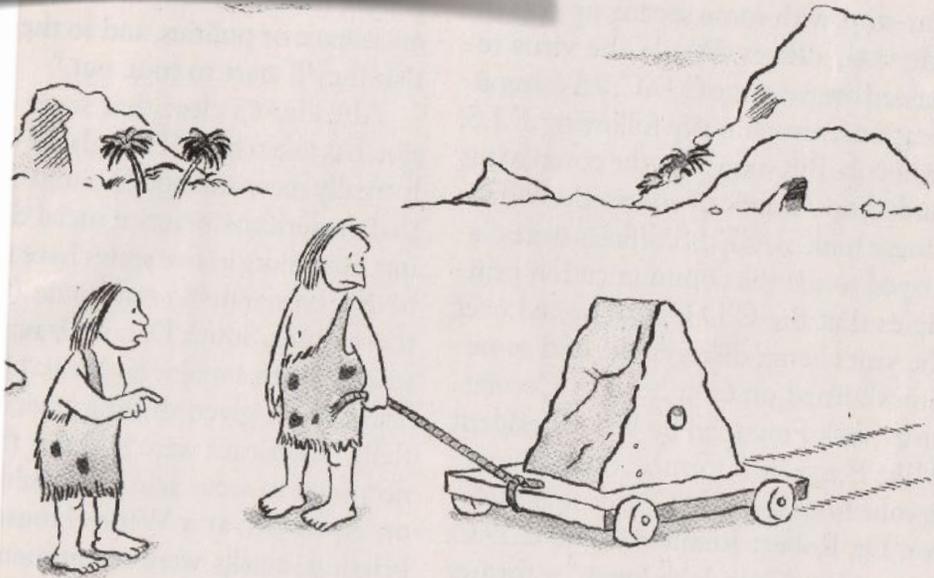
"Could we cut it short today? I need a little me time."



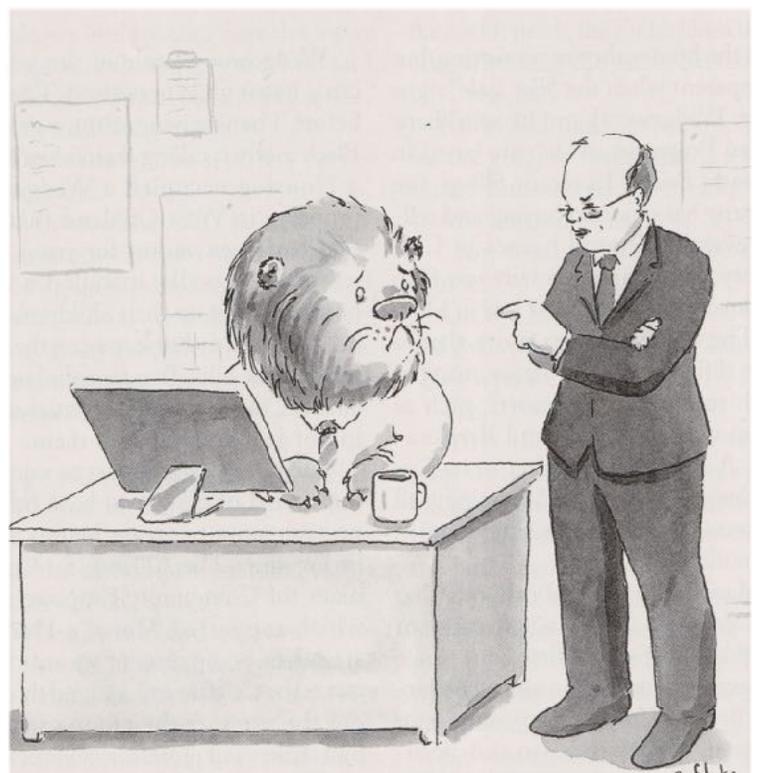
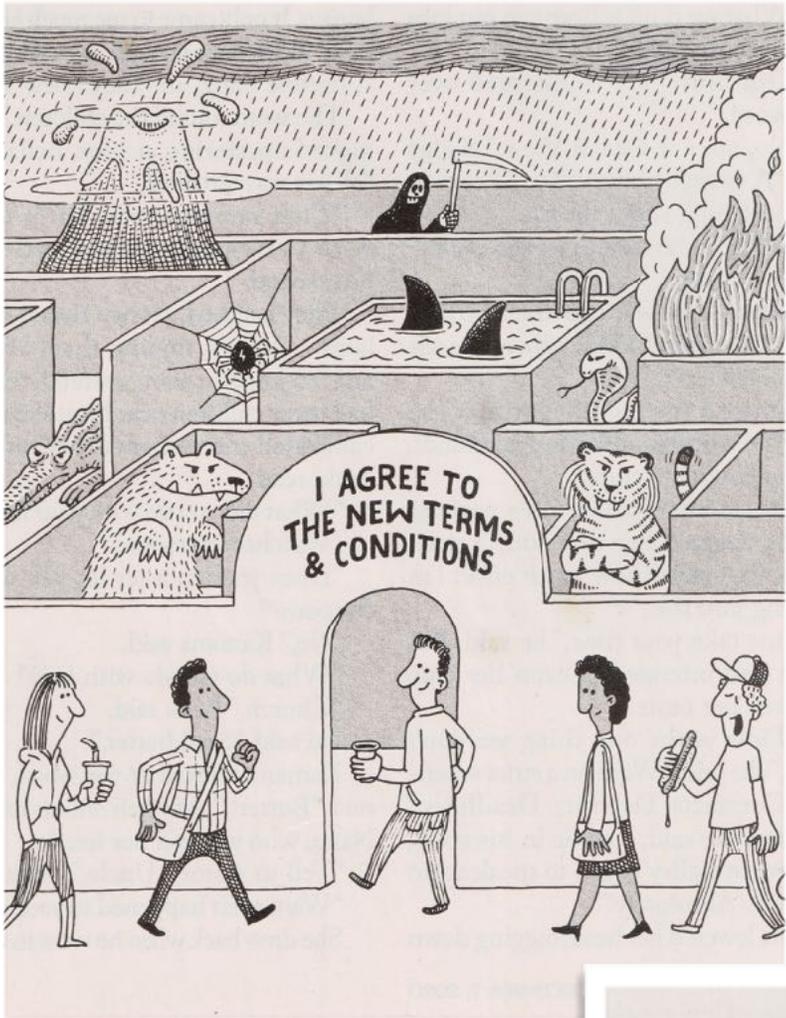
"For my next illusion, I shall convince young Steven that he has control over the trajectory of his life!"



"Stop saying everything is 'unprecedented.'"



"Tell me about that thing under it."



e. flake

"You may be king of the jungle, Tim, but don't forget—here you're just another actuary."

CAUX ROUND TABLE FOR MORAL CAPITALISM

www.cauxroundtable.org | Twitter: @cauxroundtable | Facebook: Caux.Round.Table

