

Let Freedom Ring!

Volume 8 Number 11

Your Editor on Real Issues
<http://www.LibertyForAmerica.NET>

November 2006

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Libertarian Strategy Gazette: I moved. Your editor is suffering from serious overwork.

Let Freedom Ring! and Libertarian Strategy Gazette are edited and published by George Phillies, 48 Hancock Hill Drive, Worcester MA 01602, who is solely responsible for the contents, for the Pioneer Valley Libertarian Association (www.pvla.net) and Liberty for Massachusetts (www.LibertyForMassachusetts.org)

Presidential Campaigns Advance

Your editor appeared at the 2006 Libertarian Party of New Hampshire State Convention, where he had 20 minutes for remarks and questions. My remarks and Question and Answer session were taped, and will appear on the phillies2008.org web site in the near future.

The only other Presidential candidate to appear was former United States Senator Mike Gravel, who is looking for independent support but is campaigning for the Democratic Party nomination. Gravel gave an impressive speech and fielded questions, most of which were entirely polite, with obvious good cheer. His audience received him entirely politely. Dr. Link of New York indicated a plan to attend, but truly dreadful weather was at hand first.

[Campaigns] (Continued on page 2)

Where Your Money Went

News from National Party (LNC) filings with the FEC remain similar to those from this Spring. The LNC took in under \$80,000, and managed to spend most of it, leaving no flexibility or reserves in case there were fluctuations in income.

Month	Income	Net	Cash	Debt
November	76	-35	-17	66
December	81	3	-14	110
January	93	25	11	140
February	97	-3	8	138
March	150	-4	4	128
April	106	0	4	110
May	115	11	15	116
June	103	-7	7	120
July	136	-4	4	110
August	92	-1	0.6	111
September	79	7	7	103

On the bright side, we had previously reported that UMP payments from national to the LPMA were not appearing in MA. Supposedly this issue will soon be solved.

LNC Meets in Denver August 19 and 20

We learn from their minutes: The LNC met in Denver. All members and four of the eight alternates attended, as did the Party's Executive Director and Office Chief.

Between meetings, the LNC had briefly considered a mail motion from Mr. Starr, to create a fundraising committee to be chaired by Mr. Starr and such other persons as he wanted on the committee. The motion was withdrawn on Starr's request five days after being advanced. At that time, there were five votes against and none in favor.

The meeting began with several efforts to strike items from the June 30 and July 3 minutes. M Carling moved to strike all references to Starchild. There was no second. Aaron Starr moved to strike the Public Comments sections. The motion passed 11-5. In favor were Geoff Neale, Aaron Starr, Jeremy Keil, Admiral Colley, Dan Karlan, Mark Bodenhausen, Dr. Jim Lark, Hardy Machia, Tony Ryan, M Carling and Emily Salvette. Voting against were: Bob Sullentrup, Pat Dixon, Wes Benedict, Angela Keaton, and Chuck Moulton.

The MA ballot drive program was dropped, the Chair reported, because of 'not enough time, not enough money and internal dissension'. Treasurer Geoff Neale reported that LP financials are in bad shape", but there are signs of improvement. Staff morale is said to suffer because the LNC does not have enough balance to cover its payroll. Neale is said to have described LNC financials as resembling those of a "college kid who doesn't know where his rent is coming from". He then moved to change the Policy manual to delete the current Liquidity requirement

"The Executive Director shall ensure that the LNC maintains sufficient cash balances to provide prudent coverage of accounts payable. For purposes of this section, a minimum prudent level is deemed to be that cash assets including CD's but excluding the special events account must exceed accounts payable (not including accounts related to special events) at each month-end. Also, no sin-

[LNC Meets] (Continued on page 3)

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(Continued from page 1) [Campaigns]

When the voting was over, your editor had won the pledged delegate who was awarded by this year's convention. The 2005 convention also awarded a pledged delegate, to Dr. Mary Ruwart, but she is apparently not planning on running.

Candidates who have filed organizing reports with the FEC include your editor, Steve Kubby, and regular candidate Kip Lee. This name list is from a computer search, so its reliability is imperfect.

The only campaign to have filed a financial report with the FEC is Phillies 2008. If you look, you find that your editor has raised \$5275 and spent \$2000 on web design and a few hundred dollars on other items. There is no requirement to file those reports before you raise \$5000, so there is no indication here of irregularity if other candidates have not filed yet.

Of the old campaigns, Aaron Russo's 2004 campaign raised \$32,000 and spent \$56,000 exclusive of candidate loans, and has closed its books. The Gary Nolan 2004 campaign is still formally on the FEC books, but has ceased to operate, and is no longer expected to file. Nolan ended his campaign in September 2004, having raised \$113,000 and spent \$137,000 in his pursuit of the nomination.

Vermont LP runs Nine for State Rep

In more local New England news, the Vermont LP is running nine candidates for State Rep. Five:

David Atkinson State Representative, Orange-Addison-1
 Bob Wolffe State Representative, Orange-Addison-1
 Jeff Manney State Representative, Rutland-5-1
 Hardy Machia State Representative, Grand Isle-Chittenden-1-1
 Ben Todd State Representative, Orleans-Calendonia-1
 were able to take advantage of Vermont Fusion laws to run also as the candidate of another party. One:
 Kevin Volz Rutland-5-4
 tried to do so, but lost his other-party primary, and therefore joined three:

Thomas Carpenter Jr State Representative, Rutland-5-3
 Andrew Thomas State Representative, Chittenden-3-8
 Don O'Donnell in Washington-6
 who are only running as Libertarians.

Across the border, the LP of New Hampshire has three candidates running—we gather from their web pages—as independents, and a half-dozen candidates running as Democrats or Republicans. In New Hampshire, you cannot run as a Libertarian, you can only run as a Republican, Democrat, or Independent, and LP candidates made a range of different choices as to which party's name they would run under. The presence of Libertarian candidates on the Republicans and Democratic primary lines created significant consternation in New Hampshire political circles, and it is possible that in the future New Hampshire ballot access laws will be changed to permit Libertarians to run as Libertarians.

In Massachusetts, there are two Libertarian candidates for State Representative, Bob Underwood of Springfield and Robert Leary of Fall River. In Massachusetts, the LP is a Political Designation (minor party) not a Political Party (major party), but you can still run as a Libertarian and have your party label by your name on the ballot. Both of these men have noted how much easier it was to get on the ballot now that the LPMA does not have major party status.

So far as we can determine, the Maine Libertarian Party has completely ceased to function, the Connecticut Libertarian Party is little better off, and the long-time chair of the Rhode Island Libertarian Party has defected to the Republicans, dropping the Rhode Island Party in the lap of a new state chair.

Other Big-Money Campaigns

The Badnarik campaign has now raised a total of 408590 and spent 400786. For third-quarter 2006, the campaign raised 81749 and spent 78297, leaving 13189 cash on hand. Through October 18 the campaign raised an additional 17898 and spent 23580. Major expenses include 4000, 3000, 3000, 2500, 5000, 10000, 1000, 2500, 500, 2000, 2500, 6000, and 5000 to Articulate Management for campaign management, 500, 500, 522, 409, 500, and a series of small amounts to Complete Campaigns for data base work and fundraising, 3054 per month to Sooth Limited Partnership for office rent, another 3000 to Entco to continue to pay for the delegate binders, 2000 and 630 for RV banners, 625 for media consulting, 1082 for trifold brochures, 1136, 750, 750, 143, and 750 to Aldrich Partners for publicity, 500 to the LNC for an ad, 1082 and 1044 for bumper stickers and coroplast signs, and 450 for billboard skirts.

The Smither for Congress Campaign has raised 37929 and has 23 311 cash on hand as of October 18. The Smither Campaign suddenly gained attention when the Republican Incumbent, Tom Delay suddenly withdrew from the race and then had it determined that his Republican Party could not replace him on the ballot, leaving voters in a heavily Republican district with a Democratic Party candidate and a Libertarian on the ballot, and three Republicans running heavily funded write-in campaigns in a district with electronic voting machines. There is a simultaneous special election to fill out Delay's term, with Smither and four Republicans (none running in the general election) on the ballot.

The Guthrie campaign has spent thirty-nine thousand dollars this year, and has a nominal 1.2 million dollars cash on hand.

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gle account payable shall ever go beyond 60 days past due including revolving accounts where minimum payments are due each month."

And replace it with a Reserve Requirement "The reserve for each month is calculated as the excess of all cash assets not including the special events account (federal checking, non-federal checking, time deposits, and credit card balance) above accounts payable (not including accounts related to special events) measured at month-end, provided that no less than 90% of such excess is held in interest bearing CD deposits. The reserve should average 2.5% of budgeted revenue.

In addition, the reserve at the end of each December should be no less than 2% of budgeted revenue. CD maturities must be no less than one month but longer term CD's may be purchased at the discretion of the Executive Director. Early withdrawal is not allowed except by explicit approval of the Treasurer. Not renewing a maturing CD requires consultation with the Treasurer. The reserve for each month is calculated as the total cash balance less the sum of all restricted funds and accounts payable at month end. The reserve target shall be the sum of all occupancy, labor and governance monthly expenses. "

The motion passed without objection.

On the positive side, Robert Krause reported that the Party's payables have improved from \$159k to \$95k and dropping. Also, and recall the comparison with a half-decade ago, the Treasurer reported that when he requests information he receives it promptly, not in two or three days. The Executive Director reported a series of positive news notes, with former LPNC Executive Director playing an extensive positive role, and noted a plan to do a 25-50 thousand piece mail drop in the near future.

Concern was expressed that we have not always been able to pay legal counsel Bill Hall in a prompt manner. Progress is being made on reducing his payables.

The LNC fell into a Goal Discussion. Dixon moved to make the LNC's top priority compliance with the reserve requirements in the policy manual, with a timeline for compliance of December 2007. Jim Lark proposed that this discussion should instead be part of the 2005 budget. Dixon's motion failed 5-10. The votes included: Ayes--Bob Sullentrup, Geoff Neale, Pat Dixon, Wes Benedict, and Angela Keaton. Nays: Aaron Starr, Jeremy Keil, Dan Karlan, Jim Lark, Admiral Colley, Hardy Machia, Tony Ryan, M Carling, Emily Salvette, and Chuck Moulton.

It appears that the new logo was produced by the Saff without LNC approval. The meeting discussed the new logo, which is really very cleverly designed, but took no action relating to it. There was debate about the web site, but no action was taken.

Once again, the Carver model of Governance was floated in

front of the LNC. As we have previously remarked, the Carver model was designed so that a board with little technical competence could give direction to a staff that was technically highly competent, e.g., a hospital board of local community leaders and notables trying to run a hospital. It is inapparent what this has to do with the LNC and its staff, but the model is being considered again. On a motion passing 13-2, Scott Lieberman was authorized 'to research providers of Carver Policy Governance facilitation and present bids from at least two such providers at the next LNC meeting.'

The motion passed. Ayes: Geoff Neale, Pat Dixon, Scott Lieberman, Angela Keaton, Jeremy Keil, Dan Karlan, Mark Bodenhausen, Dr. Jim Lark, Admiral Colley, Hardy Machia, Tony Ryan, M Carling, and Chuck Moulton. Nays: Bob Sullentrup and Emily Salvette. Wes Benedict abstained.

Formation of a Convention Committee was postponed to the Sunday discussion. Chuck Moulton noted the proposal for a project to encourage states to acquire and support executive directors. Apparently there was a consensus that this was a bad idea. Moulton also moved that the LNC should form a building project committee, consisting of Geoff Neale, Richard Burke, and Admiral Colley to investigate buying or erecting an owned building. The motion failed 1-14. Aye: Chuck Moulton. Nay: Bob Sullentrup, Geoff Neale, Pat Dixon, Aaron Starr, Wes Benedict, Angela Keaton, Jeremy Keil, Dan Karlan, Mark Bodenhausen, Dr. Jim Lark, Admiral Colley, Hardy Machia, Tony Ryan, and Emily Salvette. M Carling abstained. The Advertising & Publication Review Committee (APRC), which reviews various documents to see if they are consistent with the Platform and Statement of Principles, was authorized to correct those documents if they are inconsistent.

LNC Projects were discussed, notably the Campus Organizing and Branding Projects, which were supported.

The Executive Committee will provide a prospective 2007 budget to the LNC 3-4 weeks before the November meeting. Geoff Neale proposed providing incentives and recognitions for donors. For example, current Life Members could be renamed 'Legacy' life members, with new bronze (\$2500 donation), silver (\$5000) and gold (\$10,000) life membership classes being added. A working group consisting of Geoff Neale, Dan Karlan, Shane Cory, and Steve Dasbach will treat the matter.

The LNC then used an Executive Session to discuss the past convention, sensitive national office matters, fundraising and member recruitment, and FEC / Ballot Access issues. It is inapparent why it was appropriate to discuss convention income in an executive session.

The 2008 and 2010 convention sites were provisionally set at the Denver Adam's Mark and the Austin Hilton, respectively. Neale moved to make the 2008 convention a four-day event. The motion passed 13-3. Ayes: Geoff Neale, Pat Dixon, Aaron Starr, Angela Keaton, Jeremy Keil, Dan Karlan, Mark Bodenhausen, Dr. Jim Lark, Admiral Colley, Hardy Machia, Tony Ryan, Chuck Moulton, and M Carling. Nays: Bob Sullentrup, Wes Benedict, Emily Salvette.

Let Freedom Ring!

The LNC discussed goals and prospective leaders. There was apparently some settlement toward

- 45 states ballot access (Bill Redpath)
- 218 congressional candidates (Chuck Moulton)
- 1 million presidential votes (Angela Keaton)
- Increase elected officeholders (M Carling)
- Increase libertarian voters identified (Jeremy Keil)
- Double voter turnout in half the states
- Libertarian caucus in a state house, 3 or more (Hardy Machia)
- 2008 candidate a guest on the Daily Show
- Increase media exposure

Financial

- \$50,000 in monthly recurring gifts
- Meet reserve target (Pat Dixon)
- Increase sustaining membership (Jeremy Keil)
- Raise or give \$100,000 from LNC members (Aaron Starr)
- Break even 2008 convention (Julie Fox)
- Bring payables down (Wes Benedict)
- Quality GAAP/FEC/highly auditable books
- Full compliance with reserve requirements as per policy
- Increase active donors to 25,000 from 12,000 (Jeremy Keil)
- Restructure rewards system (Geoff Neale)

Organizational

- 51 operational affiliates (Dan Karlan)
- Ballot base rolled out
- Operational campus organizing network coordinators in 50 states (Dr. Jim Lark)
- Carverize the Policy Manual (Scott Lieberman)
- Recruit new quality board members (Bob Sullentrup)
- Define core activities

but there will be a vote to rank order these activities.

There was a detailed Treasurer's report, appearing in the minutes as an Appendix. Neale gave his opinion on how financial reports to the LNC could be improved. He then discussed the Party's financial situation: "Basically, we're in bad shape. Things have been worse in the past, but our financial situation can in no way be considered good. In fact, I think that we've been in bad shape so often and for so long over the last five years that we as an organization have come to consider bad shape to be situation normal, and of no significant concern. I couldn't disagree more."

He called the LNC's attention to several critical issues:

The Accounts Payable balance "has improved measurably this year, but is still incredibly bad. Our July month end AP balance was \$95,186, of which \$65,747 was past due." He attributed the issue to excessive expenses and diminished revenues. He proposed that the end of UMP led to much of the current difficulty. Much is owed to the Party's counsel and the FEC consultant. He recalled that the LPDC was, in 2004,

overpaid for UMP. However, the LPDC has ceased to exist, so there is no obvious prospect for recovering it. A new LPDC, he indicated, would be discouraged if the LNC promptly gave them a large bill for repayment of this amount.

On the other hand, the LNC is owed large amounts of money. LP News did not always collect its advertising charges. It appears from the minutes that when LP News stopped running ads, it had a number of people who had prepaid for ads that have not yet been run, and that these people may want their money returned. It appears that Staff has tried to convince the people who paid for advertising to convert their ad payments into donations to the party. Alternatively, the Party must refund the payments. There were also in the minutes noted to be two large receivables. The "Mail House Settlement" in your editor's opinion appears to be being described as a reference to the litigation the LNC launched in the late 1990s against Gene Cisiewski, though his name is not mentioned in the minutes. It appears that in the end the LNC "...never received a penny from this individual..."

In addition, there is an amount apparently labeled as Mailing List Receivables. According to my reading of the minutes, Neale proposed that the amount in question refers to a 2002 event "we hired and subsequently terminated an employee who had run up over \$10,000 in personal charges on an LNC credit card, and was unable at his salary level to repay the amounts. He accepted responsibility, and I believe we have a promissory note..." Neale is reported in the minutes as indicating that the above two receivables may have been overvalued.

Editorial

When I took over as Editor of Let Freedom Ring!, some six years ago, our state and national parties were in difficult straits. The 1996-2000 Presidential campaign had been involved in a series of interesting financial features, some with active LNC complicity, that when made clear to our readers were widely felt to have been scandalous in the extreme. The Massachusetts State Party was in the hands of a leadership clique that wasted huge amounts of money (Our Editorial went 'A Biennium of Profligacy') and emplaced a wide variety of policies calculated to ensure that they would have no competition no matter what negative consequences followed for the rest of the party.

Now the world has changed. Both on the National Scene and here in Massachusetts, the people responsible for various peculiar misdeeds have departed, and no longer enjoy say or responsibility for party actions. They have been displaced, root and branch. Some of the most prominent Massachusetts personalities have moved out of the state. Others have ceased to be active in the Party. It may yet be that future party members will once again attempt to develop leadership cults or drive exotic spending patterns that lead to massive personal gain, but that is for the future. It will doubtless be the case that candidates with inadequate attention to their finances will waste vast amounts of money on paying consultants rather than doing real politics.

Let Freedom Ring!

The new Libertarian Party of Massachusetts leadership should be very familiar to many readers, because many of them are the same people who provided the PVLA with its leadership and who were instrumental in forming Liberty for Massachusetts. These people—I'm one of them—are now hard at work bringing to the LPMA the reforms and policies that had been started by Liberty for Massachusetts. There now appears to be agreement among current LfM officers that LfM should be placed in hiatus pending a sudden reversion of LPMA policies to prior norms.

This is not to say that our national party is necessarily entirely in perfect hands. It is certainly true that the LNC has had on it a number of very fine hardworking people. Many of the new LNC members are also good. On the other hand, in the last term the Chair became very busy with family and business matters. This is a normal occurrence, and no one will fault the CEO of a volunteer organization for putting his personal responsibilities first. However, as the convention approached it became apparent that his email contact at LP.ORG was linked to a mail box that would no longer take mail because it had not been accessed in a very long time. Several members of the LNC opined to me, if I understood them correctly, that the former national chair had been substantially inaccessible for a half-year or so. The difficulty here is not that the National Chair had personal issues and handled the personal issues in a responsible matter. The difficulty is that when he insisted on remaining as National Chair the remainder of the LNC did not call him on it. There is a dividing test between a good governing board and the alternatives, and here we see the alternative. The LNC is and will for the foreseeable future continue to be an issue. For this reason, I have urged my nominating campaign that we should prepare to raise a third of a million dollars to treat ballot access for the next Presidential nominee.

In addition to these other issues, your humble editor, rather than telling other people how to run their Presidential Campaigns, has decided to run for President himself. That's a very large time commitment. Also, while I have tried to be scrupulously fair in treating the activities of other candidates and possible candidates, that's challenging to do in a credible way.

Accordingly, at its next meeting, I will urge the PVLA to consider alternatives for the publication and circulation of *Let Freedom Ring!* If you are a current subscriber, your interests will be fully protected.

I do not preclude publishing at least occasional issues of *Let Freedom Ring!* It may well be that we will publish *Libertarian Strategy Gazette* as an independent newsletter. There are lots of good positive approaches to strengthening politics being developed around the country. By learning from each other, we may well be able to hasten the day when Libertarian Party governments are successful in every city and town, every county and state and even Washington D.C., everywhere in America from sea to shining sea.

George Phillies

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**Libertarian
Social and Activism Events**

November

7 Election Day Show Up. Vote!

And if you are in Western Massachusetts remember that you have an opportunity to help Libertarian Robert Underwood in his campaign for State Representative. Email Bob at rjunderwood2000@yahoo.com .

8 6:30 PM PVLA Monthly Meeting, Hu Ke Lau Restaurant at Mass Pike Exit 5 Contact: Carol McMahon, 413-250-6608 cjmcmahon@verizon.net

18 6:00 PM WCLA Monthly Meeting, Tweed's Restaurant, Grove Street Worcester MA 01605

28 8:00 PM Lowell Area Liberty Association, Outback Steakhouse, Reiss Street, Lowell , Arthur_torrey@comcast.net<- NB underscore after 'Arthur' 978-663-0241

December

13 6:30 PM PVLA Monthly Meeting, Hu Ke Lau Restaurant at Mass Pike Exit 5 Contact: Carol McMahon, 413-250-6608 cjmcmahon@verizon.net

17 6:00 PM WCLA Monthly Meeting, Tweed's Restaurant, Grove Street Worcester MA 01605

26???? 8:00 PM Lowell Area Liberty Association, Outback Steakhouse, Reiss Street, Lowell . Very definitely contact Arthur_torrey@comcast.net<- NB underscore after 'Arthur' 978-663-0241 before appearing for this possible Boxing Day event.

January

6 LPMA December Social 521 Fellsway East, Malden, MA 02148 phone 781/321-0210 Directions: Take exit 32 off of Rt. 93. Head East on Rt. 60 (towards Malden) for about a mile. You will see a shopping center on the right with a Foodmaster store. This intersection is Fellsway WEST. Go one light further (there is a church on the right). This is Fellsway EAST. Take a left up the hill and my house is .9m on the right, white colonial with dark blue shutters.

