

The New Path Plan

In 2010, the New Path Team made a series of proposals for improving our party. Many of those proposals were in a book, approximately the book you see here. A few of the historical bits are now two years older, some of the candidates have changed – but the proposals for the party are still fresh.

(Alas, a few of the figures will not transmit into this format.)

Introduction

Our Party faces an incredible opportunity. Our Republican opponents have discredited themselves, and the Democrats are little better off. On issue after issue the American people support our stands, not our opponents'.

Alas, our party is in great difficulty. Over the past decade, membership and income have crashed. Many state parties have faltered. If our national party continues on its present course, it will cease to exist.

It's time for a change. It's time to focus national party resources on doing real politics. It's time to do outreach, support candidates, support volunteers and state parties, and set our party on the road for political majority status.

We represent a New Path for the Libertarian Party. We're running for the National Committee, all of us, and we'd like your support. This pamphlet tells you what we propose to do. We hope you like our ideas. More important, we welcome your suggestions for improvements. Our party is in real trouble, and we need everyone's good ideas if we are to recover.

The LP has been in existence for nearly 40 years. Early in this campaign. James Oaksun wrote that our party is facing an existential crisis. We still believe that. What we decide in St. Louis will either mark the beginning of the Libertarian Renaissance, or will mark the beginning of our Party's end.

We offer a New Path for the Libertarian Party. *We offer a plan to REVIVE the party.* Ask our opponents to tell you about theirs.

...The New Path Team

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Part One: Our Present Situation

The Opportunity

We Libertarians face a golden political moment. We simply need to take advantage of the situation we have been handed. One of our political opponents, the Republican Party, launched a war of conquest. No, not the wars on Afghanistan and Iraq. The Republicans invaded and conquered a new corner of the Nolan Chart. That's right, they marched down from their traditional conservative position to conquer the old authoritarian quadrant. Their erstwhile foes, the Democrats, are following in their footsteps.

That invasion is a huge opportunity for us. On issue after issue, the other two political parties have taken clear stands, stands that are the opposite from our positions and the opposite from the considered beliefs of the American people.

The Republicans are earning their reward for their efforts. Most Americans know that the Republican Party is the party of overage white male bigots whose thoughtful approach to the every issue is pounding on their chests. Young people reject the Republican Party by two-to-one or more. Persons of color and recently arrived ethnic minorities reject Republicans by up to 15-to-1. Now many of those people are starting to notice that while they loathe Republicanism, they don't like Democrats that much, either.

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The opposite?

Consider the characters of Atlas Shrugged. The heroine of the piece is an engineering CEO. Her boyfriend is a materials scientist and industrialist. Another hero invents a cloaking ray. Even a major villain is a physicist. All these people are deeply engaged with science, engineering, and physical reality.

Compare those heroes with that Republican paladinette, Sarah Palin, a woman who rejects evolution and global warming, and claims that abstinence works as birth control for teenagers. Her stands are immensely popular with her many supporters, the legion of the belligerently ignorant who reject science, engineering, and reality in favor of delusion and conspiracy theory. And the Democratic Party is afraid to challenge Republicans on their nonsense.

Republicans have ceased to be conservative, too.

A half-century ago, conservatives believed that the Constitution was a functional document with working checks and balances. It was a Republican Attorney General who dragged American citizen Jose Padilla from the streets and locked him up in a military prison without trial or access to lawyers. Republicans wiretapped every phone call in America, without a warrant. The Democrats did nothing to protest.

Conservatives believe in smaller government. When the Cold War ended, Republicans drove military spending up to a trillion dollars a year. President Obama campaigned to enlarge the Army and Marine Corps even further. That's the Republicans and Democrats, hard at work gorging their defense welfare clients, the bomber builders and the tank makers, all with your tax dollars.

Consider that least controversial of topics, the treatment of prisoners of war. When our candidate for Chair, George Phillies, went through Army Basic Training, forty years ago, the message was simple: Obey the Golden Rule. We protect the POWs in our hands, so that our POWs in their camps will also be protected.

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The fate of the Republican Party is seen in its 2010 fundraising document. Republicans say they have two groups of donors. Major donors engage in calculated giving, and direct marketing donors engage in visceral giving. Major donors respond to networking opportunities, access, wall of fame photos, ... In short, they are well-to-do Americans investing in America by buying a Congressman. Visceral givers respond to fear, hatred of Obama, and an occasional issue. Even Republicans call their visceral givers "Reactionary". In short, visceral givers are the people who believe every rant of far right wing radio hosts.

How do Republicans reach out to major donors? There are meetings with fine Republican politicians like Senator Vitter, events at the Indy 500, football games, a Texas Bird Hunt, a bull riding event, and that extremely expensive stop at the West Hollywood night club focused on lesbian bondage events. Republicans tend to be short of support from women, and can't imagine why.

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And the Democrats? They raised scarcely a word of protest. They were too busy outdoing the Republicans at expanding the welfare state, bloating the national debt, and sending more troops to Afghanistan.

Which leads us to our opportunity and our moment. With both major parties eagerly pursuing authoritarianism at home and abroad, the environment for our solutions – Libertarian solutions – has

never been better. Across the world, the end of the cold war brought the end of cold war political parties. Now we have the chance to send some American political parties to join them.

The Libertarian political movement offers the alternatives most Americans want but do not know how to reach. We offer peace, freedom, and prosperity. We only need a sound political structure to advance to victory.

Victory can happen, but only if we begin to take action now.

Look around – we see Campaign for Liberty, we see Young Americans for Liberty, we see the Ron Paul campaign. All sorts of activity, people working together, having fun, doing things.

Where is the Libertarian Party, the party that should be in the forefront of the march toward freedom?

At present: We are Nowhere.

Ask yourself: Why? Ask yourself: Who's been in charge of our national party? What are they doing?

Ask yourself: The people who brought about the ongoing disaster in our Party's fortunes. Are they the ones you trust to right our ship?

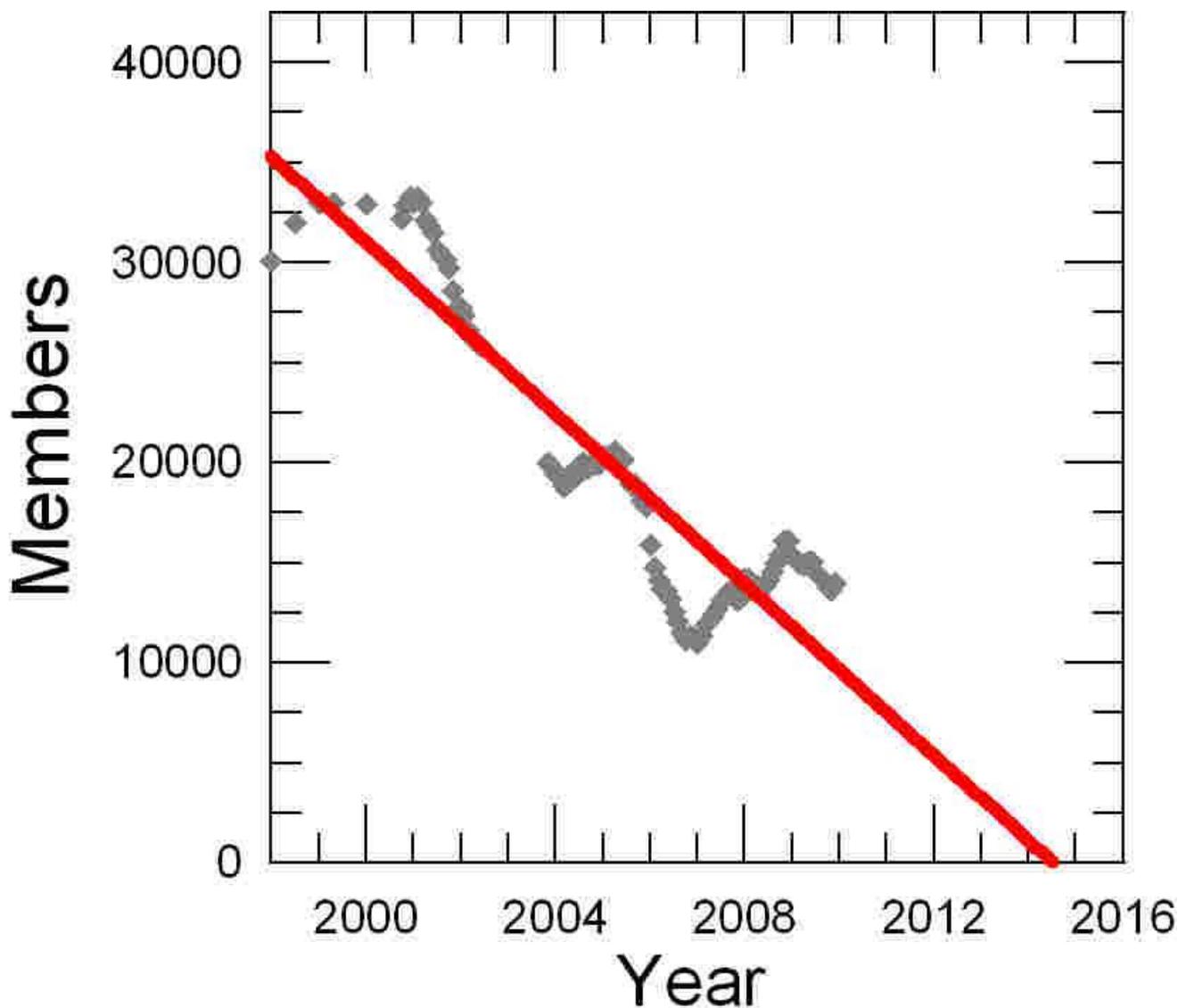
Or is it time for a New Path for the LP?

That's up to you. But first, let's see where our party is today. Let's see why we say our party is an ongoing disaster.

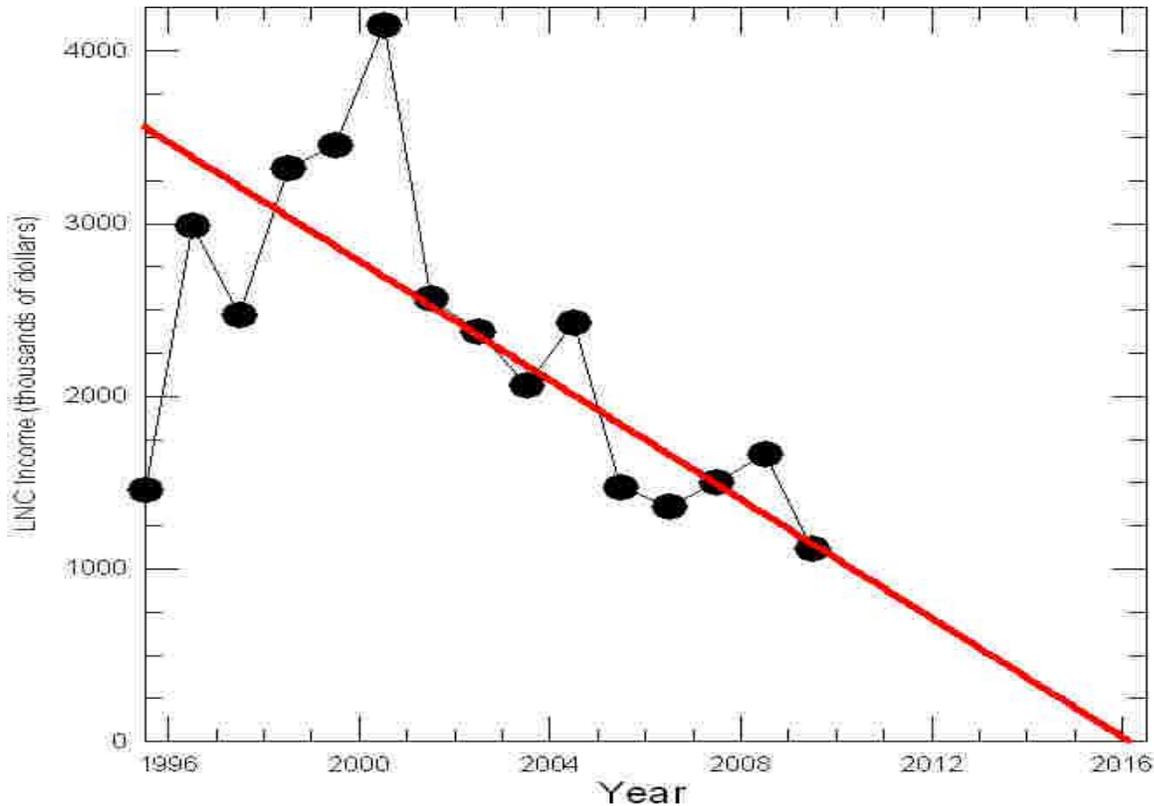
The Mortal Danger

Our Libertarian Party is morbidly ill.

Since 2000, party membership has fallen more than half. The following graph shows party membership. There are dips and bumps, but the trend is down, down, down. The red line is a linear extrapolation of current trends. If things go on, someplace around 2016 we will be down to the life members and a few party faithful.



Since 2000, party income dropped by three-quarters in real dollars. You can see the fall in the next graph. As with party membership, there are dips and bumps. We do better in election years. The trend is still down, down, down. If things go on, by 2016 party income will nearly have vanished.



Look at the fall in income (in inflation-adjusted dollars). If we continue as we have, our Libertarian Party will soon dwindle to a pale half-shadow. If we continue as we have, our Libertarian Party will soon go broke.

What about our State affiliates? How many of them really exist? Certainly not 51, not as of this writing. Don't believe us? Go to LP.org. Check through the state web pages. When were they last updated?

James Oaksun, who is running for LNC Treasurer, is up on the web now. You can't fool Alexa.com: His website, JamesOaksun.com, in six weeks became more popular than the websites of all but one LP state affiliate! While flattering in a sense for James... that's just wrong!

Our party, the good ship Liberty, simply cannot survive on her present course. At some point, rather before we actually exhaust our supply of members, affiliates, and money, our Party's fixed operating costs will become a burden too great to bear.

We must find a new course, a new captain, and a new crew to put us on that new course, or we will

join the Whigs and the Federalists in the graveyard of dead parties.

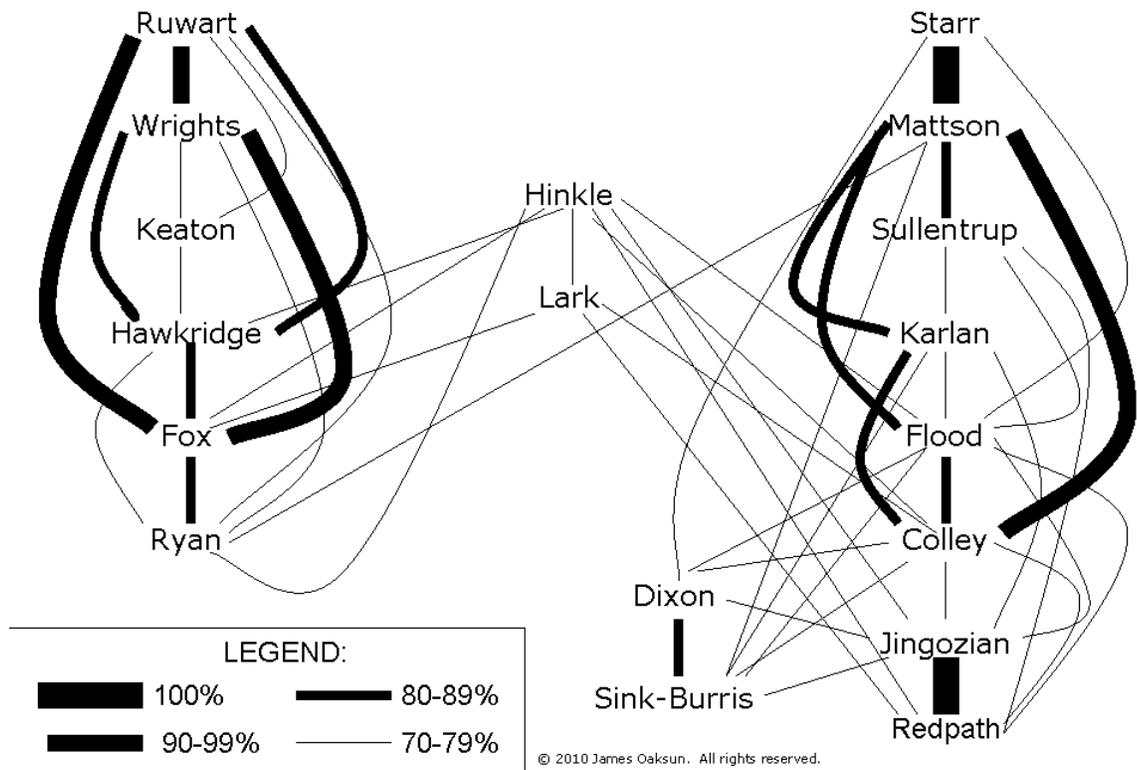
Find a new course or die. That is the stark choice that faces us.

If we were a for-profit corporation, investment advisors would agree: LP is going broke. Of course, if we were a for-profit corporation, the stockholders would revolt. The old board of directors would be sent packing. New, competent officers and directors would be brought in to save their investments.

Officers? Board of Directors? We do have a Board of Directors, don't we? Indeed we do. They're the Libertarian National Committee. They're supposed to be working to build a stronger party. Their voting record shows they are bitterly divided. Here's the record of their recorded votes for the current LNC, up through the Nashville meeting. Those votes create an unambiguous record.

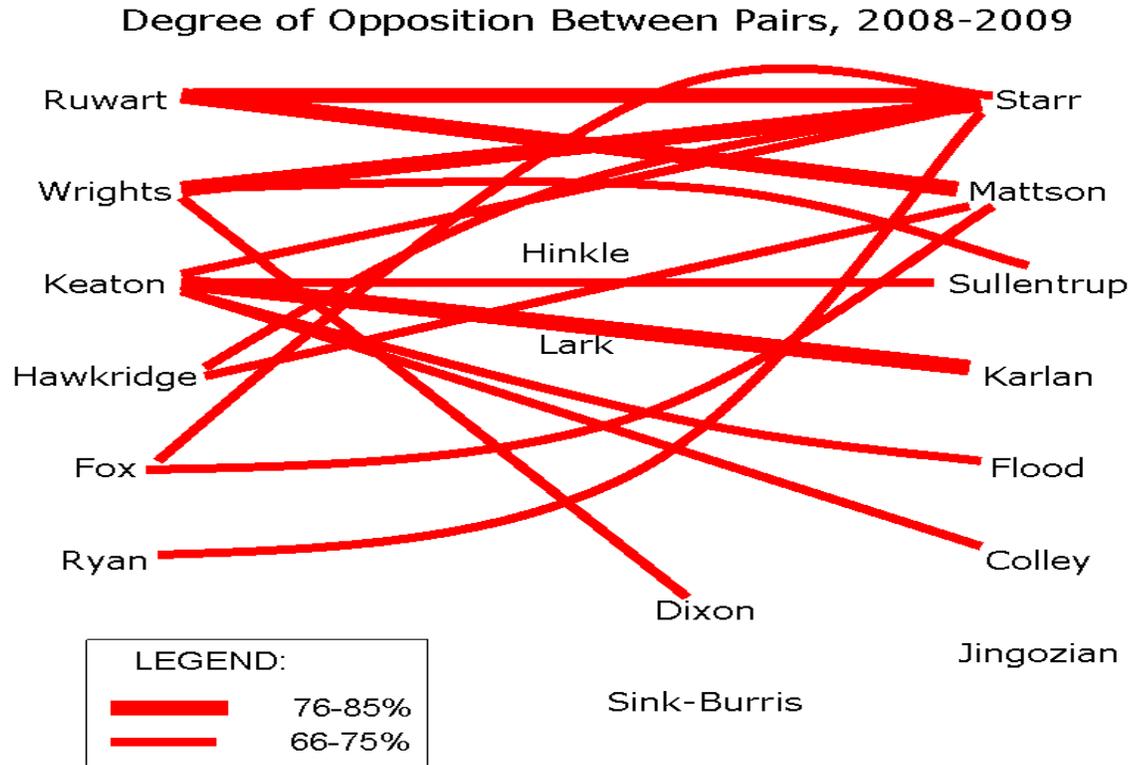
The first chart shows how often a pair of LNC members voted on the same side of an issue. The thicker the black line, the more often the two LNC members connected by the line vote together. Those black lines run up and down. The folks in the left column tend to vote with each other. The folks in the right column tend to vote with each other, too. A very few black lines connect the two columns. There are clearly two voting blocs.

Libertarian National Committee Voting Blocs, 2008-2009



A picture is worth several huge spreadsheets. You can't miss in the above that there are two groups of people each voting with their own side.

The second chart shows how often a pair of LNC members voted on opposite sides of an issue. The thicker the red line, the more often the two members disagreed. Those red lines run left and right. There are two voting blocks here, and they disagree with each other.



A picture is worth several huge spreadsheets. You can't miss in the above that there are two groups of people each voting against the other side.

If you look hard at those graphs, you'll notice two unconnected names: Keaton. Mattson. Those names are disconnected because they never had a chance to agree or disagree with each other. They weren't on the LNC at the same time. Keaton resigned from the LNC; Mattson replaced her.

Resigned? Replaced? Those words miss the point.

Angela Keaton was an outspoken member of her faction -- on the left in the charts -- on the LNC. Members of the other faction -- on the right in the charts -- spent large parts of two LNC meetings trying to drive her from the LNC. There was a motion to suspend (LP Bylaws term that means "expel") her from the LNC. In the end, a nose count showed that the suspension motion lacked the required votes. A motion was then made to refer the matter to committee, dragging the issue out toward a third LNC meeting. At this point, Angela resigned from the LNC. The faction that had driven her out replaced her on the LNC with a person sure to vote on their side.

Next, the same faction tried to remove Lee Wrights from the LNC, claiming that his membership had expired. This claim ended in the hands of the LNC Judicial Committee, a body that has had next to nothing to do for decades. The LNC Judicial Committee overturned Wrights' removal, and

restored him to the LNC.

Our LNC is elected by us, the membership, to advance our Libertarian Party. Our LNC is instead busy with political infighting. The current dominant faction on the LNC -- the people in the right column -- have moved away from political means. They have instead resorted to war to the knife. They aren't trying to beat their opponents by outvoting them. They're trying to *destroy* their opponents by ejecting them from the LNC.

We the membership elected our LNC. We chose the people we wanted to carry out our party's purposes. We gained an LNC that instead spent its time in bitter in-fighting and meditations on Robert's Rules of Order.

Returning to our metaphor, our good ship Liberty is foundering by the bow, the engine room is on fire, and the ship's officers are fighting about who should sit at the Captain's Table for dinner.

Stockholder revolt? That's the cure our party needs: A membership revolt against a decade of mismanagement that has almost destroyed our national party.

That, fellow Libertarians, is why the New Path slate is running for National Committee.

A Simple Summary: Strengths, Weaknesses, Opportunities, Threats

Business plans sensibly start with a serious look at the situation. Where are we? What do we do well? What's stopping us from succeeding? Where do we have opportunities? What is threatening us? The answers appear as bullet-pointed lists.

SWOT Analysis

LNC Inc. suffers from an extensive series of long-term weaknesses. These have now combined into a threat to its continued existence. If these weaknesses are not corrected soon, the National Party will cease to function in a meaningful way. On the other hand, there are enormous opportunities awaiting an active, effective party.

Strengths

First consider the places where we are doing well.

Great loyalty of our party faithful in face of adversity and defeat.

Name recognition. People know now our name 'libertarian' and what it means.

State affiliates. We are the only third party truly active in most states.

Ballot access. We actually know how to get on the ballot across the country.

Money. A million a year in income, with a large contact list; could be effective if used well.

Core beliefs. A solid core of libertarian beliefs, most supported by almost every libertarian.

Weaknesses

Negative momentum -- the National Party is going backwards.

Weak leadership. A National Committee not focused on substance. Purges and witch hunts.

Activists leaving party.

Poor financial management. Too much money going to things that do not do politics,

communicate our message, or add value proportionate to cost.

Weak staff development and supervision. No Executive Director for a year. AN LNC press release absurdly attacking Libertarian author and candidate Mary Ruwart.

Lack of vision: Where should we go? What could we be?

Dilution/diminution of core libertarian message. Core positions tossed aside in name of expediency.

Faux libertarians leaving the impression that we are social conservatives.

Lack of affiliate support.

Management by inertia. No priority setting.

No focus on younger potential members. Potential libertarians being lost to campaign for liberty, tea parties, and friendly groups who are more libertarian than we are.

Parliamentary Paralysis -- Obsession with Robert's Rules of Order to the point of fetishism.

Opportunities

Opposition Republican Party handing itself over to people who most Americans realize are idiots.

Opposition Democratic Party copying key Republican positions.

Americans are absolutely furious. Far right has lapsed into low level insurgency with assassinations (Tiller), violence (Texas IRS office attack, Congressional district office attacks), and incivility (Tea parties).

Majority of Americans now tending independent in their political allegiance.

Heavy polling support for a new third party.

Young people who support our social freedom stands. Overwhelming support for marijuana legalization and equal rights for sexual minorities.

Public support for libertarian stands -- no bailouts, ending the Asian wars -- with the other two parties in opposition.

Threats

Plummeting party income.

Crashing renewal rates.

Member disinterest and cynicism.

Decreasing credibility -- fundraising appeals now lose money.
Continually diminishing activity.

Emerging competition.

Party being confused with Republican crackpots.

Political infighting at the *destroy the opposition* level.

Treading water -- the National Committee response to the above is to keep repeating the same activities on a smaller and smaller scale.

Summary

Despite enormous mismanagement, our strengths are with us. We may not yet be the majority party, but we are far stronger than any of the other third parties.

Our opportunities are enormous. They have never been better.

The threats we face are existential. If they are not overcome, our party will effectively cease to exist.

We have a long list of weaknesses. Until we overcome them, our strengths will be neutralized, our opportunities will lie fallow, and our threats will continue to mount.

Our Response

Those are the problems our Party faces. They're very serious.

But we're not dead. Not quite yet.

Let's turn to our solution -- The New Path to Libertarian Revival.

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Or is it time for a New Path for the LP?

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Part Two: Finding the Solution

How do we find an answer? Step one is to turn over a new page, a blank page that we will fill in. Then ask what the LNC should be doing. That's 'what', not the 'how should we do it?' There are activities every party group should do -- many of the most critical activities are here. There are also activities specifically appropriate for the LNC. We'll see what those activities are.

Step One: Start from Zero

By now you understand the crisis we face as an organization. Consider our revenues, our membership levels, the number of contributors, or any other metric. No matter which metric you choose, we are failing.

Our party can still be saved, but only if we act now.

The members of the LNC's current dominant coalition – the people who created this crisis, and did absolutely nothing to solve it – are utterly bereft of any solutions.

Fortunately, there are answers. Sensible answers.

Where did we get the answers? What the New Path did was develop a zero based budget and zero-base strategy. What does that mean? It means that we tore off a blank sheet of paper and assumed we were starting from zero.

We made a list. First we identified the *Mission Critical Activities* we absolutely must do. Skip a *Mission Critical Activity* and our party rapidly stops working. Then we identified *Important Activities* that really need to happen. Finally we listed *Worthwhile Activities* that appear desirable if resources are available. (Set aside for the moment “who” does those things, or “where” they would be done. Focus on the “what” first. The “how” comes later.)

There are many different ways you can achieve an objective. For too long, the dominant coalition on the LNC has shown a stunning lack of creativity and imagination as to how the LNC should spend its money. The New Path team is going to change that. Later in this book you'll see our proposals.

Trying to play the game the way the two major parties play it is a trap for us. We don't have the resources today to compete one-to-one with them in dollars. Some day we will, but not today.

We have to be smart. We always need to ask: What is the biggest bang for the buck way to do this activity? But even more important: Do we need to do this, have this, At All? We need to be smarter. We need to be creative. We need to think like entrepreneurs building up a company on a shoe string.

Here's how this idea applies to the office space. In 2009 the party spent just over \$141,000 on the suite of offices at the Watergate complex in Washington. Not to buy the space. Not to build equity. In rent!

Here's the analogy we would draw. If your income was \$200,000 per year, you might live in a certain kind of a house. But if your income was, say, \$30,000 per year, you would live in a different kind of house altogether.

The same principle applies to us. If our income was \$5 million or \$10 million per year, you could look at \$141,000 in rent and say, well that's a lot, yes, but we've got a lot of money, so it's not the end of the world. (We would still look very hard at the cost. Every dollar misspent is an opportunity gone forever.)

Ten million dollars per year is not where the Party is today!

Let's take an example of zero-base thinking. There are people who run million dollar businesses (and that is what we are) out of spare rooms in their home. When you truly start from zero, you start by saying No Office. Then, as you go through the things that you absolutely need to do, the things you want to do, and finally the ways you can best do them, you discover whether you need a main office. That's what we did. To spoil the suspense, we do need to have an office, just not the one we have.

But we did our analysis on a first things first basis. And as we moved, we kept singing the Canary Song: Cheap cheap cheap cheap cheap.

Now you've heard how we worked.

So what does the LNC need to be doing?

Our ultimate objective is political victory. To do that, we must elect and re-elect huge numbers of libertarians.

On the way to victory, we will need to:

- * Build a Party that grows because people want to join it.
- * Develop volunteers, activists, donors and above all candidates.
- * Build a large voter base.
- * Create a full set of political organizations.

How do we do that? Some activities should be performed by every Libertarian Party group, from block committee to National Committee. Other activities are sensibly performed by the LNC.

Step Two: Tasks for Every Party Group

We'll start with activities every Libertarian group including the LNC should be doing. We'll identify some of these as *Mission Critical Activities*, some as *Important Activities*, and a few as *Worthwhile Activities*. There are absolutely critical activities like fund raising, membership recruitment, and back office operations. Without those, Party operations come to a stop. Then there are *Important Activities* like candidate support, volunteer mobilization, voter base development, and public outreach.

Some people thought we could skip *Important Activities* for a while when times got tough. After all, nothing in particular happens if you don't run ads for a month. Those "some people" were wrong, dead wrong. Those people have almost killed our party. Candidate support, volunteer mobilization, all those activities that look like you could skip them for a bit...those are the reasons that we exist. If you aren't doing them, if you aren't supporting candidates, mobilizing volunteers, advertising the libertarian message...**your group isn't doing anything. It's just a parasite on the libertarian body politic.**

So what are the activities for every party group?

Number One) Do Real Politics.

Justify your existence through your deeds. Justifying your existence is a *Mission Critical* activity. You justify your existence by doing real politics. There are lots of ways to do real politics. You don't have to do all of them. But you have to be doing something.

Here actions talk, but words count for very little. Because if you are not doing real politics, in the long run the invisible fist of the political market will mark you for removal.

Number Two) Candidate Recruitment and Support.

Candidate Recruitment and Support is an *Important Activity*.

We are here to elect Libertarians to office. There are half a million elective offices in the United States, and we'd like to see a Libertarian elected to every one of them. Well, every one we didn't abolish first.

You can't elect someone unless they are on the ballot. That means you need to persuade them to run, because most candidates need persuading, you need to help them handle ballot access, and you need to give them the support required for an effective campaign.

The National Committee can't do all that by itself. And it shouldn't. That's why we have state and local groups, because bottom-up organizing is just as important as top-down organizing.

What the National Committee can do is set the tone for all libertarians: Running for office is good.

Supporting your party's candidates is just as good.

Number Three) Volunteer Mobilization

Volunteer Mobilization is an *Important Activity*.

There are lots of obstacles to volunteer mobilization. The National Committee can work to overcome them. The National Committee can and should maintain an internal education campaign: Take charge of your political life. You don't need permission to become an activist.

The National Committee can't ask every Libertarian individually to volunteer. It can do its share of that asking. It can support the activists who respond to its call.

Persuading casual members to become more active in the party is equally a mission for the LNC and every activist. We need to persuade people to organize, run for office, carry petitions, handle a campaign treasury, and stuff envelopes.

Number Four) Develop our Voter Base

Developing our vote base is an *Important Activity*.

What is the voter base? They're the people who will vote for our candidates no matter what. To win, we must gain a large voter base. We can't buy a voter base. We can earn one if we do the right things.

Most people change parties once or twice in their entire lives. Once you move someone into our voter base, they are probably ours for life.

Number Five) Public Outreach

Public outreach is an *Important Activity*.

What is public outreach? It's advertising. It's press releases. It's earned media. It's all the things that put our party's name in front the public. It's all the things that convince the public to support our ideas.

Number Six) Grass Roots Organizing.

Grass Roots Organizing is an *Important Activity*.

By definition, the National Committee cannot do grass roots organizing. If the LNC organized it, by definition it was done from the top down. However, the LNC can provide support and ideas, so that if the grass roots choose to organize, they have something to organize around and some tools to help that organization advance. The LNC could also supply libertarian community organizers, people who would be sent to a community to help create effective libertarian grass roots organizations. Don't think this works? Look up *Saul Alinsky* and read his final book.

Number Seven) Fund Raising

Fund raising is a *Mission Critical* activity. Without money, the organization collapses. Fund raising is only a means, not an end. You can raise all the money you want, but fund raising by itself does not get you an inch closer to the Libertarian future.

As important as fund raising is fund spending. If you waste the money you raise, you won't accomplish anything. And you'll find it a lot more difficult to raise more money next time. All those old letters promising to spend money on this or that, except all the money went to support the back office? All those old letters wrecked the credibility of the LNC.

Spending? The difference between hiring because it sounds prestigious and hiring because the employees add value should be instantly apparent. The difference between renting space because it sounds prestigious, and because it adds value, should be equally obvious. The LNC must ask what real political results it gains each time it spends its hard-won donations.

The Libertarian movement is not a public relief project. The Libertarian movement cannot afford a parasite that sucks the movement's life blood and leaves the movement weaker rather than stronger when it finishes feeding. Libertarians should insist that Libertarian money is well spent, and close their checkbooks when it is not. We will make sure that the LNC spends its money well and wisely, and that you can see that we are doing so.

Number Eight) Member Acquisition and Retention

Member Acquisition is a *Mission Critical Activity*.

We are a member-based organization. Without members and the support they provide, we would have nothing. When someone makes their first donation to the party, however small, they have made an investment that they may be unwilling to give up, leading to another act of support, and another, and another.

Member retention is a key diagnostic. If membership is growing, you may be doing right things. If your members are leaving in droves, there is a strong signal that you are failing to deliver what the membership wants.

However, membership acquisition and retention will not elect a single Libertarian.

Number Nine) The Back Office

The Back Office is a *Mission Critical Activity*. Every Libertarian organization has certain nuts and bolts operations it absolutely must run correctly.

* Legal obligations. Many groups are subject to legal reporting requirements because they handle political money. Those regulations are complex, and lead to severe legal repercussions if not followed carefully.

*Member Obligations. Many Libertarian groups have a Constitution or By-Laws. The details may vary, but in the end a libertarian group belongs to its members. Nothing kills a dues-based membership club faster than nominally regular events that do not happen. You can recruit all you want. If you don't deliver newsletters, meetings, etc., as promised your renewals will dry up. For a prime example, consider that our LNC's monthly newsletter has gradually faded from monthly to less than monthly to perhaps quarterly, and as it faded our membership lapses soared.

Back Office is absolutely vital. If you don't handle it well, your organization will collapse. However, a good Back Office won't elect a single libertarian to anything.

You've just heard nine activities that every libertarian group should perform. Four were *Mission Critical*. Five were only *Important*, except the only way to justify your existence -- Activity Number One -- is to perform some of those merely *Important* activities.

Step Three: Tasks for the Libertarian National Committee

Why tasks are uniquely appropriate for the National Committee? One task, and only one, is specified in the Bylaws. Other tasks can be inferred from the mandate in Article Three of the Party Bylaws. Some tasks are reasonably sent to the National Party because they are huge, critical, and only the National Party has the needed resources.

Let's start with our Bylaws. I've inserted numbers to help you keep track of specified actions.

ARTICLE 3: PURPOSES

The Party is organized to implement and give voice to the principles embodied in the Statement of Principles by: (1) functioning as a libertarian political entity separate and distinct from all other political parties or movements; moving public policy in a libertarian direction by (2) building a political party that elects Libertarians to public office; (3) chartering affiliate parties throughout the United States and (4) promoting their growth and activities; (5) nominating candidates for President and Vice-President of the United States, and (6) supporting Party and affiliate party candidates for political office; and, (7) entering into public information activities.

If you count, that's seven major objectives. Of these, the LNC has succeeded with #5 (Presidential candidate), has performed #3 (issued charters covering much of the United States), has issued press releases (#7) and has usually followed #1 (be a separate and distinct political movement). #2 (win elections) has been a struggle. If you look at our spending, you'll see we do very little toward #4 (affiliate support) except in terms of supporting Presidential ballot access. We specify to the FEC in our monthly filings that contrary to #6 we are not supporting candidates. Note that "Presidential Ballot Access" is actually *not* specified as an LNC action, though it clearly falls under #6.

What should the LNC uniquely be doing?

1) Run the biennial National Convention. That's the only specific task the LNC is given in its Bylaws. Every two years, it must run the National Convention. The members voted to require the LNC to run the Convention. Running the National Convention is not a *Mission Critical Activity*, it is *a matter of duty*. With the convention comes nominating the candidates for President and Vice President, a further task mandated in the By-laws. A competent LNC will set aside adequate income from member dues to cover the core convention activity the members assigned: the business meeting.

Then there are other activities that the LNC should perform. These can each be justified by reference to the seven major objectives the LNC is assigned in the Bylaws. What are these activities?

2) Ensure we have 50 vibrant, active state parties, not to mention parties in D.C. Puerto Rico, Guam, the Virgin Islands, the Marianas, and every other place over which the American flag flies. Affiliate development corresponds to objectives 3 and 4; it is a *Mission Critical Activity*. In

the long term, affiliate development makes all the other activities much easier.

Active? Clearly, more is better. We happily look forward to the day that larger state parties have more volunteers, money, and employees than the National Committee does. However, there should be minimum expectations as to what 'active' is. There should be reasonable expectations as to what the LNC will try in an effort to procure active state parties. If elected, New Path will set and meet those expectations.

3) Support our candidates. 50-state ballot access for the 2012 Presidential candidate. Fifty-state ballot access is an *Important Activity*. The Presidential candidate is the nominee of the national party. It's expensive. Only by focusing the resources of the entire National Party can our Presidential nominee be on the ballot everywhere. If elected, New Path will try to reserve in the 2011 budget the funds needed to carry out this objective in 2012. However, we shouldn't focus so tightly on the Presidential candidate that we ignore all our other candidates.

4) Build a Political Party. Activist Training. Activist training is an *Important Activity*. All across America, individual activists want to hear tips on how to solicit signatures, get out the vote, design trifolds, and help Libertarian friends. Training and demonstrations using advanced technical means (distance learning, video tapes, internet radio, web pages, streaming video) can satisfy this need. A simple substitute, the Libertarian Candidate campaign Disk, already exists. It can usefully be upgraded and distributed to every candidate, and every state and local group. New Path isn't just talking. We are already distributing training materials.

5) Public Information. Develop a Quality Web Site. Web Site Development is an *Important Activity*. We can do much better than we are, and we can do it rather less expensively.

6) Build a Political Party. Support materials. Producing good support materials is an *Important Activity*. We need a good set of downloadable trifolds on Libertarian positions. The trifolds should include blank sections for local enhancements. Our Liberty for America website is putting up samples. We should offer a good set of downloadable templates for web pages.

New Path candidate Jake Porter's County Plan template at <http://libertarianstrategymonthly.com/news/libertarian-archives/> gives a different approach to reusable documents. New Path isn't just talking. We are already distributing support materials.

7) Cooperation with Other Libertarian Groups. Cooperation is an *Important Activity*. Independent libertarian groups such as AntiWar.Com should be friends with which we actively collaborate, recognizing that tax and election laws limit these collaborations. Outreach to the greater Libertarian movement is a key task for our National Party. New Path is already doing this, as witness Liberty for America coverage of AntiWar.com fund raising drives.

8) Washington Lobbying. Lobbying is a *Worthwhile Activity*. Why lobbying? Lobbying introduces us as people to reporters, columnists, and bloggers. Lobbying reduces the damage done by the duopoly party as seen in the DefendYourPrivacy web campaign. Lobbying exposes members of other parties to libertarian ideas. When we start winning elections, we will start converting current public officials to our side. Lobbying prepares that ground by proving that we are serious about real politics. As resources become available, New Path calls for using some of them to Lobby

Congress in support of our positions.

Then there are *Worthwhile Activities* that the National Committee can facilitate, but not perform.

9) More Libertarian PACs. The Libertarian Party intends to contest every Congressional seat. Modest fundraising for party-ID internet and radio advertising and bumper stickers would substantially boost results from these campaigns, which are already being run. To raise and distribute this money we need Libertarian PACs to raise funds and support Libertarian candidates. New Path's Liberty for America PAC is already sending support.

10) Pro-Liberty Affinity Groups. When Democrats and Republicans run for office, they get support from hordes of affinity groups, each pretending to speak for an issue but in reality working for a political party. I am referring equally to the pro-choice group that endorses pro-life Democrats over pro-choice candidates of other parties and to the pro-Second Amendment action group that endorses gun-grabbing Republicans over pro-Bill-of-Rights candidates of other parties. Those groups may pretend to support us on the issues, but they are not our friends and are not on our side. We need to replace them with pro-Liberty affinity groups that support Libertarians.

For political victory, the Libertarian movement needs its own affinity groups, groups that support Libertarian candidates and points of view. If the Microbrewery Trade Association routinely tilts Democratic, we should launch a Samuel Adams Society and Brewers Club to lead members to Libertarian thinking. The National Party can't be too obvious about setting up affinity groups itself, not if those groups are to be credible. The National Party can find individual Libertarians with the right interests, incite them to create a Libertarian affinity group, and provide nurture and support to get the group off the ground. New Path's Liberty for America magazine is already leading the way, publicizing groups like Outright Libertarians and the Ladies of Liberty Alliance.

That's ten activities for the LNC to perform. The National Convention is *required by the bylaws*. There are also six *Important Activities* and three *Worthwhile Activities*. Those *Important Activities* are all things the LNC could do to justify their existence, so between all these *Important Activities* there is someplace a *Mission Critical Activity*.

Part Three

How Do We Do It?

Part Two gave a list of activities we need to perform. Some activities are mission-critical, others are important, and bringing up the rear we have a few worthwhile activities. Put together, those merely important activities are mission-critical. We could miss one or another now and then, but if we did none of them over a long period there would be mission-critical failure.

We now move to Part Three. We've listed the things we need to be doing. How do we assemble the resources needed to get those things done?

Step Zero: Listen to the Members

Our members are just as smart, and together have far more experience, than the two-dozen people who attend an LNC meeting. Ask people for their advice, listen to them, and you can expect they will be more willing to listen to you in return. That's why we welcome your advice on this plan.

Step One -- Quick Fixes.

We provide here some quick fixes, things that can be done in little time to free up resources for other activities.

The first quick fix is information technology, the website, email, and other electronic communications, on which we spend more than \$100,000 per year. Our initial analysis indicates two things:

One, we spend an outrageous sum on information technology, far too high by at least a factor of two! That's the advantage of having real IT professionals on our candidate list, people whose private companies have the same IT needs as the LNC. Our professionals immediately identified major opportunities for saving money.

Two, the current lp.org website is a poor site that does not meet our needs. We ask: Do you want a site whose top by-line is almost identical with Dick Arney's? LP.ORG must change. The New Path team has already lined up experts in New Media to work with us to help create a cutting edge and, yes, cheap electronic footprint for the New LP. Our team includes a senior member of the Badnarik campaign team who is happy to remind us that Badnarik's excellent web sites had a professional core and a great deal of volunteer support.

The second quick fix: The Watergate location must go. Immediately, or as soon as practicable. A Washington location is needed if you are lobbying, holding press events, or investing in America by buying Congressmen. We aren't. Lobbying is at most a *Worthwhile Activity*, something that gives way for the resource demands of our *Mission-Critical Activities*. Meanwhile the Watergate location is costing us over \$10,000 a month, much of which could be redirected to more valuable ends.

Sidebar: How to Terminate a Commercial Lease

Recently LNC Treasurer candidate James Oaksun consulted with one of the leading commercial real estate brokers in the Northeast about mechanisms for terminating a commercial lease.

The Watergate is considered high quality space. In most parts of the country there is usually a wait list for such space (provided the rent is not outrageous).

When you breach a contract (and early termination of a lease is a breach), there is a question of damages. Sometimes in leases there is a provision for liquidated damages – pay \$xx thousand and you're done. If there is another tenant ready, sometimes there is no cost at all to end the contract. It varies.

But the bottom line is: It's All Negotiable!

You never know unless you ask!

James has publicly stated that, upon his election, his first stop after St Louis will be Washington. If New Path has been given the chance to save our party, the Executive Director will have been instructed to make available to him all our agreements and contracts, including the Watergate lease. Change does not happen by inertia. Change happens when you take action, and James and the New Path team mean to act immediately.

Now we apply the zero base question. The arguments for an efficient and inexpensive Libertarian Party headquarters are rather overwhelming. FEC rules on donation-handling become highly onerous if the required multiple employees are spread across America. An office means that your paid staff are all in one location, so they can on rare occasion be shifted to an emergency-priority task if need be. Paid staff in one place supply efficient institutional memory. A group of paid staff can reasonably supervise interns. An office provides secure storage of records and archives, safe from the vagaries of any volunteer.

The new location should probably meet several criteria:

Within a strong media market.

Near a good source of interns. College are a traditional source. Libertarians and libertarian spouses newly arrived in an area and not yet employed are another.

In a safe area where people can comfortably work late, with plenty of parking for volunteers and staff.

Near lots of libertarian volunteers.

Major transportation hub; good airport.

Absolutely top grade internet connections.

Remember the Canary Song? It's got to be Cheap!

Could the new location be in the Washington area? Perhaps. Many DC nonprofits rent in Old Town Alexandria for roughly \$3,000 per month. That rate represents a 70+ percent savings from our

current rate – money that could be used to fund other, vital, visible party building activities.

There are advantages, however, to being “outside the Beltway”. We could say: Washington has failed.
We are the Party of America.

What are some possible areas? A few might include:

Southern New Hampshire
San Francisco bay area
Dallas area
Philadelphia area

The third quick fix is to ask the delegates and members to back their votes with their wallets. If New Path is elected to the LNC, the membership has called for a major course change for our party. At least some of the Party faithful who have their faith in the New Path plan will be willing to back their votes with their dollars. Many party members who have been blissfully unaware of events within our party, at least until the National Convention ended, may be willing to risk a few more dollars on a new course. Once the first quick fixes and other changes have gone into effect, additional current and former members may see that we are changing course, and will be willing to come to the aid of their party.

Step Two -- Do Real Politics

The Libertarian National Committee is tasked with a short series of *Mission Critical Activities*. We need to raise and spend money well. We need to recruit and retain members. We need to run a first-rate back office. But above all, we need to *Do Real Politics*. A political party that is not doing real politics is really not doing anything; it's just occupying space and draining its members' wallets.

Part Two lists a long series of ways of doing real politics. They're all the important and worthwhile activities. We don't claim that list is good, but it's a good start. We don't claim we're going to be able to do all of them, all at once, as though we were about to become the majority party. We do promise you that we're going to make a start on all of them, enough of a start that our present and future donors will have the flavor of the activity, and be ready to invest in it if they want. Some of the activities we propose, such as running a national convention, reinvigorating state affiliates, and making downloadable trifolds available, are fairly self-explanatory. A few could use a bit more discussion, and that's what we offer here.

Outreach and Advertising

If we are not putting the Libertarian message in front of the American people, we are failing. We need to make sure that when people realize the duopoly party is not for them, they remember our Libertarian Party.

To reach our potential supporters, we must use the media that reach them. That's advertising: The Internet. The World Wide Web. Internet social groups. Then, closer to election season, we have Radio. Television. Newspapers and magazines. Theater slides. To reach young people who have not yet chosen a party, the Internet in all its manifestations should be a primary target for the National Committee.

The National Committee should have a substantial internet advertising budget that we keep spending month after month.

We're here to persuade other people to Vote Libertarian! time after time, not just to reassure ourselves that it's OK for us to vote for ourselves. Running candidates is the most fundamental outreach method, but it is linked to the election cycle: No election, no campaign.

Political campaigns send libertarian ideas to voters when they are most likely to listen. Campaigns serve as external outreach to potentially-libertarian voters. Campaigns also serve as internal outreach, sending Libertarian voters the message that they could become activists. The National Committee should support the Presidential campaign every four years, and other Federal campaigns when they take place. "Support" includes not only ballot access funding but also independent expenditures.

Every Libertarian Party group should identify and cultivate media contacts. We each focus on media outlets that cover our group's geographic range. For the National Committee, that range is the entire United States. For a few thousand dollars, you can buy a complete media contact list and filter it down to a high-quality list; the National Committee usefully does this once for the entire party.

Build the Voter Base

You can't buy a voter base. You have to earn one. We can earn a voter base if we:

- * consistently put our name and stands before the public,
- * run good candidates,
- * give candidates solid support,
- * sell the electorate on our answers to their problems, and
- * deliver excellent performance when elected.

Above all, we gain a voter base by recruiting young people not yet committed to any party.

We can also be given a voter base. Our opponents give us a voter base when they

- *consistently elect the corrupt and the incompetent
- *enact policies that lead to disaster
- *insult, abuse, and scapegoat groups of voters.

In about two dozen states -- the exact number fluctuates -- you can watch our voter base grow, because as our real support grows the number of registered Libertarians will grow at the same time. That's a one way street. Our supporters will tend to register Libertarian.

Registering someone as a Libertarian will not make them our supporter. You may still need to register people as Libertarians for some other reason, such as ballot access. We still need that voter base. Without a large, solid Libertarian voter base, regular victories will be few and far between.

Step Three -- Raise and Spend Money Well

We are going to ask people to give us money. How will we handle it?

First, we will spend more and more of the LNC's money on doing real politics. The quick fixes mentioned above are going to free up very substantial chunks of change. That money will be going into our most important *Mission-Critical Activity*, real politics.

Second, we're going to move to fiscal transparency. We're moving to a budget that makes clear how we are spending your money, as opposed to a budget that hides all spending under a few nebulous categories. We're going to fundraisers that let you know how we actually spent your money, so you can see we're not raising for doing politics and spending the money on the back office.

Third, we'll be giving financial reports that match what a political party should be doing, not categories appropriate if we ran a steel mill. We're under entirely different rules on reporting, taxes, etc., and our reports to you should match our mission and our activities.

Fourth, we're going to move to budget allocation processes that make sure that your donations are spent the way they should be. An example of this approach is provided by the Massachusetts budgeting plan. Our Massachusetts state association has adopted a budgeting scheme under which there is no need to guess how many people will join or renew their memberships this year. Instead of fixing spending totals, as though newsletter printing costs were independent of the number of members, LAMA tells members in advance how their membership dues will be divided. The division includes so much toward printing the newsletter, so much for sending renewal notices, so much for administrative costs, etc. Dues allocations center on items where the donation covers the marginal cost per member, and on targets where spending totals can be flexible, such as internet advertising. This scheme averts many pointless arguments about budgeting for an unpredictable membership count.

The Massachusetts budgeting scheme clarifies spending patterns. A member knows how his dues are being spent, and what his membership costs the party. If estimates of marginal costs are good, the cost of each member is covered by the member's donation, so the party budget is not perturbed if the membership fluctuates. Adoption of the Massachusetts plan, with numbers suited to our particular needs, would allow the National Committee to center its attention elsewhere.

Having said that, we are confident: These steps will revive the confidence of libertarian donors. They will see that their hard earned contribution dollars are being spent in ways that actually advance us into the Libertarian future. And then with the right approach, they will give us more and more money. That's not just the best way to revive our party's finances. It's the only way.

Fundraising and Outreach

Without money and people, the Libertarian Party will die, no matter how appealing or persuasive its political ideology. The good news is that people tend to give of themselves, both in terms of money and time, if they find something worth supporting.

Given the number of Libertarian candidates and issues finding their ways onto more and more ballots across the country, this is an ideal time to reach out to new Libertarians, to affinity groups, to lapsed members and spark their enthusiasm. While the economy is not that great, still, where there's enthusiasm and hope there's money, as the "money bombs" have shown.

Unfortunately, the Libertarian Party has not lately been very successful at tapping into that wellspring of libertarianism, either financially or in terms of membership. What can we do to change that?

First of all, we need to change the way we think. Rather than think of these donations as gifts or donations, we need to earn that money and see it for what it is: An investment in the party.

New Fundraising Activities

Letters and phone calls have their place. They can be effective ways to raise money when carefully targeted. In addition to letters, calls, emails, and the internet, we should offer appealing events tailored to different people and different levels of giving.

Some Libertarians might enjoy a wine tasting cruise around San Francisco Harbor while others might prefer a Liberty music festival. Some might enjoy a golf tournament while others might enjoy a night of dinner theatre in DC. House parties also work very well and allow a more intimate venue for Libertarians to meet each other personally. Once we start looking for ways to earn our donors' money instead of simply asking for it, the possibilities open up.

Fundraising events, as opposed to letters, have the added advantage of tying fundraising and outreach together, which allows people to invest in the party personally as well as financially.

Never Waste An Opportunity

With only a few exceptions, every fundraising event should offer an opportunity for outreach, whether to affinity groups, new members or lapsed members. Likewise, fundraising at an outreach event can be as simple as putting out cards or envelopes for donations or as elaborate as an additional event like a dinner or something.

Joint fundraising events with affinity groups and with eligible state parties can also serve as outreach, creating stronger relationships between these groups and the national party and creating that important investment from one side in the other.

If we can raise \$25,000 by tapping a single donor, we've only reached one person. But if we spent the same amount and get 1000 people to give \$25 each, it means we've not only raised the \$25,000 but we've reached 1000 people as well.

That's 1000 more Libertarians who are personally and financially invested in the party. We're not saying we should turn away the single large donor. We should welcome him, too. It means we should look creatively at how we spend our fundraising dollars.

Spending A Dollar's Worth of Nickels to Make A Dime

It's important that we use our fundraising dollars as efficiently and profitably as possible. Taking a lukewarm profit as "the best we can do" is almost as bad as taking a loss.

The rather simplistic example I like to use is a bake sale where each cake is sold for \$5. That's fine if the donated cakes cost the bakers less than \$5 apiece to make. But what if the bakers are spending \$15 apiece? Technically, since the cakes were donated, you still make \$5 apiece, but in actuality, you'd have made three times as much if you'd have had the bakers donate the \$15 directly and skip the bake sale. Or, given the quality of the cakes, raise the prices to \$20 and make four times as much.

It's not enough only to look at the bottom line. We need to look for hidden opportunities, as well, which means we need timely, clear and complete bookkeeping on events, including cost of donations so we can be sure we're using donated items well.

What's It All For?

Last but perhaps most important, we need to remember why people donate to the Libertarian Party.

Sometimes they donate because they want to support an initiative or because they want to see ballot access. Sometimes they see a candidate they really like. But always, they donate because they care about Libertarian politics. It's rather disheartening for them to discover that they're mostly donating to cover overhead. Is it any wonder they're donating less and less?

A final word on how to improve our fundraising and outreach: We need to put our donors' money to work in very visible ways, which again ties back to fundraising events and outreach events. When donors can see their money working, building ballot access, supporting candidates, creating connections with affinity groups, supporting initiatives and bringing in new members, they'll be more inclined to give, and the process can build on itself.

Prudent Financial Reserves

Let's begin this section with a quote from the great economist Adam Smith:

“What is prudence in the conduct of every private family, can scarcely be a folly in that of a kingdom.” (Adam Smith, The Wealth of Nations, 1776.)

Every financial adviser you can name recommends to their clients that they build a prudent reserve fund, held in cash or equivalents, for a “rainy day.” You never know when you'll have an unexpected expense, medical emergency, temporary job loss or cash flow crunch. Sometimes you know well in advance you will have big expenses. The time to begin saving to cover them is yesterday.

Most experts believe that three months of such a reserve is a bare minimum; six months is more comfortable.

Consider the situation of today's Libertarian Party, however. At November 30, 2009, the cash balance

was \$49,000. That would be roughly two weeks' expenses, at the current run rate.

That's right. **Two weeks**. The situation has improved a bit in the last couple months, but the Party is still in a precarious state.

If you don't want to take the word of a financial advisor, consider the words of the Nonprofits Assistance Fund. This is a Minneapolis-based nonprofit whose mission is to build financially healthy nonprofits that foster community vitality. They discuss the need for an operating reserve and discuss the prudent level for that reserve:

An operating reserve is an unrestricted fund balance set aside to stabilize a nonprofit's finances by providing a "rainy day savings account" for unexpected cash flow shortages, expense or losses. These might be caused by delayed payments, unexpected building repairs, or economic conditions.

Reserves should not be used to make up for income shortfalls, unless the organization has a plan to replace the income or reduce expenses in the near-term future. In short, reserves should be used to solve timing problems, not deficit problems.

*A commonly used reserve goal is **3-6 months'** expenses. At the high end, reserves should not exceed the amount of **two years'** budget.... each nonprofit should set its own reserve goal based on its cash flow and expenses. Organizations that have contracts or fees with regular and reliable payments don't need as much in cash reserves as organizations that rely on **periodic grants, fundraising events or campaigns, or seasonal activities.***

Yikes!

Yes, an "urgent" fundraising appeal went out from the LNC leadership recently. That's another cry of wolf. But you can only cry "Wolf!" so often, even if the wolves are howling at the door.

In the age of the Internet, anybody who has a clear and attractive message can raise huge amounts of money. Ron Paul proved it. Barack Obama is in the White House because of it.

A strong and clear message – coupled with the donor's confidence that we will use their money wisely, that we are a strong custodian and operate with purpose – is the recipe for success.

How would you score our current leadership on how they spent your money? Do you think their tickets should be punched for another two years? Or is it time for a different approach?

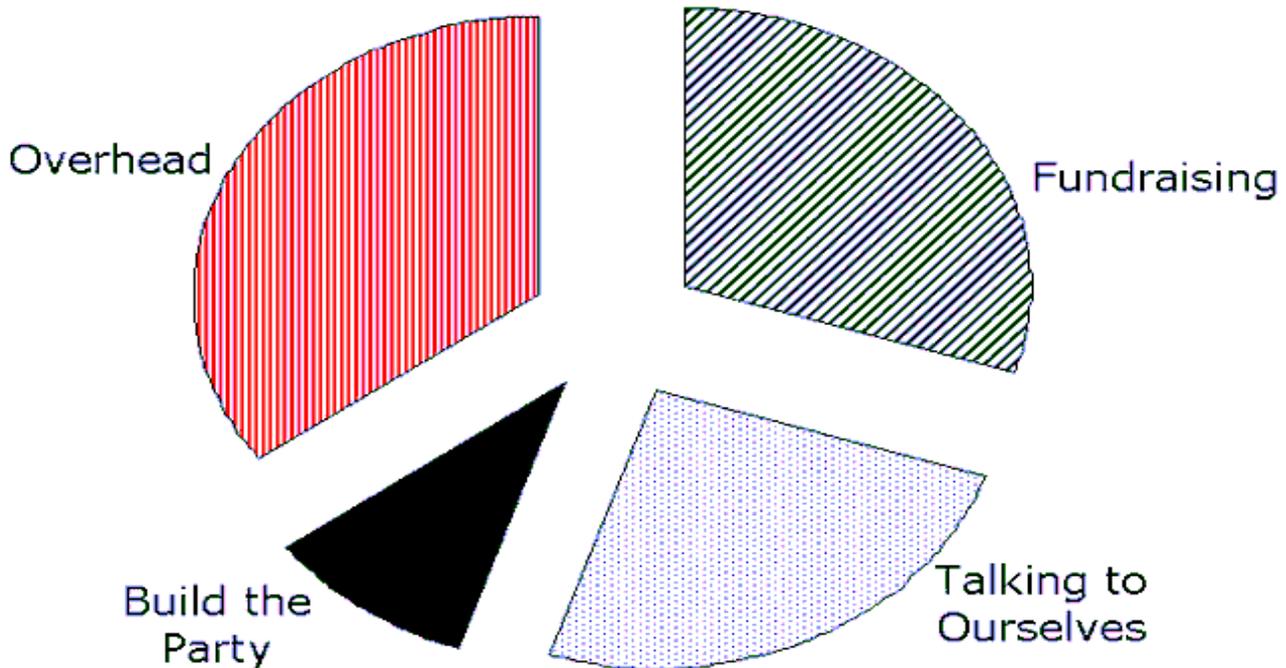
We need new leadership, including in particular a new treasurer, to put the LNC on sound financial footing. The party must build a prudent financial reserve – first with what we can, then more as time passes.

A new and revitalized LNC will manage the LNC finances as well as we would expect any family living in freedom to manage their finances. Our donors and partners deserve no less.

Aside:

When the dominant coalition on the LNC passed their budget, they implicitly went through an allocation exercise on our behalf. Theirs was the budget under which the committee operates. That

budget as carried out is described by the following pie chart. (Data per the LNC's 2009 FEC filings. For a complete review of every dollar of the expenses and how they were allocated to the four categories, please see <http://bit.ly/LNCexpenses>)



Someplace in the black "build the party" triangle is candidate and affiliate support. We have to say, and we know most of you agree: This is an utterly ridiculous allocation.

Let's go back to saving for expected expenses. New Path knows the LNC will have to run a National Convention. New Path knows there will be a Presidential election in 2012. We're not going to wait. We're going to start immediately setting aside cash for the next National Convention. We're going to invest in ballot access steps we can take in 2010, and set aside money in 2011 so we can handle ballot access in 2012.

Direct Mail: Not the Recruiting Answer

An important part of prudent financial management is identifying bad investments that we will not pursue. One such investment is a massive cold call direct mail campaign. We rent mailing lists, send them unsolicited papermail letters, and wait for the cash to come in. We tried that in 1996-2002, pursuing right-wing, far-right-wing, and financial investment mailing lists. The Party almost went broke.

The incumbent treasurer, for reasons that are not clear, has been pushing for some time for a massive direct mail effort. This is his mistake. Direct mail to blind lists is the latest thinking -- of 1995, that is. Modern voices talk not about blind mailings to mailing lists but about targeted mailings to warm contacts, reaching back to people who have already taken the initiative to contact us. Yes, if

we could find a list of people highly likely to support our party, we should pursue them. Those lists are few and far between.

A direct mail campaign is highly sensitive to many variables. A mis-estimation of any of these variables could be financially disastrous.

In the best of circumstances, a direct mail campaign will incur significant upfront financial costs and may – *may* – produce net gains in later years. But the gains are not certain.

The LNC has tried direct mail. Response rates have generally been 0.5% (that is one half of one percent) or lower. At current lapse rates and contribution levels, such mailings bring in much less money than they cost, even allowing that those new members stay with us for a while and make further donations.

There are, of course, better ways to recruit members. In contrast to the incumbent treasurer's proposals, we propose the latest thinking of 2010.

We first calculate how much money a typical party member will give to the LNC before his membership lapses. To do that we need the lapse rate and the average donation -- those numbers are available -- and then we make a present value calculation at a discount rate of one's choosing.

Using an 8% discount rate and the current contribution and lapse assumptions, the lifetime giving of one member is estimated to be \$125 on a gross basis. To get a net value of the member, you have to deduct the cost of persuading him to join.

What does this number mean? Simply put, the LP could spend up to \$125 to acquire a new member and at least break even on the recruitment effort. If we spend more than \$125 to get him to join, we lose money. If we spend less than \$125 to get him to join, we have increased our financial resources. Of course, the less spent on recruitment costs, the greater the value of the member to the party. Improving membership retention rates has the same consequence as reducing retention costs.

From the standpoint of membership acquisition, we can map out any activity in terms of how many new members it will generate, the cost of acquisition, and the ultimate financial gain or loss to the party from the project. Of course, membership recruitment is not our party's only objective, but if we run out of members, we won't be here any more.

Consider direct mail. Say for example we wanted to increase the membership by 15,000 members. Using the average costs and returns from the LNC's most recent direct mail campaigns, the projected cash flow for each year would be:

Year 1:	(1,500,000)
Year 2:	363,000
Year 3:	239,000
Year 4:	158,000
Years 5-10:	281,000 total

That is, we would have an expense of \$1.5 million in year 1, and in year 2 the return would be \$363,000. If you add up all those costs and returns, and apply an 8% discount rate, the net loss to the party would be \$697,000. That's right. A direct mail campaign that recruited 15,000 members, if it were as good as our most recent campaigns, would cost \$1.5 million and bring in \$800,000 (in today's dollars).

The LP doesn't have \$1.5 million to spend on an investment that will ultimately lose \$700,000. Even if it did, you should ask if that investment is the best way to spend our money. We might make that an investment, but only if other strategic benefits justified the cost.

The most effective (and cheapest) way to add members is to have our existing members go to family and friends and persuade them to join us.

Step Four -- Mobilize Every Libertarian

Our objective is to turn the Libertarian Party into the American majority party. We will become the majority party through thoughtful, effective, hard-working leadership that spends your money effectively, that mobilizes volunteers in useful ways, that incites effective grass-roots organizing, and that spends its time electing Libertarians and creating the conditions that will elect more. On our way to that objective, we will reunite vast numbers of Republican and Democratic politicians with their families in much-needed retirement, and not incidentally re-unite their political parties with their political ancestors, notably the Whigs, Federalists, and Know-Nothings.

Mobilizes volunteers? Anyone can talk about mobilizing volunteers. You need to do real work to make it happen.

The National Committee can and should maintain an internal education campaign. Our message: Take charge of your political life. You don't need our permission to become an activist. We need every Libertarian to be active in politics.

The National Committee can't ask every Libertarian individually to volunteer. We still have people with titles, people who have promised to spend their time helping the party. These people should view candidate and activist recruitment as a major personal objective.

Persuading casual members to become more active in the party is equally a mission for the LNC and every activist. Volunteer mobilization is about incitement. Incitement is persuading people to organize, run for office, carry petitions, handle a campaign treasury, and stuff envelopes.

Persuading people to do something is the easy part. If you preach at enough Libertarians, some will print up stationery and call themselves a Town Committee. Some will run for office. Now the hard part: If you don't give these people meaningful support right away, you've prepared them to throw up their hands and quit. If they quit, they're burned out. Mobilizing them again will be much harder. To conserve our volunteers, we have to be ready to give them meaningful support.

We also need to remove major obstacles to effective volunteer mobilization. Consider first the obstacles:

- 1) Some people think they need permission to volunteer.
- 2) Some people need to be asked to volunteer.
- 3) Some people have energy, enthusiasm, and vigor, but no idea what to do.
- 4) Many people want to be sure that what they are doing matters and makes sense.
- 5) Some people are the abominable Noman and Nowoman, the folks who always without exception find a reason not to do anything.
- 6) Some people want to spend their time arguing about Libertopia, a state of affairs so far away that we

have no idea what the reality will be like, what we will actually want as the Libertarian future approaches, or what real problems will arise when we approach.

That's plenty of obstacles. How do we overcome them? We're not going to overcome them by ignoring them. We're not going to overcome them with smoke, mirrors and speakers who put to shame every snake oil salesman ever born. No, we're going to overcome them with common-sense practical steps that move us in the right direction. What are some of those steps?

1) Some people think they need permission to volunteer, and await permission. Yes, we will say loud and clear: The water's fine, come on in. If you want to see how to send that message, listen to Ernie Hancock.

Saying 'you don't need permission' is good step, but it's not enough.

To 'you don't need permission', add 'we're here to help you'. We don't have the resources to do your work for you, but we can answer your questions.

And then we give potential volunteers real working examples. Every time a potential volunteer reads a letter from a real volunteer, someone who chose to get active in the movement and did real political work, that's one more foundation stone building potential volunteers into real volunteers.

2) Some people need to be asked to volunteer. Yes, really. After all, most people decide to run for political office because someone asked them. Why should deciding to volunteer for political activity be any different?

We are here to ask people to volunteer, one on one. We can't ask everyone in the party, but we can ask a good number of people, and we can build the spirit in which Libertarians make a habit of asking their liberty-leaning friends to become active in politics.

3) Some people have energy, enthusiasm, and vigor, but no idea what they might do.

Here there are several answers. Number one is to talk to people and give them choices that match their personal inclinations and skills. To do that you need to ask people what particular skills they have, and you discover people can do things you never knew were possible.

Choice number two is to distribute support materials. Tom Knapp's article on writing letters to the editor is a masterpiece of libertarian thought. Liberty for America distributes in multiple formats several downloadable trifold templates, samples of things that people could use and modify for their own purposes. For people who need to speak in public, Michael Cloud's *The Essence of Political Persuasion* is now available on disk.

Choice number three, which will only get easier as we grow, is to put each volunteer into the company of several more established volunteers, people who will be right there and give the new volunteer support and encouragement.

Choice number four, last but not least, is to use more volunteers in the operations of the LNC. Is there something that the LNC needs to do? A working group of volunteers, with a few LNC members to

act as stiffeners and facilitators, should be formed to do it.

When volunteers come to us, asking if we have something for them to accomplish, our answer is: We have people you can work with, and projects ready to go when you ask.

4) Many people would like to know that what they are doing matters and makes sense. Seeing the larger strategy and how your part fits in to the whole is a real motivator. You're reading our strategic analysis. There are short and long term objectives, and a business plan to take us there. An important part of our plan is grass roots organization and activity. Grass roots efforts are the activities that are organized from the bottom up, not the top down. The LNC can't tell people how they should spontaneously self-organize, but it can assist libertarians who have organized. The New Path message to potential volunteers is: We have a sensible plan. We've laid it out where you can see it. We'd love to have your help, and we are happy to help you when we can.

P.S. We have a plan. Ask our opponents about theirs.

5) Some people are the abominable Noman and Nowoman, the folks who can always without exception find a reason not to do something. Anything.

Recognizing NoPeople is an important political skill. Everyone has a few possible activities they want to avoid. There are always a few people with some truly eccentric ideas on one topic. But if you have a group of volunteers, sometimes it is apparent that a few people form a substantial obstacle to getting anything done. You should rejoice that those people are Libertarians, and give them a chance to work on their own projects someplace where their complaining will not hinder your work.

6) Some people want to spend their time arguing about exactly how the Libertarian future will be arranged, when we are so far away from it that we have no idea what the reality will be like. Nor will we know in advance which evils actually lurk under the cover of innocent and reasonable changes in what appear to be pro-liberty directions.

Most readers have already noticed that arguing about utopias seldom gets us anywhere. That's why the New Path talks about political operations, not rewriting the platform. We're here to build a Libertarian political Party, not to argue about fine points of platform wording.

We recognize the right of Libertarians to dispute philosophical fine points, but don't believe that's a path to anywhere. We encourage Libertarian party volunteers to stay in touch with people who actually want to get something done. We stay polite to people who want to argue philosophy on their own time, but we don't spend our time on philosophizing.

Step Five -- Marketing: A Tale of Two Libertarians The Basis for Scientific Membership Acquisition

Recently a supporter of a certain LNC chair candidate challenged opponents by asking exactly which demographic groups would we propose targeting. The chair candidate in question has been (to his credit) very upfront about who he thinks is our most promising target market. In his view, it is the Fox News, Newsmax and Palinesque “Tea Party” crowd.

To date, we don’t believe anyone has answered the challenge, so let us propose our thinking on the matter.

Various surveys over the last five years have noted anywhere between 10 and 20 percent of Americans identify as “libertarian” in some sense. That’s 25 to 50 million voting age people. Libertarian candidates rarely get more than a few percent of the vote, and actual party membership is but a tiny fraction of even that depressed percentage.

Our first position is: rather than go after people who are on the opposite end of the Nolan Chart from where libertarians live (that’s the Fox News/Newsmax crowd), *why not go after people who are actual libertarians to begin with?*

Fortunately, Pew Research provides us with a good snapshot of two “typical” libertarians, based on their research and polling. Our membership profile gives us another starting place. When you develop profiles of potential target “buyers” (members), you can gear your advertising, marketing, public relations and outreach efforts toward these people. When those targeted people come and look at your website, read your publications, and hear your representatives, they realize they have found a home.

The LP has been seriously negligent on this score. *Those who argue for improved marketing and branding are right* – we currently do nothing of the kind. The key questions are: **What** are we marketing? And **to whom?**

Let us then consider the characteristics of a typical “libertarian” voter. Mind you, this person may not call himself (and it is a he; let’s call him “Mike”) a “libertarian”; he may have never heard of the LP. Mike is an important person to talk to and for. What do we know about him? Quite a bit, it turns out!

White male

College educated

Young (maybe under 35; certainly under 50)

High income (household income \$75k+)

Lives in a metro area in the south, mountain states or west

Not religious (agnostic/atheist or Easter/Christmas/High Holy Days-only type)

How does he identify politically? There’s about a 50 percent chance he is (or leans) Republican, a 40 percent chance he is (or leans) Democrat, and a 10 percent chance he is unaffiliated.

What are his political opinions?

Social issues – He doesn't understand the energy devoted to denying LGBT people's rights; he has gay and lesbian friends, family members and co-workers, and thinks society should treat them equally. He is against any further abortion restrictions. He is in favor of stem cell research. He favors decriminalization of marijuana and supports medical marijuana efforts.

Foreign policy – He is deeply skeptical or opposed to aggressive foreign policy initiatives.

Economic policy – He is generally free market, favors low taxes and limited regulation. However, he thinks the health care system is out of whack and needs changes. Generally he is unsure about or even opposed to recent Federal legislation.

Where does Mike get his news? On the Internet. He reads blogs. He's on Facebook. He tweets and re-tweets. He looks at clips on You Tube. He listens to podcasts in his car on his iPod.

He's definitely *not* watching Fox News or reading Newsmax.

Before chucking everything the party has historically advocated, in order to curry favor with the Fox News crowd, why not make an effort to "Get Mike"?

That's one place where we should start. That's not the only place.

There's a second libertarian persona. She's out there (and yes we have met her). We met many like her at the New Hampshire Liberty Forum – a great event the entire LNC should plan to attend next year.

But now, for Libertarian Persona #2, who we will call "Sarah".

First some basic demographics:

White female

Under 35

College educated

Urban (or close suburb suburban)

Middle income

Not religious at all

Political affiliation? **Definitely nowhere near the Republican Party!** Possibly a weak-identifying Democrat, more likely unaffiliated or even a nonvoter at present. She's been there for a long time: twelve years ago, Massachusetts Libertarians looked at their voter registration. In Central Massachusetts, where Democrats are social conservatives, 60% of registered Libertarians were women.

Issue positions:

Social Issues: Way Left. Maximum personal autonomy and freedom, and no government

interference at all. Very pro marriage equality, pro choice on abortion, for stem cell research, for drug legalization.

Foreign Policy: Very bright line antiwar/anti-intervention position, across the board.

Economic Policy: Best described as “institutional suspicion and hostility”. Extremely anti-authoritarian. Acts locally. Distrusts bigness, whether manifested as Big Government, Big Business, or any similar institution. Very environmentally conscious. Ultra-individualistic. Sympathetic to the Ron Paul campaign on matters like “End the Fed” but not at all sympathetic on social issues.

Now, what are Sarah’s principal information sources? Do you suspect she is watching Bill O’Reilly, reading Newsmax, or listening to Rush or Savage?

Definitely not!

She’s either on the Internet, texting, or involved in direct activity with her friends and associates. She’s reading Antiwar.com or perhaps FreedomsPhoenix. Like Mike, she’s on Facebook and Twitter, reading about and discussing similar things, but with different people and in slightly different language.

So what’s our basic marketing plan?

Mike, meet Sarah.

Sarah, this is Mike.

There’s more uniting us than dividing us.

Let’s figure out what to do, together, to create a freer America.

Redesigning our website, and crafting our messages and outreach to meet these two libertarian archetypes, should provide us with tremendous dividends.

How can we tell if our outreach is reaching these people? How can we tell if we need to fix something? Fortunately, we have a third target audience. We have people who are like our current members. We can use the same design methods to craft an approach to our current members and their peers, and see how it works. That design and testing is a big database problem.

Fortunately, New Path Treasurer candidate James Oaksun has some expertise in the analysis of large datasets. If elected Treasurer, he will analyze the LP’s current active member database to find common characteristics of our current members. Our hypothesis is that if we target people who are most like us, we should have a better chance of getting positive responses. If we use the same successful design methods to pursue Sarah and Mike, we should be successful with them, too. James is offering his services to the party and committee *pro bono* – without charge.

In addition, James has relationships with some of the country’s leading copy writers. We would have to spend a little money, but the payoff of better letters could be substantial.

Step Six -- How to Reach Sarah and Mike The Practice of Scientific Membership Acquisition

No bones about it: We Need Growth, or We Will Die.

Fine. How do we return to days gone by when our membership was growing?

The first answer is to revive the LNC's credibility. We need to be seen as doing real politics. We need to put resources where they will have the biggest bang for the buck. Nobody wants to give time or money just to pay overhead. Yes, people understand there has to be *some* overhead. But nobody (except the dominant coalition on the LNC, who voted for the current overhead level) considers our current overhead level to be acceptable.

Activists need and deserve activity. We need to show a lot of it, soon, or we will fail to justify being supported. Activity may start slowly, but there must be more as time passes. People need to be given a good reason to give time and money. When people see effective activity, they will be more open with their wallets. The New Path plan will give that effective activity. As a result, membership will start to grow.

The next way to expand the membership is to stop the bleeding. In the last five years we saw two massive spikes in the membership lapse rate: first from mid-2005 to early 2007; then from early 2008 to late 2009.

What happened in that timeframe that led longtime members to give up on the LP?

Main reasons were:

In the first spike, multiple changes from \$25 Dues to Zero Dues to \$50 dues to \$25 donations.

Dilution of the historical LP message and wholesale scrapping of the platform in 2006.

Recruitment (by members of the current LNC dominant faction) and nomination of former conservative Republicans Barr and Root in 2008, along with the adoption of a watered down, nuanced platform document.

Failure to engage in effective political activity, so the LP appeared to drop from sight.

People fled for the exits. We've now had a shocking loss of institutional memory in the LP. As late as 2005, more than half the LP's members had been members for at least five years. Now, the majority of the members have belonged for less than two years.

A change in direction and increased activity will staunch the loss of members. But that is not all we must do.

There are several obvious ways to gain more members. The mechanism we chose must be evaluated scientifically. Fortunately, we have the tools and information needed for that analysis.

We explained in the Section on Raising and Spending Money why we don't plan to do cold-call direct mail. Under present conditions, it's just money down the drain. However, we have other

ways to recruit new members.

First, we'll make maximum use of the marketing tools of 2010: blogs, podcasting, social media like Facebook and Twitter, You Tube, and other means.

Second, we will increase our membership by improving our Web presence. At present we spend in excess of \$100,000 per year on electronic communications – the lp.org website, email and the like.

We are not getting nearly our money's worth. Outside experts generally agree our website could be improved a great deal, and is not optimized for the tasks we want it to fulfill.

The New Path team will do a complete redesign of lp.org. We will improve it dramatically and at a much lower cost as well. The new website will be a destination for all interested in liberty. Rather than engage in the "interruption marketing" of days gone by, we will pull people in to our message and then get their permission to communicate with them again. Establishing communication with a "warm" contact – someone who has interacted with us and given permission to us to reciprocate – has a very high success rate.

Pursuing warm contacts, people who have asked to hear from us, is Marketing 2010.

However, there is a third way to increase our membership. We've saved the best for last.

Our best customers – our best prospects by far for membership – are the people we know, and the people they know.

Our first line of new member sources is our own membership.

Why not say to all existing members: Bring a Friend. When you do, we will give you a benefit. After all, a new member is typically worth \$125 to our party. When you bring in a friend, you just gave the party \$125 at no cost to us. Potential benefits could include:

- one year's membership extension,
- gift certificates to libertarian book companies, or
- outright cash awards.

If every member brings in a new member every year, by 2016 we would have one million members. We aren't counting on that happening, but it certainly points in the right direction.

To recruit members, we also need to make better use of the media and public relations tools.

One of the current LNC chair candidates has been very vocal in his desire to use the media. On that score he is right. But here is where he is wrong: He is targeting media outlets that are highly unlikely to produce converts for us.

In fact, he has been focusing 100 percent on the area on the Nolan Chart opposite to where Libertarians live! That's the authoritarian Republican area where Fox News and Neocons dwell.

Furthermore, he is using the wrong success metrics. The proper metrics are not how many times he has been on conservative talk radio or on Fox News. The right metrics are the ones the New Path team recognizes, including:

- number of party members,
- monthly and annual revenue for the LNC,
- membership lapse rates,
- average member cash contribution,
- number of identified Libertarians seeking contested public offices,
- cash on hand (in number of days expenses),
- visits to our web site,
- earned media: mentions by the regular press, and
- growth of state and local parties.

Of course, to advance those metrics you need to emphasize the Libertarian Party, not the Republican Tea Party.

Finally, some words about direct mail... and a pledge from James Oaksun.

We aren't fundamentally hostile to direct mail, no matter what the incumbent treasurer or his clique may say. Direct mail can, under certain circumstances, "work". We may find unusual opportunities. Certainly a mailing to Ron Paul donors, if we had legal list access, might be very rewarding. However, we must note some challenges.

We will never have any success at direct mail if our response rates are 0.3-0.5 percent, not unless the responders are giving us big money. At present, they are not.

If we do decide that we need to do direct mail, we have ways to increase the response rate.

We need to use better lists and write better letters. Historically, we have largely mailed to far-right-wing and financial mailing lists. Those people were remote from us in 1998, and are far more remote from us now.

Probably the most sensitive variable in any direct mail effort is the response rate. In direct mail parlance, the increase in the response rate is called the "lift". Organizations that do significant amounts of direct mail devote substantial resources to improving the lift through better copy writing and better list selection.

We can illustrate the importance of lift with an example. Let's go back to that example earlier of obtaining 15,000 new members. What happens if the response rate is different, but all other rates are the same? If the response rate is different, so are the financial consequences. The sensitivity of the cash return to the response rate is staggering.

Response Rate	Net Present Value at 8%
0.3%	(697,000)
0.4%	(172,000)
0.5%	143,000

0.75%	563,000
1.0%	773,000

Move the response rate from 0.3% to 1.0%, and the net return on recruiting 15,000 members goes from a \$700,000 loss to a nearly \$800,000 profit.

Step Seven -- Healing Our LNC

Earlier chapters discussed *what* the LNC needs to do. Here we turn to a different question, namely how the LNC should organize in order to do its work. Perhaps also buried here is some discussion of how not to organize, at least if you want results.

Actually, this Step's changes start happening before any of the other changes. To fix our Party, we first have to fix how it goes about its business. However, if we'd started with Parliamentary Procedure rather than Quick Fixes, Real Politics, Fund Raising, and Member Acquisition, most of you would have chucked this book into the nearest wastebasket. Or hauled it out to the firing range for some well-deserved target practice. So the last actually shall be first. The deeds in this last section really must start happening before anything else can.

If we want to have an effective LNC, we need to suppress the Roberts cult that tries to replace substantive discussion with hairsplitting centered on what should be entirely procedural rules. The Summer 2005 Policy Manual was 41 pages of narrow columns and large type. The December 2009 Policy manual is 56 pages of wide columns and small type. We once had a Policy Manual that was simply an ordered set of operational motions passed by the LNC. We now have a bloated Policy Manual riddled with footnotes to Roberts, complete with the claim that if the LNC Secretary modifies the manual, and if the LNC does not reject the changes, the changes are binding. We need a Policy Manual that reflects LNC Policy, not a Policy Manual that reflects mind games of a few Committee members

How do we get from here to there? An important answer is the leadership provided by whoever is chairing the meeting. Our face-to-face LNC meetings are extremely time-constrained. Parliamentary games that draw matters out so that real business cannot be transacted are unacceptable. Claims that the majority cannot proceed with substantive business without supermajority votes are unacceptable. A competent chair will keep LNC meetings on track so they may advance our march to the Libertarian future of peace, freedom, and opportunity.

Having made clear that the LNC is here to do real work, how do we get that work done? Face-to-face meetings are very short. There are only 17 or so LNC members, and at present only a half-dozen staff members. What should we do?

Fortunately, we have our own history to draw upon. We have the period of the 1990s, when the party was growing and becoming more active, and the last decade, when our party entered its death spiral.

Learning about our party's organization and management two decades ago is not as easy as it sounds. Once upon a time, our party's archives were readily available on the LP.ORG web site. They're not there any more. Fortunately, New Path Regional Representative candidate Jake Porter found places where some of those minutes were available, and has made them available on his web site at <http://libertarianstrategymonthly.com/news/libertarian-archives>

As representative examples of how the LNC functioned when the party was advancing, consider minutes from two decades ago. It's very different than the LNC today. LNC Members spent their time talking about the serious business of the party and the work they had actually done.

For Summer 1991, a typical meeting had reports from:

Executive Committee
Headquarters
Membership Committee
Affiliate Parties Committee.
Affiliate Campaigns Subcommittee
Audit
Management Committee
Outreach Committee
Convention Oversight Committee
Advertising/Publications Review Committee
Convention Committee
Appointments Bylaws and Rules Committee
Media Relations Committee
Internal Education Committee
Program Committee
LP News
Legal Action Committee
Budget

These were real with multiple members. As can be seen from their reports, they were actually doing substantial work between meetings.

If we look back another decade, to the minutes for December 4 and 5 1982, we find

Budget Committee
Finance Committee
1983 Fund-Raising Goal
Mailing List Committee
National Convention Oversight Committee
Advertising and Publications Review Committee
Advertising and Publication Subcommittee
Internal Education Committee

and

"Discussion of need to form a "young libertarian party" campus-type unit: Walter moved that the Libertarian National Committee create a temporary "Campus Libertarian" Committee and name an interim Chairman.

"The Chairman, and such others as he/she may appoint, will investigate the need for a permanent CL unit and report his or her findings at the March 12-13 meeting in San Mateo. After discussion Walter's motion passed. Evers moved that the committee be Scott Olmsted, Kathleen Richman and Jay Hilgartner with Olmsted at Chair. Evers motion passed."

Look forward to 2010. What do you find? A convention committee. A publications review committee.

Furthermore, once upon a time the LNC actually spent considerable time in days gone by on the substantive conduct of its operations, as witness the following motion by Karen Allard as passed by the LNC by 1991:

Allard moved:

*Whereas contributors above a designated amount are promised a lifetime membership, and
Whereas the LP is thereby obligated to provide certain benefits over the Member's or organization's
lifetime whichever is less, and*

Whereas these benefits constitute a long-term liability on the part of the Party,

Therefore be it resolved that the LP fund this long-term liability according to the following terms:

*1. That ninety percent (90%) of all designated Life Memberships be deposited into a Perpetual Trust
in the name of the LNC.*

*2. That ninety percent (90%) of the earnings on said Trust be distributed to the General Fund each
quarter.*

*3. That the Fund be administered by a Board of Trustees comprised of three Trustees, each serving
for a six year term.*

*4. That, whether in case of end of term, resignation, or other vacancy, the Chair of the LNC shall
appoint the Trustees and the appointment shall be ratified by two thirds (2/3) vote of the LNC
during the next regularly scheduled meeting.*

*5. That the terms of office of each Trustee be staggered in such a manner that one Trustee is
appointed every two years.*

6. That the Senior Trustee shall preside over meetings of the Board of Trustees.

*7. That a Trustee may be removed from office by two thirds (2/3) vote of the LNC, but only by cause
related to management of the Fund.*

*Upon adoption of this resolution the Chair shall be charged with nominating one Trustee for a two
(2) year term, one Trustee for a (4) year term, and one Trustee for a six (6) year term. The
announcement of nomination shall be at least thirty (30) days in advance of the next regularly
scheduled meeting.*

That's how a serious LNC protects the moneys entrusted to it by the members. Well, that was how a serious LNC *in days gone by* protected the moneys entrusted to it by its life members. Those moneys are now gone.

The modern alternative to an active, LNC supervising a growing party is the modern LNC, a group whose leading coalition talks of setting goals for its staff. There is an old joke about a navy with more Admirals than ships. For the 17 members of the LNC, there are a half-dozen ill-paid staff members to do the work. Underlying this image of a National Committee that does no work is the so-called Carver Governance model.

The Carver model was created to handle an entirely different state of affairs, namely a non-expert board running an expert facility. For example, you might have a community hospital whose governing board was the spouses of the community good and great donors who support the hospital. The medical staff is first rate, but the board includes people who believe in chiropractic, acupuncture,

and Mayan astrology.

How can such a board make a positive contribution rather than getting in the way? It can set goals 'eliminate preventable childhood diseases in our community' rather than trying to decide between 'inoculate all children against whooping cough' and 'sacrifice a white bull to Apollo'.

The Carver model refers to the exact opposite of our situation. Our Libertarian Party has on its board and among its volunteers attorneys, IT experts, MBAs,...all the expertise we would like to have and are far too poor to hire. In fact, given the incredible quality of the available volunteers, even if we had the money, we would do better to spend the money on outreach and use our volunteers to do the work.

Unsurprisingly, when you try to apply a governance model in an environment in which it is inappropriate, you get bad results. Our membership is down 60%. Income is down more than 70%. Donations are at levels last seen nearly two decades ago.

It's time to do things differently. It's time to go forward to the past. We should return to the governance structure that put our Party on the road to continued growth.

Having said that, how should the LNC be organized to do work? On one hand, the LNC is clearly a "small committee" in the usually-unimportant sense of Roberts'. It is certainly too small to do the work of our national party, even if every LNC member was a full-time volunteer. On the other hand, the LNC is large enough that it starts to become inefficient if every member wants to discuss every topic.

The solution is working groups. We could call them 'committees', except most Libertarians know well the phrase 'Committees--the substitute for work'. We could say 'subcommittees', but those sound like they are all without exception composed only of LNC members, which in many cases misses the point of having the group.

A working group should contain a few LNC members, enough to keep the group on course and keep it in touch with the LNC, and volunteers, people who are delighted to give their time to our National Party. Each working group should have an area of responsibility, recognition and support, and a budget as appropriate.

What working groups do we need?

The Libertarian Association of Massachusetts has a set of working groups that reference well the activities you would expect of a state or national party. A few phrasings would change for a national party. For example, the Local Organization Working Group would become the State and Affinity Affiliates Working Group. We paraphrase here from the LAMA Bylaws at LPMass.org as to what LAMA does:

Working groups are composed of a few Committee members plus volunteers. The permanent working groups are Local Organization, Elections, Political Action, Newsletter, Web Support, Outreach, Membership, Fundraising, Convention, Budget and Finance, and Audit and Compensation.

What do these groups do?

The Local Organization Working Group helps local and topical libertarian organizations. It encourages libertarians to act as local organizers, helps them to organize local and topical groups, and supplies them with information on potential group members. It supports, assists, and publicizes local and topical groups and advises them on possible activities. It develops resources to benefit local and topical groups.

The Elections Working Group helps libertarians win elections. It recruits and trains candidates and volunteers, supports ballot access drives, assists candidates with publications, fundraising, and Get Out The Vote efforts, and collects and distributes useful information to candidates. It works to maintain the honesty of the election process.

The Political Action Working Group supports substantive political activities, other than electioneering for elective office. It assists with Referenda and Public Policy Questions, and aids OPH booths, rallies, demonstrations, protests, letter writing campaigns, litigation, and peaceful petitions for redress of grievances.

The Newsletter Working Group helps the Editor edit and publish the Newsletter.

The Web Support Working Group operates or supports Liberty for Massachusetts Web and Wiki Pages, if any. It seeks to operate State Committee email lists, including a periodical announcements list, a moderated Activists list, and an unmoderated General list.

The Outreach Working Group strives to inform the public about the libertarian direction. It develops and supports publicity and advertising drives, prepares press releases, responds to press inquiries, assists members with letter-writing drives, and produces and distributes outreach material.

The Membership Working Group recruits and retains LPMA Members. It contacts new members to welcome them. It contacts inquirers and invites them to join. It encourages social events, public lectures, and other activities for prospective and current Members. It contacts persons who have ceased to be Members to determine why they left and to invite them to renew.

The Fund Raising Working Group raises money for the State Committee and its Working Groups, PACs, and 527 and other organizations. It cultivates individual donors, and conducts periodic large scale fund raising campaigns. It is scrupulous in promising donors how their money will be spent, and prompt and accurate in reporting to them and to the membership on how their money was actually spent.

The Convention Working Group organizes and conducts the LPMA's Annual State Convention.

The Budget and Finance Working Group monitors the Party's funds and proposes an annual budget.

The Audit and Compensation Working Group annually and in addition on request of the State Committee reviews the State Committee's financial records, and the financial records of the Working Groups, to ensure that they are complete, accurate, and properly reported to the

Membership. It determines if moneys have been received and spent in accord with LPMA By-Laws, State Committee actions, legal requirements, and fundamental ethical standards. It reports to the Membership and to the State Committee on irregularities, deficiencies, and deviations, and their causes, and recommends corrective measures.

To these, one might add an Internal Education Working Group and an Operations/Back Office Working Group.

Now you've read how the New Path proposes to fix the LNC. We propose to replace parliamentary mumbo-jumbo with serious business. We propose to replace vague discussions of goals with concrete actions. We propose to replace *the fleet with far more Admirals than ships* with a *Committee that does real work*.

The Distant Prospect

Perhaps we should have inserted this chapter at the beginning. After all, this is the chapter that lays out the true objectives of our Libertarian Party, as seen by the New Path. If you talk honestly about our final destination, readers may find the trip sounds too challenging.

That's why we talked first about simple practical steps that we clearly can put into place. Those steps were all obvious and sensible ways to move in what was clearly the right direction. Now that we're moving the right way, let's consider where the journey will take us.

The purposes of a political party are to place candidates on the ballot, to elect them to office, and to use its elected officials and other parts of the political process to put its platform into place.

What do we need to reach our objective?

To bring the libertarian future to the United States, we need to become the majority party, with regular control of Congress, the White House, state legislatures, and state houses across America. We don't need to reach a one-party state like Massachusetts -- that would be bad for us as well as for our country. We do need to be the political movement that sets the agenda, our libertarian agenda in which private Americans are able to choose their own futures.

Clearly, we are not going to become the majority party overnight. We are not going to become the majority party during the terms of office of the next National Committee. However, we should never lose sight of the ultimate objective, for if we do we will wander lost in political fever-swamps.

What do we need to reach the Libertarian political majority?

On one hand, there are the factors that will define us as the majority party. On the other hand, there are the social structures and groups of people that will win us our majorities. Finally, there are the methods and tools that will start moving us in the right directions.

Your National Committee is not an electoral majority. It is not by itself the social groups and individuals who will win us majority status. What today's LNC can and must do is to start putting in place those methods and tools. That's right, the LNC can lay the foundation for the great political engine that will move us from small minority to political majority.

Let's go back to those needs.

First, what are the factors that will define us as the political majority? They include:

- *an incumbent pool
- *strong candidates for every office at every level
- *a large, supportive voter base
- *concrete libertarian policies that actually work and are seen as working.

Second, which social structures will create and sustain our libertarian majority?

- *Effective political party groups:
 - National Party
 - State Parties
 - Local political groups
- *Libertarian affinity groups
- *Libertarian think tanks
- *Libertarian political consulting and polling houses
- *Libertarian main-stream media
- *Libertarian litigators and journalists

Finally, what are the tools and methods the National Committee can start creating *now*. That's how we'll begin this very long march. We start taking small steps that get us moving in the right direction. We've already talked about many of those tools and methods in earlier chapters. They include

- *Activist support
- *Volunteer mobilization
- *Candidate recruitment, support, and training
- *Group formation and development
- *Vibrant, active parties in every state, D.C., Puerto Rico, and wherever else our flag flies
- *Outreach and Advertising
- *Web and internet mobilization
- *Literature and web templates
- *Sound resource management
- *Effective fundraising

Let's go back and look at these needs in more detail.

*Incumbent Pool. In America, the most effective way to be elected is to be a candidate for re-election, to the same or a different office. As an incumbent, your years in office and successful policies give you name recognition, and recognition for competency, that your challengers find it difficult to match. When we approach majority status, it will be our candidates who have the advantage of their incumbency, and their candidates who are little-known challengers.

*Strong candidates for every office. As that great Massachusetts politician Tip O'Neill explained fifty years ago, if you want to elect people to office, there's no substitute to having someone on the ballot.

He correctly went further than that. The Democrats took control of the Massachusetts State Legislature by making sure that there was a Democrat running for every single office, great and small, including races offering scant chances for a Democratic victory, because every candidate brought his friends and neighbors to the polls. When we run strong candidates up and down the ballot, we send loud and clear that we have the most important strength a party can have: we are the party that you can trust.

*A large, supportive voter base. Most Americans vote by party. They do so because most of the time most candidates of their party are good enough on their key issues. Instead of asking whether

Candidate C is exactly right, they trust their party to select good candidates. Our voter base is the people we can be sure will vote Libertarian. With enough habitual Libertarian voters, we will win almost every election.

Furthermore, most Americans only choose a political party once or twice in their whole life. Once they have chosen a party, they stay with it for decades. That's why youth recruitment is so important. Each teenager we recruit will cast tens or hundreds of libertarian votes.

*Concrete libertarian policies that actually work and are seen as working. This is the most challenging piece of the puzzle to craft and put into place. It's very easy to say that when a complete set of libertarian policies have been in place for a long time, we will be better off. In the real world, some of our policies will have unexpected consequences we do not like, consequences that move us away from liberty. A libertarian majority party needs to be sufficiently agile to notice when matters are turning sour and correct our policies so that we keep moving in libertarian directions.

In order to create the Libertarian future, we need to create the social structures that take us there. Some of them will appear spontaneously. Some need a bit of encouragement. The National party can't become all of these structures. It can work to ensure that these structures appear.

*Effective political party groups: We need effective Libertarian party groups on every level, Federal, state and local. In particular, we need the effective local groups that we do not yet have in most places. Of course, we also need effective state parties and a national party, but state and national groups are not nearly enough. There are important tasks for a national party, for state parties, and for local parties, discussed in earlier chapters. To carry them out, we need strong, vibrant libertarian parties in every state, D.C., Puerto Rico, the Virgin Islands, and everywhere else our flag flies.

*Libertarian affinity groups: A libertarian affinity group will contain people with a common interest, and people in leadership roles who show how those concerns will be solved with our sound libertarian policies. A libertarian affinity group may contain lots of people who are not libertarians. One affinity group objective is to generate public support for its solutions. A second affinity group objective is to persuade its members to support the libertarian solution and someday to support our Libertarian Party. The other political parties are each surrounded by a swarm of their affinity groups, many nominally nonpartisan but in practice very highly partisan.

*Libertarian think tanks: Think tanks are not political parties. They advocate for ideas, not for the election of particular candidates. Because people see think tanks as rising above politics, they trust think tanks more than they trust politicians. Think tanks do the important policy studies that help candidates defend their stands with facts and pointed sound bites. We need libertarian think tanks.

Those are think tanks like AntiWar.com that support libertarian ideas, not right wing warmonger or right wing racist think tanks. By definition, our National Committee cannot be a think tank, but it can bring together the libertarian thinkers and financiers who can create the think tanks we need.

*Libertarian political consulting and polling houses. In the real world, most political consultants only work for one party. They only work for Democrats, or they only work for Republicans. A few

houses, notably petitioning houses, are willing to work with Libertarian candidates; we should treasure and support them. As our party develops, as our candidates have more and more money, natural market forces will create Libertarian political consultants. In the short term, when neither the money nor the consultants are yet available, we need to do activist support and training to help our volunteers with critical work.

*Libertarian mainstream media: Do we want our candidates' statements to be reported accurately to the public? Do we want the local television station to organize a candidate debate, and announce in advance that the Libertarian candidate will indeed be included as a debater? If so, we need Libertarian main-stream media, newspapers, television, magazines, and internet outlets, places that present honest news and sensible opinions while creating a libertarian cultural and political climate.

*Libertarian litigators: Do you need to sue for ballot access? Do you need news coverage that represents our stands well? We will reach those goals when we are educating large numbers of Libertarians as attorneys and journalists, people who will support our legal needs and present our views. Yes, a good attorney of any political inclination will do a first-rate job for his libertarian client. However, the conservative movement has spent decades pushing the Federalist Society, for very good reason, and we should do the same.

Finally, there are the tools and methods the National Committee can start creating *now*. That's how we'll begin this very long march. We start taking small steps and after not too long realize that we have started moving in the desired directions. We've talked about many of those tools and methods in prior chapters. A partial list of the methods we discussed includes:

- *Activist support
- *Volunteer mobilization
- *Candidate recruitment, support, and training
- *Group formation and development
- *Vibrant, active parties in every state, D.C., Puerto Rico, and wherever else our flag flies
- *Outreach and Advertising
- *Web and internet mobilization
- *Literature and web templates
- *Sound resource investment
- *Effective fundraising
- *Short-term Libertarian policies

Part Four

The New Path Business Plan

LNC Inc. has a long list of weaknesses that have combined into a threat to its continued existence.

If these weaknesses are not corrected soon, the National Party will cease to function in a meaningful way. On the other hand, there are enormous opportunities awaiting an active, effective party.

What are some of these weaknesses?

Falling membership -- down more than half in ten years.

Declining income -- down nearly three-quarters in real dollars in ten years.

Shrinking donor base -- the number of large donors keeps falling.

Decreasing credibility -- fundraising appeals that were once a major income stream now sometimes lose money.

Declining activity base -- some state parties have been inactive for years; others have vanished.

Negative momentum -- the National Party is going backwards.

Treading water -- the National Committee response to the above is to keep repeating the same activities on a smaller and smaller scale

Parliamentary Paralysis -- the LNC spends its time dreaming about Robert's Rules of Order.

The LNC needs

More Resources: Money, People, Activists

Positive momentum

Credibility to regain lost members

Credibility to gain new members

There is a clear solution. (1) The LNC frees up resources and generates new resources. (2) The LNC starts doing real politics rather than treading water. (3). The LNC is seen as being politically active. (4) Steps 1-3 generate new resources and opportunities, allowing these steps to be repeated. We generate more activists, donors, candidates, and other resources. The LNC moves into an ascending spiral.

Below is a phased approach to putting the LP on a New Path:

Phase Zero: Elect the New Path. If you support our proposals, if you want to see them put into effect, you need to elect candidates who understand the plan and are ready to make it work. That's the Candidates of the New Path for the Libertarian Party.

Contrariwise, if you re-elect people who talked while our National Party lost more than half its members and more than 70% of its income, you have repeated what we did last time, and you should expect more of the same. It's your choice.

Phase One: Focus LNC meetings on substantive business. Follow a substantive agenda. Cure runaway parliamentarianism.

Phase Two: Start executing the phased plan. In our first meeting, authorize the plan to proceed.

Authorize the needed front end phases from the plan matrix. Start searches for volunteers. Send the Treasurer to Washington with full authority to review and report.

Phase Three: Deploy the simplest quick fix: cut fixed costs. Information Technology appears to be the best target. The proposed objective is to eliminate \$50,000/year of the current \$100,000/year in Information Technology costs. Examine the real estate situation.

Phase 4: Start raising more money. The Email Fundraiser is “New Officers on Deck. New Hands on the Tiller.”

Phase 5: Justify our existence through deeds. Start doing politics. Start with steps that sound good or are likely to be visible soon.

Candidate Support. It will be difficult to do a lot early, but the election is six months away so we simply cannot wait. Web Templates, disk, downloadables are high priority.

Start Internet Advertising, even if the budget is tiny, to test response rate to various messages. Target states where election results are significant to ballot access.

Generate and pursue warm contacts. Note the example of sites like GoldAmericaGroup.com. Start contacting people who join.

Volunteer mobilization: You don't need permission. Here are great things that were done. Here are things you can do. Contact incoming volunteers; offer them tasks. Actually contact our members, and not just to ask for money.

Phase 6: Keep raising more money. Once Justification has begun, try a papermail fundraiser. Say: We started doing things, and are seeing results, such as these. Give your support, and we can do more.

Membership acquisition. Launch the 1 recruits 1 program as soon as resources are in place. To give membership extensions, we may need to raise the money to nominally pay for the extensions. Remind people 'every dollar spent this way goes right back into the Treasury'; no money is going down the drain.

Parallel threads to longer-term goals:

Move HQ to completely new location, as a symbol and fixed cost reduction. Long-term savings target: \$90,000/year. Some short-term costs for staff relocation, perhaps \$20,000. Needs: Find target destination. Negotiate with current landlord. Raise money for move. Move.

Fix web pages. The pages have several obvious target audiences, which are better served separately.

#1 The public: education; recruitment of members, activists, and donors.

#2 The Press.

#3 Activist, candidate, and affiliate development/support.

Rearrange the web site to match the customer groups. Look at the Dell.Com site for an example. This fix gives us far better pages and saves ca. \$30,000 a year. Fixing the web pages to match the three targets, and in general fixing the web pages, might take half a year.

Revive the newsletter; move back toward monthly publication by generating volunteer reporters and a volunteer or part-paid editor. Longer term: electronic newsletters to bridge spaces

between regular newsletters. Electronic volunteer newsletter with volunteer news.

Affiliate support and revival. Identify areas with no affiliate. email/papermail residents telling them they are invited to organize. Ask for volunteers to spearhead effort and tell them they should start, and we will try to help them. Organize and bring them on board. Identify areas having only notional affiliates. See what is going on. Encourage reorganization. The extreme last resort is to disaffiliate the totally dysfunctional.

Fix LNC budget structure to match our not being a taxable corporation. Allocate money to real purposes. Perhaps replace budget based on guesses as to member numbers with allocation of dues income into functional areas, e.g., instead of budgeting \$35,000, budget \$5000 plus \$2 per member.

Bylaws amendments for e-newsletter dues reduction and family dependency memberships need to wait until next NatCon.

Fix LNC structure. Working groups.

The next three pages give a timeline for putting the New Path into effect. The three Tables are equally important, but too big for one sheet of paper. The following three pages are the financial projections for putting the New Path plan into effect. The past page gives our candidates' message.

Date	LNC Structural Changes	The NewPath Business Plan	Reduce Fixed Costs/zero based budgeting	Candidate Support	Newsletter
Zero	We proceed by majority vote and committee of the whole. Approve and form Working Groups	Adopt as basis	Authorize to proceed with standard contracts	Working group on candidate support; LNC + call for volunteers.	Call for Reporters, Editor. Discussion of enewsletter a la Georgia LP.
Zero	Adjourn&Return in ten minutes to "Meeting 2"				
Week 1-2	Call for Committee Volunteers	Publish	Treasurer in DC	Web Site Templates, improved candidate list	
Month 1	Appoint standing committees LNC volunteers as allowed first.	Execute	IT Reductions Est \$60,000/ya	Disk Distribution	Review progress,
Month 3	Fix Budget Structure Set-asides for National Convention, Financial reserves, 2012 Ballot access	Execute		Improved Disk	Push toward monthly publication based on volunteer availability
Month 4-6	Candidate support spending.	Execute	Tentative New Office Savings about \$90,000/ya	Money	Enewsletter to bridge gap between paper newsletters

Date	Internet Advertising	Membership Acquisition	Web pages	Fund raising	Affiliate Support
Zero	Approve, minimum budget	Soft Contact Generation: Soapbox or the like	LNC Web Support Committee		
1-2 weeks	Deploy	Deploy	Call for volunteers and sort them out	"A new hand on the tiller"	Downloadable trifolds, web page templates
1 Month		Pursue contacts. Raise money for 1 recruits 1 drive.	New Hosting Service	Each 1 Recruits 1 fundraiser.	Contact affiliates: bylaws, officers, state requirements, methods of election, compliance
2 months		1 recruits 1 drive with rewards	Structures of new pages	We acted ...Results	Report: Who is active. Affiliate activation where no affiliate.
3 months				Outreach to small-1 Libertarians	Crossfeed to next page, "Active affiliates across America.
4 Months			Deploy New pages as available		

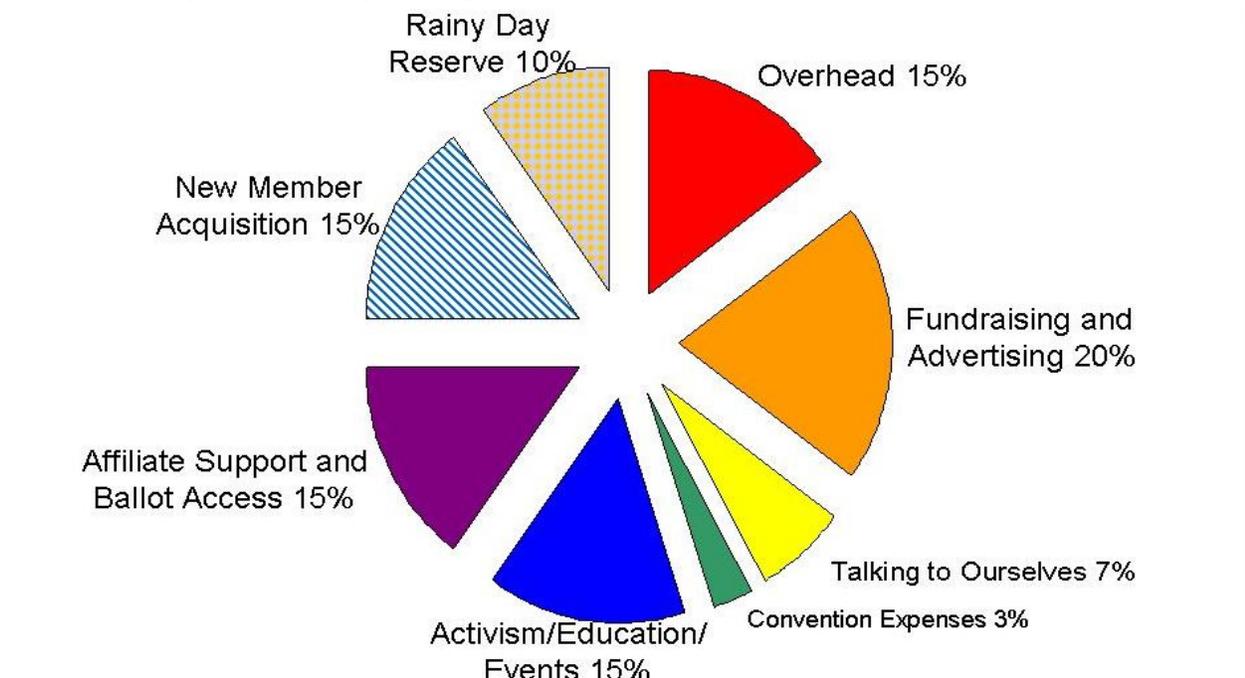
Date	Listen to our members and activists	Active affiliates across America	Outreach	Long term projects
Zero	Public statements	Endorse Goal, Resources allocated	Endorse Direction	List of long term needs: Think Tanks, affinity groups, libertarian main-stream media
1 month	All later months: What did not work? How could this have been done better?	Start with known voids: contact members in each place: We are here to help.	Press statements with left as well as right directions: Condemn torture, the wars, runaway debt, the surveillance state.	
Three months		Act on report. Formally recognize absence of affiliates in places that lack them.		
Four Months			After Web pages are good to go: Memorable Libertarian sound bites and broad outreach	
Six months		An active affiliate or 'not enough activists'		

New Path Financial Projection – Key Highlights:

Our baseline projection is that, within four years (by 2014), we will recoup what our party lost in the 2001-2009 timeframe and return us to where we were in 2000 (i.e., roughly \$3 million in revenues and 30,000 members).

Although we believe there may be considerable upside potential beyond this, as a baseline we are conservatively projecting to erase the decline our party has suffered.

Resources will be reallocated, away from internal (for ourselves) expenditures and toward external (party building, ballot access, voter engagement) efforts. When we have returned to the \$2-3 million a year range, a reasonable expectation is that budget allocations will resemble the following chart. Along the way, we'll be making changes based on practical experience. Except for convention expenses, those pie wedges have each been rounded to the nearest 5%.



In more detail, what will be those expenses?

The table two pages forward shows the projections. Some of the short-term changes reflect the quick fixes needed to get things under way. Some of the short-term changes reflect costs moving from general management and other categories into real politics. Clearly, it is much easier to invest new money in the new real-politics categories than it is to move money out of current operations, given that it is our objective to heal the party not bring it to a stop.

Convention expenses – Because putting on a convention is a mandated task for the LNC, the New Path team will immediately begin to earmark specific funds for the 2012 (and future) conventions.

Ballot access – One of our interim goals is 50 active state parties, including 50-state access for our

2012 presidential ticket. We will be earmarking funds, effective immediately, to fulfill that pledge. We'd like to have 50 state access for 2012. That goal is contingent on getting our budget back up to the \$2 million or more range.

If the budget is only one million? There is a "marketing advantage" to having 50 state access. But when the budget is \$1 million and not \$2 or \$3mm... then you have hard choices to make. Is it better to have 48/49 state access plus other goodies? Or... go for 50?

Rainy Day Reserve – We will immediately move toward earmarking 10 percent of revenues to building a prudent reserve balance for the party. Our interim target is to build a reserve balance of up to six months' expenses.

The next page shows a 2010-2014 financial projection, if the New Path plans are successful. The further out we look in time, the less accurate the estimates become. As time goes on, more and more of the LNC's funds will be spent on real politics.

Note the two lines labeled "Additional Vision 2016 Potential". Vision 2016 is the proposal that we should adopt an extremely demanding long-term objective, as challenging as the Motorola Six Sigma plan, and strive to attain it, understanding but not accepting that we may fail.

For the Libertarian Party, the Vision 2016 long term objective is restoring the party to its 1990-1998 growth curve. You see the extra income and expenditures that arise from reaching this goal.

In Closing...

Change does not occur by magic. It occurs when people stand together and say, “Enough! We have been on this road too long already. It is time to take a New Path.”

The LNC’s dominant coalition has presided over a dramatic decline in our Party’s fortunes. They have no explanation and no defense for their actions.

In the face of a 70-plus percent decline in revenue, the dominant coalition decided that the most important thing to do to improve our Party’s situation was to purge Angela Keaton. Don’t just take our word for it – their own meeting minutes tell all.

In the face of a 60-percent decline in overall membership, the dominant coalition decided the next most important thing to do to advance the cause of Liberty was to try to remove Lee Wrights from the committee.

In the face of a decline in our major (itemized) donations, to the lowest point in a decade, the dominant coalition decided the third most important thing to do to bring about a free America in our lifetimes was to have yet another endless meditation on the meaning of Robert’s Rules of Order.

In the face of state parties hollowing out to shells of their former selves, the dominant coalition decided the fourth most important thing to do to bring America peace, freedom and opportunity was to massively increase the length of the policy manual and add footnotes to Roberts Rules of Order.

And they still want to be re-elected! Well, here’s what we have to say to them:

**You had your chance. You failed. You almost killed our party.
You may yet succeed--our party's life hangs in the balance.**

You have not led.

We Will.

