

It concerns me that Judge Posner, who is well respected and highly influential, could be so uninformed when sharing his unsolicited opinion of ESOPs. Clearly, he has no direct knowledge or understanding of how and why ESOPs work.

Our nation (and the world) faces an enormous challenge in a growing concentration of wealth accumulation by the very wealthiest. I believe the ESOP is the best form of capitalism where all employees can become capitalists and share in the wealth they help create.

The President's call for an "ownership society" included home ownership and social security. We are all aware of the benefits and risks of social security and home ownership. Now it is time to extend that "ownership" definition to include ownership in the companies where we work. No one gets rich on a paycheck. Wealth is created through ownership.

The benefits of ownership through ESOP, where workers do not pay cash, but labor, for their ownership stake, have been proven in numerous research studies. My former company, Chatsworth Products, Inc., and numerous other ESOP companies have demonstrated that aligning the interests of workers and shareholders through an ESOP results in greater wealth creation that is more broadly shared.

My hope is that Judge Posner as well as our Congressional representatives take the time to visit some of the over 10,000 ESOP companies so they can truly "judge" the value of ESOPs with first-hand knowledge and perhaps spark an honest debate on the merits of the ESOP form of ownership compared to other types of ownership, especially public ownership.

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