



100TH
ANNIVERSARY
**LOUIS O.
KELSO**

DATUM | DATE

04.12.2013

ORT | PLACE

LOGENSAAL – LOGENSTR. 12, 15230 FRANKFURT (ODER)

ZEIT | TIME

**16.00 UHR
4.00 PM**

ABOUT LOUIS O. KELSO

Louis O. Kelso (1913-91) was a political economist in the classical tradition of Smith, Marx and Keynes. He was also a corporate and financial lawyer, author, lecturer and merchant banker who is chiefly remembered today as the inventor and pioneer of the Employee Stock Ownership Plan (ESOP), the prototype of the leveraged buy-out which Kelso invented to enable working people without savings to buy stock in their employer company and pay for it out of its future dividend yield.

Kelso invented the ESOP in 1956 to enable the employees of a closely-held newspaper chain to buy out its retiring owners. Two years later Kelso and his co-author, the philosopher Mortimer J. Adler, explained the macro-economic theory on which the ESOP was based in *The Capitalist Manifesto* (Random House, 1958). In *The New Capitalists* (Random House, 1961), the two authors present Kelso's financial tools for democratizing capital ownership in a private property, market economy. These ideas were further elaborated and refined in *Two-Factor Theory: The Economics of Reality* (Random House, 1967) and *Democracy and Economic Power: Extending the ESOP Revolution Through Binary Economics* (Ballinger Publishing Company, Cambridge, MA, 1986; reprinted University Press of America, Lanham MD, 1991), both co-authored by Patricia Hetter Kelso, his collaborator since 1963.

Kelso's next financing innovation, the Consumer Stock Ownership Plan (CSOP), in 1958 enabled a consortium of farmers in the Central Valley to finance and start up an anhydrous ammonia fertilizer plant. Despite fierce opposition from the major oil companies who dominated the industry, Valley Nitrogen Producers was a resounding success. Substantial dividends first paid for the stock and then drastically reduced fertilizer costs for the farmer-shareholders.

Kelso regarded the ESOP and CSOP as pragmatic proof that his revolutionary revision of classical economic theory, and the financial techniques he derived from this new perspective, were sound and workable in the economic and business world. As a corporate and financial lawyer, and later as senior partner in the law firm he founded, Kelso well understood this world. He was further motivated by his conviction that lawyers had a special responsibility to maintain and improve society's institutions in the light of its democratic values. He further believed that the business corporation was society's greatest social invention and that its executives had a fiduciary responsibility to exercise its vast power.

PROGRAMM

AGENDA

16.00 4.00 pm	Grußwort von Dr. Gunter Pleuger, Präsidenten der Europa-Universität Viadrina Frankfurt (Oder)	Opening speech by Dr Gunter Pleuger, President of Europa-Universität Viadrina Frankfurt (Oder)
16.10 4.10 pm	Begrüßung durch Prof. Dr. Dagmara Jajeśniak-Quast und Prof. Dr. Jens Lowitzsch	Welcome speech by Prof. Dr Dagmara Jajeśniak-Quast and Prof. Dr Jens Lowitzsch
16.20 4.20 pm	Begegnungen mit Louis O. Kelso – Erinnerungen:	Encounters with Louis O. Kelso – Memories:
	Patricia Kelso Präsidentin des Kelso Instituts	Patricia Kelso President, The Kelso Institute
	John D. Menke Vorstandsvorsitzender der Menke Group	John D. Menke CEO, Menke Group
	Paul Maillard Ehrevorsitzender von FONDACT	Paul Maillard Honorary President, FONDACT

17.00 | 5.00 pm

Film – Kapital am Werk / Capital at work

17.15 5.15 pm	Louis O. Kelsos Vermächtnis und seine Bedeutung für Wirtschaft und Politik heute – Runder Tisch mit:	Louis O. Kelso's legacy, his influence on economy and policies today – Round table discussion with:
	Patricia Kelso Präsidentin des Kelso Institute	Patricia Kelso President, The Kelso Institute
	David Morris Generaldirektor, Global Wealth Allocation	David Morris CEO, Global Wealth Allocation
	Dr. Daniel Dahm Vorstandsvorsitzender, United Sustainability	Dr Daniel Dahm CEO, United Sustainability
	John D. Menke Vorstandsvorsitzender, Menke Group	John D. Menke CEO, Menke Group
	Prof. Dr. Dr. h.c. Herwig Roggemann Osteuropa-Institut der FU-Berlin	Prof. Dr Dr h.c. Herwig Roggemann Institute for East European Studies, FU Berlin
	<i>Moderation:</i> Prof. Dr. Jens Lowitzsch Inhaber der Kelso Stiftungsprofessur	<i>Moderator:</i> Prof. Dr Jens Lowitzsch Chair, Kelso Professorship

18.30 | 6.30 pm

Konzert/Concert Stephan Krawczyk

19.15 | 7.15 pm

Cocktail

"The basic moral problem that faces man as he moves into the age of automation, the age of accelerating conquest of nature, is whether he is really fit to live in an industrial society; whether his institutions will adjust rapidly enough; whether he will rivet himself with an absurd institution like full employment in the economic order when it is not only unnecessary but unadministratable in anything but a slave society; whether freed from the necessity to devote his brain and brawn to the production of goods and services, he can address himself to the work of civilization itself."

Louis O. Kelso

Event organised by:

Centre for Interdisciplinary Polish Studies (Prof. Dr. Dagmara Jajeńska-Quast) and
Kelso Professorship of Comparative Law, East-European Business Law and European Legal Policy (Prof. Dr. Jens Lowitzsch)
