

JIM:

WHILE DOING THE LEGAL WORK ON THE VARIOUS LAWSUITS WE HAVE BEEN FOCUSING ON THE VARIOUS PROBLEMS THAT CONFRONT US. THE LAWSUITS ARE A MAJOR ISSUE. THEY WILL CERTAINLY RESULT IN JUDGEMENTS, AT LEAST THE KATSARIS AND MAYBE THE MEDLOCK. THESE JUDGEMENTS WILL BE USED TO HARASS US AS LONG AS WE OPERATE IN THE STATES. IT WILL COST A WHOLE LOT OF MONEY TO DEFEND THEM. WE DON'T THINK IT IS WORTH IT BEYOND A REAR GUARD TYPE ACTION. THE BEST THING WE CAN DO IS TO SELL THE REMAINING THREE PROPERTIES WE HAVE IN THE NEXT 90 DAYS FOR THE BEST PRICE OBTAINABLE AND GET OUT. IF WE WANT TO LEAVE LEONA AND A FEW BACK TO PLAY CHURCH AS THEY MIGHT LIKE THAT IS O.K. TILL THE LAWSUITS PUT TOO MUCH HEAT ON THEM, BUT FOR THE MOST PART WE THINK THE GAME IS UP THERE.

OF COURSE THIS LEAVES US IN A SEVERE FINANCIAL PREDICAMENT HERE. THE PREDICAMENT WILL INCREASE AS OUR POPULATION INCREASES. WE DO NOT FEEL THAT AS THE COMMUNITY IS NOW STRUCTURED IT CAN EVER BE FINANCIALLY SELF SUFFICIENT (WE HAVE PUT 20 TIMES MORE EFFORT INTO BAND AND KARATE IN THE LAST SIX MONTHS THAN INTO THE CONSTRUCTION OF A SAWMILL) AND WE SEE THAT HISTORICALLY SMALL, SELF CONTAINED COMMUNITIES HAVE ALWAYS FAILED. IT SEEMS THAT WE SPEND SO MUCH TIME DEALING WITH DAY TO DAY TACTICS, STAVING OFF ONE SITUATION AND IN THE PROCESS CREATING THE NEXT; THAT WE DO NOT CONFRONT THE BASIC, ULTIMATE PROBLEMS OF OUR COMMUNITY. IN A NUTSHELL THEY ARE THAT OUR FINANCIAL RESERVES ARE INSUFFICIENT TO OPERATE ON IN THE LONG RUN, THAT THEY ARE BEING DESTROYED BY INFLATION, THAT WE ARE NOT ON OUR WAY AT ALL TO BECOMING AN ECONOMICALLY SELF SUFFICIENT COMMUNITY, AND THAT WE WILL NOT BE SUCH AS LONG AS WE SPEND MOST OF OUR TIME FIGHTING REAR GUARD ACTIONS AND WE ARE NOT SUFFICIENTLY SECURE TO DEVELOPE BUSINESSES WHERE THE MONEY IS, NAMELY IN GEORGETOWN. SO LONG AS WE HAVE TO COVER OUR ASS, SO LONG AS P.R. HAS PRIORITY OVER PRODUCTION, SO LONG AS WE ARE NOT FREE TO INVEST AND USE OUR MONEY IN TOWN, WE WILL NOT MAKE IT HERE. UNFORTUNATELY TIME IS VERY MUCH AGAINST US NOW.

*Gene Clark*

*I basically concur with this analysis -*

*Sargent*

BB-10-j