The FEC at 50: Communal Economics, Childcare, Networking, and the IRS

By A. Allen Butcher

The Federation of Egalitarian Communities (FEC) celebrated its 50th anniversary in 2026. In the largest communities associated with the FEC—Twin Oaks Community in Virginia, East Wind Community in Missouri, and formerly Acorn Community in Virginia, all cofounded by Kathleen (Kat) Kinkade[1]—and in its smaller groups, thousands of people have experienced a full immersion in a non-patriarchal, gender-equal, partnership culture. Many have testified upon leaving egalitarian communalism about how profoundly the experience transformed their view of the world, and about how living in the non-possessive, sharing, cooperative culture of communal society influenced how they have chosen to live upon rejoining the Outside World.

People in each new generation always question the dominant culture's value structure of property, patriarchy, greed, and exploitation of people and planet, leading many to focus upon building alternatives to the monetary system, by living the opposite values of gifting, sharing, personal responsibility, and respect for all of life. For many, experiencing egalitarian communalism is the realization of the ideal expressed by Martin Luther King Jr. of the "beloved community." For others, communalism was just one stop in their search for what B. F. Skinner called "the good life."

Communalism offers a way back to our prehistory of clan and tribal culture, before the advent of money. People growing up in capitalist culture often think of money as being the problem, echoing the thought in Paul's first letter to Timothy (1 Timothy 6:10 in the New Testament) that "the love of money is the root of evil." Egalitarian communal culture's restriction of the use of money only for exchange with the Outside World, utilizing forms of direct democracy internally for organizing production and consumption of goods and services, results in the realization that the love of gifting and sharing is the root of happiness!

In every age, people have turned away from the competition of monetary economics to live the values of cooperation. As the monetary system has evolved and grown, so have the methods and processes of the communal traditions. Today, the cultural innovations that have been developed within the FEC, such as its development of time-based economics and of what Riane Eisler calls "partnerism," have enabled its survival for a half-century. The FEC will likely survive through the future as long as the member communities continue to effectively respond to the changing cultural, economic, natural, technological, and political/regulatory environments.

Women and Children in Communal Society

Through the processes of labor-sharing, Federation communities value domestic labor or reproduction equally with industrial and other forms of production. This is an economic innovation unique to time-based economies valuing all labor equally that benefits the community. Or to put it succinctly: LIVE • FREE! (Labor Is Valued Equally • For Realizing Economic Equality!)

In their first decades, Twin Oaks, founded in 1967, and East Wind, landing in the Ozark Mountains in 1974, both assumed that a communal society must have a communal childcare program to take the place of nuclear families, as it was known that nuclear families tend to destroy communalism. The suggestion of centralized, large-group communal childcare was presented by the Harvard psychologist B. F. Skinner in the utopian fiction *Walden Two*, which was the main inspiration for our communal societies.

But how much, I sometimes wondered, did we really know about what we are doing? Kat had lived about 10 years at Walden House, Twin Oaks, and now East Wind. One member had lived a year in kibbutz, and several of us had lived a year or two in collective houses in college. Clearly, Kat was our most experienced communitarian, and most of us regarded her in high esteem for her clarity of thinking, eloquence, and writing ability; moreover, most of us were in our 20s while Kat was twice our age. The problem was that at least with regard to children in community, Kat was struggling just like the rest of us to figure out how to manage the fragmentation and dissolution of secular communal society caused by the influence of children and families.

Federation of Egalitarian Communities



The best actual model of communalism we had was Israeli kibbutzim, most of which had communal children's houses where the children lived, including sleeping at night away from their parents. Yet many of those who grew up in the kibbutz children's houses did not want their children to grow up in them. Then, as the kibbutzim devolved into family units with separate apartments, that transition became a slippery-slope of privatization and the gradual loss of communalism, to where now most of the rural Israeli kibbutzim are essentially cohousing communities on government-owned land trusts. However, there is now a movement of former kibbutz youth creating urban communities having various levels of communal economies.

The Federation communities did not want to go the way of the kibbutzim, yet we had the problem of parents not keeping the child program agreements that the community felt were necessary to maintain our communalism. Although we thought that a communal society had to have a communal childcare program, we could not come up with any design for it other than what we knew about Israeli kibbutzim. After decades of saying one thing and doing another—that is, talking about communal childcare while some parents refused to follow all the Child Program agreements—Twin Oaks and East Wind both finally gave up their communal children's houses in the mid-1990s.

The communities did not collectively decide on what to do instead of children's houses with regard to children, they simply ended their community-sponsored daycare programs with their requirement that children sleep together separate from their parents, and left the parents to arrange their own childcare solutions. What resulted is what I call "nested cofamilies." The communities continue to give money and some labor to parents for the support of their children, while the parents look for other members who will volunteer to have long-term relationships with their children, similar to what is called "godparents." The change was essentially from large-group communal childcare to small-group communal childcare arranged around each child. The small childcare groups involve mostly unrelated people, which I call a "co-family," nested within the larger community.

Federation Exclusivity and Fellowship Inclusivity

Kat Kinkade wrote a book about the first five years of Twin Oaks titled A *Walden Two Experiment*, published in 1972. The magazine *Psychology Today* serialized parts of the book in two 1973 issues, and a copy made its way to Mordecai Bentov (1900-1985), an Israeli journalist and politician who was a member of Kibbutz Mishmar HaEmek. Mordecai was a signatory on the Israeli declaration of independence, and founder in 1927 and long-time leader of the kibbutz federation, Kibbutz Artzi. Learning of a kibbutz-like communal society in the US, Mordecai contacted Kat at East Wind and invited her to a six-week, all-expenses-paid kibbutz visit in the late autumn and early winter of 1975.

Upon her return to East Wind, Kat discussed with Malon Wilkus and others how the networking of kibbutzim in Israel via their various movement organizations aided individual kibbutzim. They also discussed the possibility that a similar movement organization of communal societies in North America may be able to attract significant financial aid from the comparatively rich kibbutzim, for our severely under-capitalized communities. That intention was never talked about much. Instead, the selling points for attracting communities to join a North American communal movement became the services that a movement organization could provide to its member groups and to small, new, forming communal groups. Kat left East Wind in 1978, returning to Twin Oaks in 1982.

I had already proposed and created for myself at East Wind a Networking Manager position for connections with other area communities and cooperatives. I thought, along with others I talked and corresponded with, that what was most needed was a cross-movement networking organization engaging all sorts of intentional community movements, not just communal. That was not what Kat and Malon wanted, so I was sidelined.

Autumn of 1976 delegates from Twin Oaks and North Mountain, Virginia; Dandelion, Ontario; and Aloe, North Carolina joined the East Wind delegates Kat and Malon at East Wind Community to found the Federation of Egalitarian Communities, representing about 150 adults in our five communities. Malon explained to me that he and Kat could not come up with a better term to use in the name other than "egalitarian." Today I think that the term "partnership" has advantages, as it has half as many syllables and is more easily understood.

Alpha Farm in Oregon expressed interest in joining the Federation, and sent two





Images courtesy of Allen Butcher





observers, Glen and Muffy, to the FEC Assembly IV in January 1978. At that time Alpha had 15 members, with a gender ratio similar to East Wind's of twice as many men as women. Twin Oaks usually had an even gender ratio. Soon after, Malon wrote a letter to Glen inviting Alpha to join the FEC, explaining that the "core of our ideology" was non-exploitation, requiring participatory governance. Malon also explained the need for a homogeneous Federation of similar communities, citing the experience of the Fellowship of Intentional Communities (FIC) founded in 1949, and the Inter-Communities of Virginia (ICV) network which had only lasted a few years around 1970. Because both of these groups welcomed the whole diversity of types of communities, neither the FIC nor ICV, Malon stated, were able to create a "sound and prosperous Community Movement. … They just could not agree on doing anything substantially beneficial for anyone." So Malon and others insisted that the FEC was to be a selective, exclusive network of communities.

Malon is a very capable organizer, explaining that "The earliest thing I can remember is feeling confident." Malon conceived the idea for East Wind to start a nutbutter manufacturing business, beginning production in 1980. This huge project involved every member of the community, requiring financing from a couple different cooperative loan organizations, which in turn required that East Wind change its *Walden Two*-inspired Planner-Manager form of government to the democratic management of worker cooperatives. Malon left EW at the end of 1982, and founded in 1986 a private equity, business investment firm later renamed American Capital, Ltd. Malon is quoted in a *Forbes* magazine article dated April 23, 2007 explaining: "I thought I could create a better society, but common ownership didn't work, so I became a capitalist." My view is that common ownership works when people want it to work, and fails when people think and act only about themselves and not the group.

Ten years after the FEC formed, Charles Betterton of Stelle Community in Illinois started an initiative to rejuvenate the Fellowship of Intentional Communities (FIC) begun in 1949 by Arthur Morgan and his family and friends involved in Community Service, Inc. at The Vale community near Yellow Springs, Ohio. In the mid-1980s Charles was looking for an organization to network the whole intentional communities movement and thought the FIC could be expanded to a much more active and influential community networking organization. I soon joined with Charles, and encouraged Laird Sandhill (Schaub) of Sandhill Farm, who was then the most active person in the Federation, to help the Fellowship's all-inclusive continental-community-networking organization to grow and succeed. Charles, Laird, Dan Questenberry of Shannon Farm, Don Pitzer of CSA/ICSA, and I were the five founders of the revitalized and soon renamed and incorporated Fellowship for Intentional Community.

I was quite amazed how it turned out that the Federation (FEC)—resulting from Kat's and Malon's insistence upon a selective community networking organization—became the strongest support for the inclusive community network of the Fellowship (FIC). The November 1991 issue of the FEC newsletter *Soundings* states, "Our organizational skills have been relied on heavily by the Fellowship...for carrying out the FIC's nascent, yet ambitious program. … It is felt by the [Federation] Delegates that the concentration of resources in the Federation makes it possible for us to take advantage of the important new opportunities for outreach exposure that the FIC is creating." The Spring 1995 issue of *Soundings* states, "The FEC has been heavily involved in the FIC since the latter's 1986 revitalization, paying for people to attend FIC meetings and using labor credits to support FIC work when it aligns with FEC goals. The FEC is also the biggest dues-payer in the FIC, supporting the organization with $500 per year."

Federation Membership and the IRS

While the Federation has never had more than a few member communities, over 60 communal groups have expressed interest in FEC membership over the decades, by attending at least one FEC Delegate Assembly. There are probably many reasons why the groups never became full members, yet the most likely problem was that most of those interested groups were small communities that did not want to spend the time and money to travel to the regular Assemblies, or pay the annual Federation dues.

Acorn Community, the third largest of the FEC full-member groups, dropped

out of the FEC around the year 2020 due to an internal conflict becoming a conflict between Twin Oaks and Acorn, when people on one side of the conflict left Acorn to join Twin Oaks. Alpha Farm did not become a Federation full-member group until 2026 because for many years it had a policy of profit-sharing as a leaving fund for departing members, which was contrary to the Federation requirement of total-income-sharing. Most Federation groups offer only a small leaving consolation when people drop their membership.

The largest and oldest Federation member communities are incorporated via a very advantageous IRS tax-exempt status called 501(d) Religious and Apostolic Association, created in 1936 by an act of the US Congress for communal groups. For many years Twin Oaks filed its taxes as a 501(d) organization without formally obtaining that IRS designation, until in 1977 the community received a letter from the IRS stating that they were not exempt from taxes and that they owed $250,000 in back taxes plus interest.

The problem that the IRS identified was our lack of a "vow of poverty." Catholic monasteries and similar religious societies incorporate under the 501(c)(3) tax-exempt status, which requires a vow of poverty, meaning that when people join, they must donate all of their assets to the monastery and not get any of it back, nor have any claim to the communal assets when they leave. Although Twin Oaks, East Wind, and similar communities do share their income, they do not require that members donate all of their assets upon joining. They may keep pre-owned assets out of the community, or loan them to the community and receive them back when they leave if they are not used up or destroyed in the meantime. However, any income those assets may generate while the owner is a member is agreed to be donated to the community.

The IRS argued that when the 501(d) tax status was created in 1936 the US Congress meant to include a "vow of poverty" clause in that status as well. Not agreeing with this argument, Twin Oaks appealed the problematic IRS ruling to the Tax Court, and four years later won the case, receiving its 501(d) tax-exempt determination in 1981. As Twin Oaks had been saving money from its businesses in case it lost the IRS case, it now had a large amount of money to invest in a new central kitchen-dining-complex (KDC) named Zhankoye, after an historical Jewish communal community in Ukraine, completing construction in 1985.

Recently, while doing research for this and other writings about the FEC's 50th anniversary, I looked on the IRS website and found that the Service has removed its earlier document about 501(d) incorporation and replaced it with a revised document dated 2024 which says that it is not yet official. The proposed revisions state that 501(d) organizations must evidence religious activities or lose their tax-exempt status (see: www.irs.gov/pub/irs-pdf/p5627.pdf). Upon alerting FEC groups about this the responses I have received so far are that people are concerned yet do not think there is an immediate danger. As a former member, I would think that even a long-term danger ought to be addressed, yet so far I have heard of no such efforts. That work would need to be done by current members, yet to paraphrase Florence Welch, we ex-members did not build this ship to wreck.

My suggestion to the Federation communities is to take advantage of the IRS threat and begin to use religion as another means for building partnership culture, similar to how the communities use governance and economics as tools for co-creating gender-partnership and human-and-nature partnership. Gender-equal religions exist in the forms of neo-paganism and of Native American spirituality.

Members of Federation communities may have taken pride in their example of successful secular communal societies, yet it is worth considering that if gender-partnership and human-and-nature partnership are primary social change goals, then religion and spirituality may be effective tools for social change. I think that Federation communities adopting Partnership Spirituality might actually be the missing element needed for the future growth of partnership culture.

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1. On page 84 of Kat's 1994 book, *Is it Utopia Yet?*, she writes, "People used to ask me to list the requirements for community success, and I would answer, 'One fanatic.' I would say, 'You have to want to do community more than anything else in the world.'" She also once told us in Community Meeting, "If you think I'm hard to live with now, just wait until I'm senile." Seriously, I do not think Kat was ever senile. It was good to see that she was well taken care of at the end, at Twin Oaks. See "In Memoriam: Kat Kinkade 1930-2008," COMMUNITIES #140, pages 80, 78-79, 77.

