



FAIR PLAY

WINTER 2006

Children Make the Road

By Meizhu Lui
Executive Director

You're young and living in the richest and mightiest country in the world. Your path to the future should be amazingly bright, stretching before you like a smooth and open road toward a shining city on a hill, a virtuous and democratic society that has nothing to hide from the gaze of the world's people. Your elders should be widening that road, and making the city more beautiful than ever to prepare it for your entry.

But something is wrong. For many of our nation's children, the paths are unmarked, the way ahead rocky, the city tarnished. Hey, where are the adults in charge around here?!

For those of us with less money, we're urged to show our concern for our children by camping overnight in Wal-Mart's parking lot to score that new Tickle Me Elmo before Christmas. You can do it with that pack of credit cards that came in the mail. Consume today, and don't worry about the bills until tomorrow.

Similarly for our nation. Consume today, and forfeit investments in the future. Far from leaving no child behind, rules seem more and more designed

to hurt our children. Let's look at what's happening to the underpinning of democracy: education.

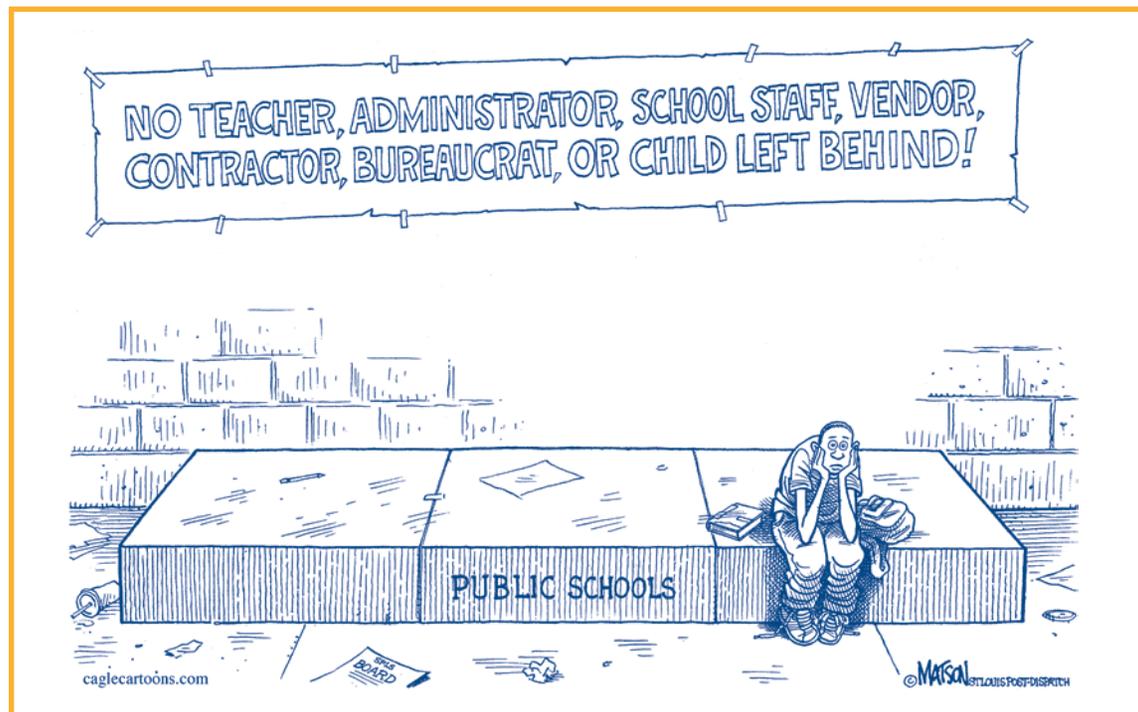
- A steady diet of tax cuts fed to the few who can already well afford to send their kids to private boarding schools makes a high quality public education unaffordable for the rest of the nation's children.
- Many children in our schools, like Diego Huezos-Rosales, have parents from other countries. (See his article in this issue.) In part be-

cause they know what it's like to live in places where the only road out of poverty leads out of their original home country, they are often hard working and highly motivated. And yet, we won't let undocumented immigrant class valedictorians go to college at in-state tuition rates.

- For young people who live in poor rural areas especially in the South, joining the military is often the only way to get more education. But while the average army private makes \$25,000 a year risking their life for their country and earns educational benefits far less than what their granddads got with the GI Bill, the average defense CEO gets \$7.7 million a year, without worrying about any self-sacrifice.

But it doesn't have to be this way! As the recent mid-term election has shown, there is beginning to be a shift in thinking about misplaced priorities, and UFE will continue to do all we can to show that beyond *personal* responsibility, we need *social*

continued on page 6



What Can Youth Do?

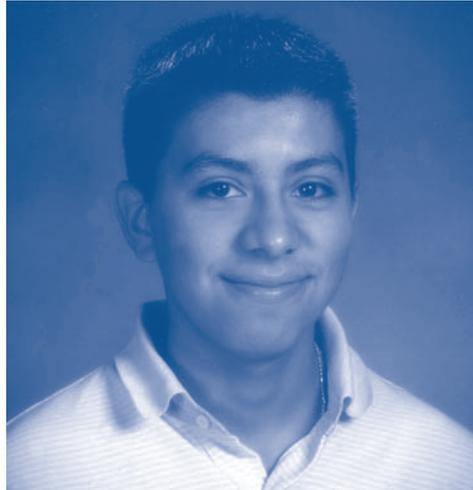
By Diego Huezo-Rosales

Some people might think that teenagers would go to meetings just for the food. They might hold stereotypes of youth as irresponsible and trouble-makers. They might think that teenagers are not active in their communities. Nope. That's not me.

I'm the proud son of Salvadorian immigrants, in my junior year of high school. I am a member of the Anti-Defamation League at my school, a representative to the Student Council, and a member of the principal's Human Rights Committee. I've also spent five and a half weeks working for the Institute of Human Rights of the Central American University in El Salvador.

Since my mom works at UFE, I've learned about economic justice. I think that if all kids were informed about economic inequality and other problems, it would not only prepare them for the future, but it might help them push for change – now.

Whenever I wonder if I can make a difference, even though I'm still a kid, I remember the time I changed one of my teacher's political views. I was in eighth grade. I had a conservative teacher who came from a privileged background. As my history teacher, he talked in glowing terms about the U.S. government, as if it were flawless. I objected with a comment about the large amount of spending on the military, but at the time I had no concrete proof to validate my point. So I did a lot of research, and the following week I handed my teacher a packet on U.S. economic policies.



Author *Diego Huezo-Rosales*

At first, he thought I was crazy, and he was hesitant to read the material. But a week later, he told me that the information was interesting, and that he had learned some things. He asked me for my information sources. Since then he has changed his views drastically and become one of my allies in controversial political discussions.

From this one experience I learned a lot. I learned that no matter how stubborn and tough a person may seem, there is always space for change. I also found in myself the confidence to think critically and question authority. Many people nowadays see “questioning” youth as rude and disrespectful. It's true that one needs to know when and how to confront authority.

Maybe the biggest thing I learned is that I can make a difference. “What can we do?” is a question that I always ask. Now I know the answer: a lot.

Since that time, I have participated in UFE workshops, but I've also taken the next step and led workshops on my own. I think a lot of kids are like me: they care about things and would be able to challenge authority and push for change if they had confidence and evidence to back them up. In fact, I have seen students organize events at school, on human rights and other important issues. And not only at school. I have seen youth-run organizations organize lobby days at the State House. In Massachusetts, high-schoolers campaigned to allow non-citizen students to attend state colleges at in-state tuition rates.

I know kids can make a difference. My hope is that more and more kids will experience the power of making a difference and take up the fight for more fairness in our country and in the world.

Diego Huezo-Rosales is a high school junior whose mother is an Education Coordinator at UFE. Their family lives in Boston.



The percentage of children under age 18 living in poverty is twice as high for Blacks and Hispanics as it is for whites.

Listening to Youth: Q&A with James Kass, Executive Director, Youth Speaks

Youth Speaks is the leading nonprofit presenter of Spoken Word performance, education, and youth development in the country. Based in the San Francisco Bay Area, it works with 45,000 teens per year, and has created 38 partner programs across the country. We recently spoke with Youth Speaks founder and executive director, James Kass.

Your organization works with youth, predominantly youth of color and youth in urban settings. What is their situation today?

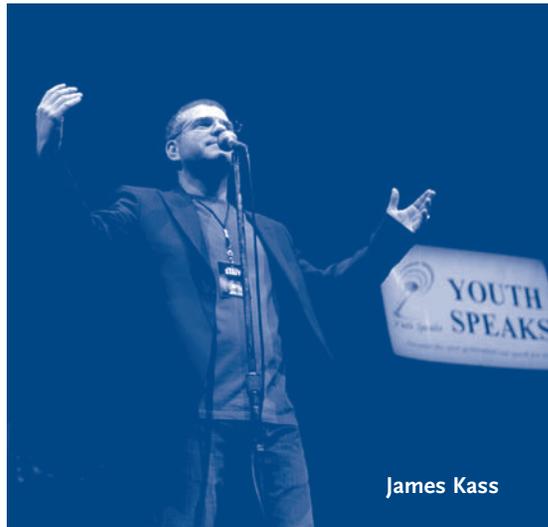
One of the biggest myths we need to confront is that the lives of urban kids mirror each other. They don't. They're completely disparate.

What is standardized are the institutions that they are forced to be a part of and the way urban youth are stereotyped in the media.

What we do is ask each young person to define him or herself – in their own terms. It's something that kids need; they're crying out for it.

Where do you see your work fitting with a movement for more economic fairness?

Teenagers are not stupid. They're aware that the school they're in has broken bathrooms and old text books – all the clichés are still true – the new super-jail being built up the road is state of the art, and has millions of dollars of resources being poured into it.



James Kass

We give young people space to critically investigate and voice the disparities they see. Some of it starts as just ranting and reactive. But we push them to think more. Anyone can say that the police treat brown kids poorly, but what does that really mean? We try to move them past the reactive rhetoric and really understand their world.

Commercialism has become much more invasive in teenagers' lives. Every kid wants to be a superstar, everyone's trying to be a billionaire. But while there is an extreme focus on "me getting mine," there is also me speaking for those who don't yet have a voice. We see that a lot.

There's a consciousness by young people, an "I'm left out of the economic system, but you're left out too. And if we band together, we're part of a movement." It's not just, "I'm making change, I'm the best." It's, "we're making change, we're a movement, together we're stronger."

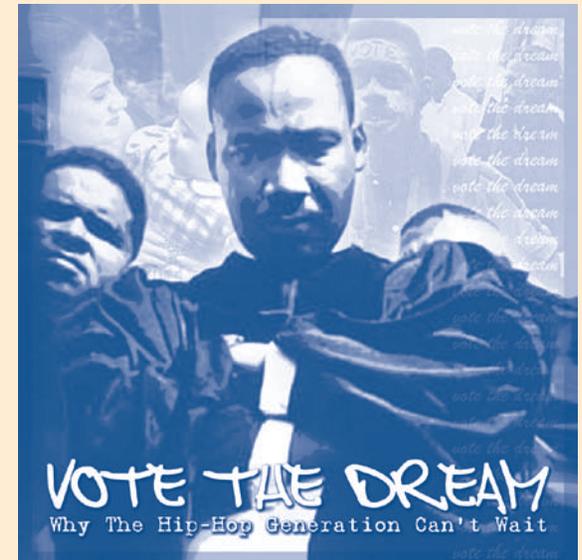
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Will Youth Vote the Dream in 2008?

The youth vote almost made the difference in the 2004 Presidential elections. Leading up to that fall, UFE produced a CD-sized brochure specifically designed to connect with the Hip-Hop generation and urge them to vote. That pilot proved that we could link our progressive economic messages with pop culture messages.

For the 2008 elections, we're partnering with Youth Speaks to not only redesign and update the *Vote the Dream* brochure, but also to produce a spoken-word audio CD to go with it. The goal is to reach hundreds of thousands of youth through non-profit partners who are excited about these vital youth-oriented materials.

During the next two years, much may change to affect the outcome of the next presidential elections. UFE will be working hard to help youth be part of the winds of change as they vote the dream.



Of people 20 and 21, who hadn't completed high school, only 59% reported to be in excellent or very good health, in 2002. For those with some college attendance, the number jumps to 80%.

Sports Fans and Fans of Progressive Taxation

November. Election season and football season. Wouldn't it be great if most Americans were as excited about winning progressive taxes as they are about their team's chances to win the Superbowl?

Grassroots groups in the Tax Fairness Organizing Collaborative battling to save essential services by raising revenue have been competing for the public's attention. One of their biggest questions is, "How do we make progressive taxes sexy?"

UFE is using our extensive media experience and some new thinking about framing and messaging to help grassroots organizations with this problem. Research by George Lakoff and others has shown that there are neurological reasons why certain language works better than others. Talking about the commonly held values behind a tax proposal before plunging into the details can trigger already established connections in the brain. Too often activists go straight to the details of taxation, making many assumptions about what their listeners are thinking. Listeners "tune out and turn off" before half our arguments get made.

Putting things in a familiar values context helps people see the big picture, and come to agreement about what kind of city, state or country we all want to live in. George Bush successfully appealed to "compassion." For tax activists, appealing to the patriotic desire to protect what we have in common could be a useful frame. Afterwards, it is easier to introduce ideas about how we pay for

these common goods in terms of revenues. Taxes should be mentioned second or third in the message, not first!

Today, people have come to think of themselves as consumers first and foremost. But they also like to be shareholders and stakeholders. Tax activists can shift the frame so that people think of themselves not as part of a collection of consumers each "buying" an issue like an isolated individual at Wal-Mart, but as shareholders in a collective enterprise. It takes investment to get a return. The idea of paying taxes then makes more sense.

Progressives like to give people the facts. The new research on framing and messaging shows that facts do very little to change people's minds. Even when presented with solid evidence to the contrary, people will tend to stick to their ingrained

beliefs. The key is to present them with an alternative, positive way of thinking, or "frame," based on shared values, before peppering them with a lot of facts.

Should the conclusion that people are not totally rational surprise us? Not when we keep thinking that wearing that same flannel shirt that we wore when our team won the Superbowl makes a difference! Admit it, we all engage in magical thinking!

Working with framing and messaging expert Makani Themba-Nixon (a UFE board member), UFE has developed workshops for grassroots tax organizers to help them apply these approaches to their own work. For information, call UFE staffers Brenda Cotto-Escalera at ext 114, or Christina Kasica at ext 119.

Expanding the Network for Progressive Tax Advocacy

Wouldn't it be great if grassroots organizations could have more impact on tax policy at the regional and national level?

After all, the communities that are poorer and thus hurt more by regressive taxes tend to be organized by grassroots groups. These are the communities who can take the most advantage of government services and programs, yet they tend to have the least impact politically.

Our goal when we formed the Tax Fairness Organizing Collaborative was to help build the national infrastructure of permanent tax fairness organizing – to give communities a stronger voice in policy development. The first step was to create a core network of statewide grassroots organizations that are educating and organizing for fair and adequate taxation at the state and federal levels.

Now we are embarking on a campaign to recruit more members to the core of 17 with which we have been working. We have set ourselves an ambitious goal, with plans to expand our membership by 50 percent next year.

To find out what the plans are for your state and how you can get involved, call Karen Kraut at 617.423.2148, ext. 122.

Since 1983, college tuition has risen 115%. The maximum Pell Grant for low- and moderate-income college students has risen only 19%.

"Smart" CEOs Dumb Down our Children

By Sam Pizzigati

Do CEOs have more imagination and smarts than everybody else? It might seem so.

How else to explain our contemporary executive pay scene? Observers of this scene, for years now, have been blasting executive pay levels as, in *Business Week's* words, "out of control." Yet CEO pay, year after year, keeps rising and setting new records.

Indeed, the paycheck-boosting creativity of our CEO set sometimes seems limitless. Stock options can be repriced, backdated, and spring-loaded. Bonuses can be collected for signing on with a new company or staying put with an old one. Compensation can be "deferred" and still, in the meantime, generate interest and dividends.

"Legislators," a Thomas Jefferson anxious about grand fortunes once told James Madison, "cannot invent too many devices for subdividing property."

Chief executives today have turned Jefferson on his head. Their corporations cannot invent too many devices for concentrating wealth. As UFE's new *Executive Excess 2006* data show, CEOs have regained most of the ground they lost after the stock market tanked six years ago. Executive pay levels seem to have "stabilized" at over 400 times the pay of average American workers.

How does this affect our nation's future young people, our future leaders?

In the mainstream media, rich CEOs regularly come across as heroes, leaders, and role models. Many young people today, not surprisingly, yearn to be just like them when they grow up, instantly successful, fantastically rich.

By contrast, the old American dream — work hard, pay your dues, get yourself a modest home surrounded by a white picket fence — seems hopelessly outdated. Why wait? Get rich quick, that's all that matters. Who cares about whose dreams you squash on your way to the top? CEOs certainly don't. They've downsized and outsourced themselves to the world's biggest fortunes.

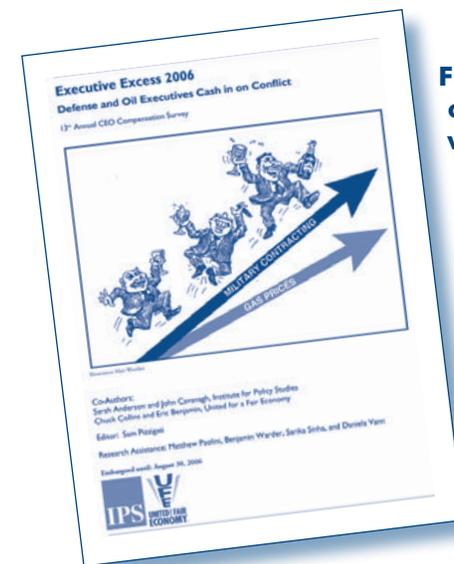
In a perverse sort of way, the CEOs in our executive suites and the thugs down our mean streets both share the same mindset. They both, on an ongoing basis, undercut the values of hard work and looking out for each other that our nation used to hold dear. Today, the "winners" take — and "deserve" — all. That's the message contemporary American society sends our children.

So what do we do to stop the madness? For starters, we need to reverse the up escalator on executive compensation and stop rewarding CEOs who race up the economic ladder by stomping on the backs of average working people. Congressman Martin Sabo has one exciting idea in this direction. His Income Equity Act would, if enacted, prevent corporations from deducting off their taxes any executive compensation that runs over 25 times the pay of a company's lowest-paid worker.

Approaches like Rep. Sabo's Income Equity Act, if extended far enough, could actually begin to narrow the vast pay gap that divides America's workplaces. Imagine, for instance, a new government procurement standard that limits contracts — and tax dollars — to companies that compensate all their employees, executives included, with in a top-to-bottom ratio of 25- or even 50-to-1.

Creative ideas like these don't currently sit on America's political radar screen. But these ideas embody just the kind of imagination and smarts that our nation needs. Stopping the politics of greed today will give our children a more promising tomorrow.

Sam Pizzigati, a former UFE Board member and a contributor to Executive Excess 2006, edits Too Much (www.toomuchonline.org), an online weekly on excess and inequality. Find the Sabo Income Equity Act at <http://sabo.house.gov>.



Find a pdf file of the report at www.faireconomy.org or call to have a copy mailed to you.

Only 52% of poor college-qualified students go to four-year colleges within two years of graduating high school. 83% of richer qualified students do.

Children Make the Road

continued from page 1

responsibility in order to create a good life for all our nation's children.

As in dysfunctional families, sometimes the children are more together than the so-called adults. All over the nation, young people are organizing to ensure that they have a voice and a future. In partnership with Youth Speaks, a youth of color organizing project in San Francisco, UFE will be putting out a new version of its 2004 Hip-Hop brochure, *Vote the Dream*, that will inspire young folks to get involved in the 2008 election. Leaders like Diego are educating their fellow students on topics not covered in school, and finding their friends thirsty for information relevant to their futures. And youth are not buying anti-family messages. When young folks were told to support privatizing social security so they wouldn't have to pay for their grandparents' retirement, in an unusual alliance with AARP, they publicly voiced their refusal to throw granny from the train.

Our children will make the road again by walking it, and the rest of us will need to put our shoulders into the effort as well. The next generation is poised to broaden civic participation, widen the pathways to success, and get this country back on the road. We'll say with pride, "There goes our Brendan/Iesha/Tran/Roberto/Rachel/AnyaNkomo/Auguste/Keuling..."

Listening to Youth

continued from page 3

Youth Speaks has been operating since 1996. What are some of your big successes?

We started as an after-school program that attracted an extremely diverse group of young people. We found that right away they were able to sit in the same room and share very intimate experiences with each other. Kids who not only hadn't met each other – they hadn't even met the type.

What we do is very accessible – youth just need a pen and paper, their minds and their voices – at first, we attracted a group of young people who were already writing and performing in their own corners. We gave them a gathering place.

Since then, we have developed programs to help kids who aren't already writing to get started, and to keep going.

We've learned that true cultural connections happen when kids start with a sense of who they are. Then they can engage with others in meaningful ways.

What can people do to help or get involved?

Of course we're always looking for funding. If people think we're onto something and want to help, that's the best way to help us expand our work and reach more youth.

Beyond that, there are many ways to get involved. Obviously, if you're a young person, you can look for spoken word programs and events near where you live.

But even for adults, you can be a role model or a mentor. You can come out to support kids at public performances, which are happening all around the



Shannon Matesky



Nico Kary

country. You can look for other ways to support young people.

Try to understand that kids are not villains, not something to be afraid of. They're carrying our entire potential with them. If we help them now, they'll be in a better position to help us create the future we all deserve.

For more information, see www.youthspeaks.org.

Want to get more UFE updates?

Sign up for our monthly electronic newsletter at www.FairEconomy.org

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600,000 high school students dropped out in 2004.

Estate Tax Repeal Desperados

Well before the fall elections showed a sea change toward progressive issues, we saw a significant increase in outrage about the attempts to repeal the estate tax. Our report, *Spending Millions to Save Billions: the Campaign of the Super Wealthy to Kill the Estate Tax* (co-authored with Public Citizen), received lots of attention from the press – over 130 broadcast and print articles. The report showed that the effort to repeal the estate tax – our nation’s most progressive tax – is not grassroots-based at all, but a stealthily funded campaign by some of the country’s wealthiest families.

Republicans, perhaps nervous about eroding support and the potential outcomes of the fall elections, brought the repeal of the tax up for vote four times during the summer. This included a particularly desperate attempt to tie the repeal to an increase in the federal minimum wage. Not only did these efforts fail, but the last one brought a whole new constituency to our side of the fight. Labor unions and others who have been fighting for the minimum wage are now also fired up about preserving the estate tax.

As you read this, the fight to preserve the estate tax is still critical – especially with the lame-duck Congress. For the latest on what you can do, visit at www.faireconomy.org/estatetax.

The Color of Wealth Has a History

“Step back if your ancestors had land taken by force by the United States government. Step forward if your ancestors got free land through the Homestead Act. Step forward if you or your ancestors went to college on the GI Bill; step back



if you had ancestors who fought in World War II but couldn’t use the GI Bill benefits because most colleges did not accept Blacks or Latinos.”

Most folks attending a book reading don’t expect to perform, but when the co-authors of *Color of Wealth* appear at promotional events they put volunteers through an exercise from our Racial Wealth Divide workshop about how government policies over the course of US history impacted wealth building for the different races in our country.

In this exercise, volunteers begin on a “starting line” in the middle of the room and take steps forward or back depending on the history of their family. By the end, the “distribution” of wealth opportunities is glaringly obvious: inevitably, whites are standing in the front of the room and people of color remain in the rear. The legacy of

past policies demonstrably effects our status today.

Since May, the five co-authors of the book have been making this point at events in 30 cities and towns in 16 states, supported by 35 appearances on radio and TV and 25 articles in print.

“It’s not obvious how government actions molded your family history and help explain your current economic situation,” said Meizhu Lui, co-author and UFE Executive Director. “Our book lays bare the different rules for asset building that were invented for the five main different racial groups in this country, and that account for the racial economic gap that exists today. As with all UFE materials, the conclusion is that we all must get involved in making policies that work for all of us.”

To order a copy of *The Color of Wealth*, please go to www.faireconomy.org/books.

Since 1960, the arrest rates for both 14- to 17-year-olds and 18- to 24-year-olds have been higher than the rates for 25- to 34-year-olds — and have increased significantly since 1999.



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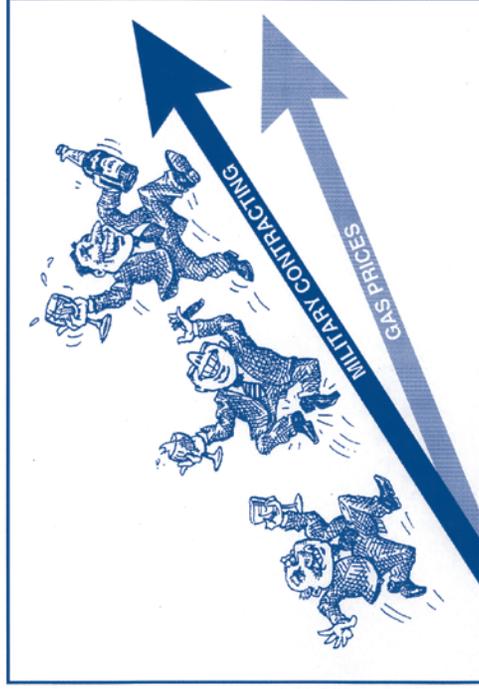


Illustration: Matt Wheeler

How Excessive CEO Pay
Hurts Our Youth —
And Our Hopes For the Future.

See page 5 inside.