

MAKING SENSE

A PROGRESSIVE GUIDE TO KITCHEN TABLE ISSUES

2008

CAMPAIGN FOR AMERICA'S FUTURE

OURFUTURE.ORG

MAKING SENSE

A PROGRESSIVE GUIDE TO KITCHEN TABLE ISSUES

2008

CO-EDITORS: Robert L. Borosage
Bill Scher
Eric Lotke

CONTRIBUTORS: Armand Biroonak
Alex Carter
Brian Dockstader
Melinda Gibson
Roger Hickey
Robert Loper
David Sirota
Molly Swartz

CAMPAIGN | AMERICA'S FUTURE

1825 K ST., NW
SUITE 400
WASHINGTON, D.C. 20006
202.955.5665

OURFUTURE.ORG

MAKING SENSE

A PROGRESSIVE GUIDE TO KITCHEN TABLE ISSUES

2008

TABLE OF CONTENTS

Introduction

Robert L. Borosage 1-1

Section I: Economic Prosperity

An Economy That Works 2-1

New Energy for America 3-1

Fair Trade 4-1

Rebuilding America 5-1

Section II: Family Security

Health Care for All 6-1

Quality Education 7-1

Retirement Security 8-1

Section III: Real Security

Out of Iraq to Real Security 9-1

Immigration: Values and Sense 10-1

INTRODUCTION

The failure is complete. A catastrophic “war of choice” in Iraq. Economic recession at home. As the conservative era—launched with the election of Ronald Reagan in 1980—comes to its end, we are left with the ruins: Gilded Age inequality, record foreign debts and trade deficits, worst corporate crime wave since the Robber Barons and crippling public squalor in a country that is literally falling apart. Home values collapsing, wages declining and the cost of health care, tuitions, gas and food soaring. Katrina’s disgrace, Halliburton’s cronyism, Enron’s corruption, toxic toys, poisoned school lunches and casino banking. The list can go on.

Americans now are looking for change. 2008 has the potential to mark the end of this failed conservative experiment—and the beginnings of a new reform movement. Already progressive movements have helped drive fundamental issues—ending the folly in Iraq, launching a concerted drive for new energy, challenging the corporate trade agenda, demanding fairer taxes, championing affordable health care for all and calling for reinvesting in America. Democrats have prospered by making themselves the agents of that change.

This isn’t, however, simply a partisan divide. Conservative ideas and ideology have dominated our politics for three decades. 35,000 corporate lobbyists—more than double the number in 2000—now protect their special interests in the nation’s capitol. The right-wing Wurlitzer spews out vitriol designed to deceive and distract. Money still speaks loudly in Washington.

A new era of progressive reform can occur only if Americans mobilize to counter the influence of entrenched interests. The wealthy continue to torpedo fair taxes. Wall Street resists a trade policy that works for working people. Proponents of new energy must overcome the Big Oil lobby. Health care reform will be fiercely resisted by the insurance companies and the drug lobby.

Progressives will have to mobilize, argue the case and cut through the propaganda, the fear campaigns and the well-funded lies and distortions. *Making Sense: a Progressive Guide to Kitchen Table Issues* is designed to help in that process.

Making Sense provides a common sense progressive argument on basic kitchen table concerns—jobs and the economy, new energy, health care, education and retirement security—and on pressing challenges of this day—Iraq and real security and immigration.

Each chapter is designed to provide progressive activists and candidates with a guide for arguing our case. We summarize what's gone wrong, show how conservative ideas and policies have helped create the mess and describe a progressive way out of the hole. For each issue, we offer hot facts, sample anecdotes and stories, a glimpse of where Americans are and resources for deeper analysis.

Our purpose here is to arm progressives for the coming debate. The failure is now apparent. The question is why and what can be done. Conservatives are intent on reinventing themselves, blaming the failures on Bush's incompetence rather than their ideas and on petty corruptions rather than the corporate cronyism on which they built their power. They have the gall to recycle their old mantra—lower taxes, reduced spending, more deregulation and privatization, more war and greater military spending and more “free” trade—as a remedy to what ails us. But one thing should be perfectly clear. The ideas and leaders who led us into this hole aren't going to get us out. And the last thing we should do is keep digging.

We have focused here on the major, strategic initiatives that progressives are now driving into this debate: a new economic strategy in the global economy, a concerted drive for jobs and new energy, a clear response to the challenge of global warming, a new social contract starting with affordable health care for all, an end to the folly in Iraq and a refocused real security agenda and a new effort to rebuild America by making our economy more competitive while redressing the public squalor that has resulted from decades of neglect.

With Americans mugged by reality, we now have the opportunity to take our country back. It won't be easy or smooth. Merely changing which party controls Washington will not be enough. Progressives have challenged successfully the war in Iraq and the effort to privatize Social Security. We've had increased success in driving bold reforms into the public debate. Now is the time to redouble those efforts—to expose and challenge the failures of conservatism and help chart a new course. Making Sense is designed to help in that effort.



ROBERT L. BOROSAGE
Co-Director,
Campaign for America's Future

AN ECONOMY THAT WORKS

Our economy is in trouble. Economists may debate the technicalities of a recession, but most Americans think we've been in one for years. Real wages are flat, benefits are shrinking and good jobs are scarce. Basic household costs—milk, gas, heat and health care—continue to rise. The cost of gas has doubled since Bush took office, and home heating oil is up even more. Gas and heating oil now cost families an average of \$2,500 more a year than in 2000. Since that year, too, public college tuitions are up nearly 40% in real dollars, and family health care premiums are up more than half. This economy isn't working for working families.

The trouble reaches beyond families to the nation as a whole. We're the world's largest debtor, running up unsustainable trade deficits. We run a trade deficit with China—not just in cheap goods but also in advanced technology products. To cover our global deficits, we borrow or sell off assets at the rate of \$2 billion a day. Half of our public debt—\$4.5 trillion—is owned by foreign governments, companies and individuals.¹ We're spending about \$10 billion a month on the war in Iraq,² while starving vital investments here at home. We must dramatically change course.

THE CHALLENGE

As we turn to new priorities, we find ourselves short of cash and credit. George Bush and the conservative Congress took us from a budget surplus to record deficits. The national debt has increased by \$3.4 trillion,³ with the money being squandered on war abroad and tax cuts at home that went largely to the wealthy. Vital investments in our future—in modern schools and training, in bridges, levees and trains and in everything from basic sewage systems to high-speed broadband—have been starved.

Instead of balanced growth, the US now rides a casino economy, running on speculation and debt. Growth in the 1990s was fueled by the dot.com bubble; growth in the last decade by the housing bubble. The housing boom and bust has been much more destructive, as Americans took equity out of their homes or assumed mortgages they couldn't afford. Unregulated brokers and banks invented exotic securities that spread unknown risks across the financial sector. Now, credit markets are frozen and homes are losing value. Financial shocks are convulsing the student loan, municipal finance and credit card markets, with more to come.

HOT QUOTE

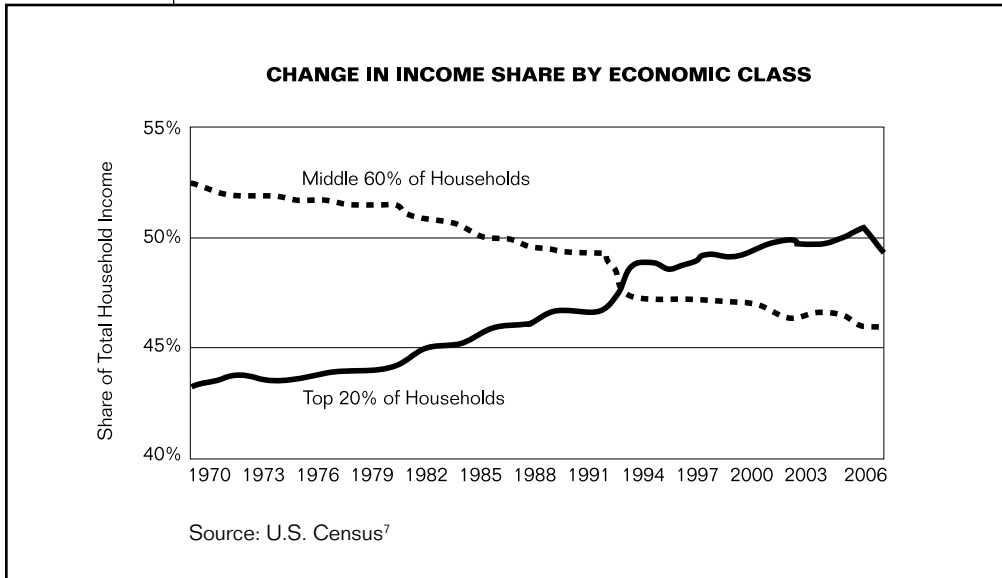
"You only learn who has been swimming naked when the tide goes out—and what we are witnessing at some of our largest financial institutions is an ugly sight."

WARREN BUFFETT

February 29, 2008

THE CONSERVATIVE FAILURE

The winners in this economy are the people already on top. Corporate executives and their friends in Washington have rigged the game. Billionaire hedge fund managers pay taxes at lower rates than their secretaries. Under the Bush tax cuts, millionaires pocket an average annual break of \$118,000; middle income families about \$740.⁴ In 1980, CEO salaries were 40 times that of the average worker; last year, they reached 364 times.⁵ The richest 1% now take over 20% of the nation's income, double their share in 1980. Income inequality has reached levels not seen since 1928 on the eve of the Great Depression.⁶



But even the winners preen atop an unstable pedestal. Under the guise of deregulation, conservatives played games with financial markets while the housing bubble swelled and then burst—costing banks and hedge fund high rollers hundreds of billions in losses. Conservatives shrunk government while potholes grew in the streets, and they cut the Consumer Product Safety Commission's budget in half as imports quadrupled.⁸ Now the toys of the rich and poor alike are infused with toxic lead, and everybody is stuck in traffic. Workers don't have enough money to buy what multinationals want to sell. The receding tide is sinking some of the yachts as well as the small boats.

THE PROGRESSIVE SOLUTION

Our economic problems are not acts of nature. They are not due to technology or globalization. Technology increases productivity; it doesn't determine who benefits from the increase. Globalization expands markets; it doesn't determine our strategy in a global market. This isn't about fate. It is about public policies that have failed most Americans. It is about the power to determine who benefits and who loses.

A new direction must be founded on a clear set of values. It must bring the American Dream within reach of people who work hard and play by the rules. It must include a job that pays enough to support a family, affordable and secure health care, high-quality education so children can do better and retirement with dignity and security.

To get there, we need a dramatic change of course. We need a global strategy for the nation, not one for the multinationals. We need a full employment strategy built on real investment, not speculation and debt. We have to empower workers, give them a voice at work and make work pay. We need a public watchdog to protect consumers, small investors, small businesses and the environment. And we must begin the transition to a sustainable economy in a world where catastrophic climate changes are a clear and present danger.

What are the elements of that new direction?

An Economy That Works

We need to correct the imbalance between the top floor and the shop floor to ensure that profits and productivity are widely shared. Raise the floor—increase the minimum wage and guarantee workers paid sick days and family leave. Empower workers to organize by passing the Employee Free Choice Act. Turn the National Labor Relations Board back into a watchdog that punishes union busters rather than hard workers. Pass comprehensive immigration reform, gain control of our borders and enforce fair labor standards so employers can't exploit undocumented workers.

We have to wake up the public cop on the corporate beat. Deregulation and privatization have become dangerously extreme, turning the public watchdog into a lapdog. The result has been a corporate wilding: Enron and energy prices, Halliburton and no-bid contracts, Countrywide Financial and predatory lending and Mattel and toxic toys. Consumers, workers and small investors have paid the price.

HOT QUOTE

"Hard work should be valued in this country, so we're going to reward work, not just wealth."

**FORMER SENATOR
JOHN EDWARDS**

New Energy for America

We should launch a concerted drive for energy independence. Mobilize public and private investment in renewable energy and conservation. Develop new sources of clean energy to counter rising oil prices and reduce the impact of our energy footprint on the environment. Excite the imaginations of young people and engage our science and technology to lead in the growing green markets of the future. We can drive a new American economic strategy and generate good jobs here, while reducing our dependence on foreign oil, lowering our trade deficits, increasing our security, creating technology we can market to the world and finally addressing global warming.

Fair Trade

We need a clear strategy for our nation in the global economy. The first step is to recognize the hole we are in and stop digging. That means no more NAFTAs and no more trade accords written by and for multinational corporations and banks. We need global rules that protect core worker rights, provide consumer and environmental protections and lift workers up across the world rather than allowing corporations to drive them down. Nationally, we should revoke the tax breaks showered on companies that take jobs abroad and instead reward those who create jobs and value here at home. We need to invest in research and development to ensure we remain at the cutting edge of invention. And we need to develop a common-sense strategy to challenge nations like China that control their currencies and their markets to secure unfair trade advantages. No longer can we pretend that they are playing by the same set of rules.

Rebuilding America

America's public squalor is now an economic burden and a social disgrace. We should create a national investment bank to finance the rebuilding of America and bring our transport, communications and sewer and water systems to world-class levels. Investment in repairing roads and bridges, sewage systems and school buildings can provide good jobs that stay here at home.

Health Care for All

Rising health care costs threaten to bankrupt businesses, governments and families and to hamstring us in global competition. We should guarantee everyone a choice of health care, just as we do for members of Congress. Provide every business and individual with the option to buy into a high-quality public plan, while at the same time ensuring that they can keep their current insurance if they prefer. Then we can lower costs by moving rapidly to electronic records, investing in preventive health, eliminating costly and unnecessary emergency room visits by the poor, reducing the overhead costs of private insurance companies working to screen people out and empowering Medicare to negotiate lower prices for prescription drugs like every other industrial nation does.

Quality Education

We need to ensure our children have access to the best education in the world: universal pre-K, smaller classes in earlier grades, challenging after-school programs and affordable college or advanced training. We need a dramatic expansion of our employment support programs—lifelong learning, income support to make job transitions easier and training linked to employment. If we are to remain competitive in a global economy, these are investments we cannot scrimp on.

HOT QUOTE

“In the early days of our republic, President Andrew Jackson established an important principle of American-style democracy—that we should measure the health of our society not at its apex, but at its base. Not with the numbers that come out of Wall Street, but with the living conditions that exist on Main Street.”

SENATOR JIM WEBB

January 2007

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Our economy simply isn't working—middle-class families are falling behind and America is losing its competitive edge in the world.

Proof Points

- Real median household income dropped nearly \$1,000 from 2000 to 2006,⁹ while costs for essentials soared.
- Since 2000, the price of gas at the pump has nearly doubled and the price of home heating oil has more than doubled. Families now spend an average of \$800 a year more just to keep driving¹⁰ and \$1,700 more to heat their homes.¹¹
- A middle class family today has to work three weeks longer to pay for basics (health care, housing, college and transportation) than their parents did.¹²
- Between 2000 and 2007, America lost one out of every five manufacturing jobs—a loss of 3.4 million jobs.¹³
- Every day, we buy \$2 billion more from abroad than we sell.¹⁴

Conservative policies have put the interests of CEOs and corporations over the needs of workers and families, while neglecting the foundations that keep America strong.

- The subprime fiasco is costing homeowners \$2 to \$4 trillion in home equity,¹⁵ and shareholders in the financial industry lost \$74 billion in equity in 2007. But financial firms still paid their staff a record \$38 billion in bonuses.¹⁶
- One out of every four bridges is “structurally deficient or functionally obsolete.”¹⁷
- In 1980, the average CEO salary was 40 times what the average worker made. Now a CEO makes on average 364 times¹⁸ as much as the average worker.
- Billionaire hedge fund managers pay taxes at lower rates than their secretaries.¹⁹
- More than 100 high-level officials under Bush helped govern industries they once represented as lobbyists, lawyers or company advocates.²⁰

We need to change our priorities. Invest in our country and our workers. Make our government a corporate watchdog and not a lapdog.

- The Apollo Alliance plan for energy independence would invest \$30 billion per year for 10 years and create 3.3 million new jobs, \$1.4 trillion in new Gross Domestic Product, and \$84 billion in net energy cost savings.²¹
- Health care for all through guaranteed affordable choice could cover 99.6% of Americans without raising national health care spending.²²

- Money spent on bridges, roads and infrastructure creates jobs that stay in America and drive our 21st-century economy.
 - Invest in high-quality public school education: with what we spend on one day for the war in Iraq, we could have hired 7,093 public school teachers.²³
 - Union workers earn 30% more than their non-union counterparts.²⁴ Restoring workers' rights to organize and bargain collectively will strengthen the middle class and fuel sustainable economic growth.
 - Kick corporate lobbyists out of our government. No more foxes guarding the chicken coop.
-

Spotlight Stories

Becki Carr, 28, of Detroit, says she's growing gloomier about the economy. Her reasons: rising home foreclosures in Detroit, rising heating and gasoline prices and a cloud of insecurity over the area's job market. As a result, Carr says, she's watching her money more closely. "Pretty much everyone around me is unemployed or they are having to travel down South to do contract work," she says. And "Every other house on our street is for sale, and they've been for sale for the last year and a half....It makes me double-check my costs and things."

From *USA Today*, November 25, 2007.²⁵

"For a while there we were doing pretty good—there was food in the house, the bills were paid, there were no bill collectors calling or knocking on the door," says Patricia Lee, 50, of St. Paul. She runs a day care center in her home during the week and works in the stockroom of a local home-improvement store on weekends. The store has cut back on her hours because of declining business, and families in the neighborhood have found it harder to get state subsidies for the day care services she provides. She is struggling to keep up on her two mortgage payments. For the first time, she's applied for energy assistance to help pay her heating bills. Her daughter and 5-year-old grandson, who is autistic, are moving back into her home to save on the cost of rent.

From *USA Today*, February 4, 2008.²⁶

Conservative Spin

The economy is fundamentally sound. It's a routine downturn in the business cycle.

Progressive Response

- Our problems are serious and longstanding. We need to recognize them so we can solve them.
- For most Americans, the 2007 recession is a continuation of the 2001 recession, with hardly any break in between. Wages are lower now than they were in 2001.

They're going to raise your taxes because they think they know best how to spend your money. This will hurt the economy and punish families.

- We need to shut down loopholes and tax breaks for the wealthy so we can give hard-working families a break, and invest in areas vital to our economy—health care, children, roads and bridges.
- When conservatives talk about cutting your taxes, hold on to your wallet. The wealthy and the corporations get the cuts; Americans and their kids get greater debt and cuts in basic services. They have the party; you get the bill.

Pro-growth tax cuts stimulate the economy and ultimately pay for themselves.

- Cutting taxes on the wealthy and carving loopholes for their cronies haven't built an economy that works for working families. Middle-class incomes are falling behind prices, while top-end tax breaks have helped double the national debt and contributed to the worst inequality since the Gilded Age.

Government chokes economic vitality. Get the government out of the way.

- Business is important to economic vitality, but markets need grown-up supervision. Consumers, workers and the environment need protection. Responsible companies need protection from the predatory ones. Regulation ensures that toys don't have lead, loans are backed by assets and business can't get away with murder.
- Government can and should take the lead in sectors like energy and health, where the profit motive doesn't necessarily lead to the best results.

Unions make us uncompetitive, and they are no longer relevant in a global economy.

- Empowering workers to organize at the workplace is the best way to make sure that profits and productivity are widely shared. Strong unions gave us the weekend, and built the middle class that is America's pride. As unions have been weakened under a withering corporate and government assault, the middle class is sinking and inequality is rising.

Public Pulse

People recognize the economy is in trouble.

- 82% say the economy is getting worse—more than any time since Gallup started asking that question in 1991. (*Gallup, January 2008*)
- 79% say “we need to elect a president who can set the nation in a new direction.” (*January 2008 survey of adults by ABC News and the Washington Post*)

82%

79%

Tax cuts are not the answer.

- 60% believe investment in infrastructure improvements will do more to stimulate the economy than tax cuts. (*Los Angeles Times, January 2005*)
- 56% of likely voters say federal income taxes are “unfair.” Only 39% say they are “too high.” (*Democracy Corps, December 2007*)
- 61% want to repeal the Bush tax cuts for either the wealthy or all taxpayers, while only 24% want them to be made permanent. (*Pew Research Center, October 2007*)

60%

56%

61%

People are worried about the imbalance between CEOs and workers.

- 58% disagree that “business corporations generally strike a fair balance between making profits and serving the public interest”—the highest distrust in the 20 year history of the question. (*Pew Research Center, January 2007*)
- 60% approve of labor unions; only 32% disapprove. (*Gallup, August 2007*)
- 52% sympathize with unions in labor disputes; 34% sympathize with the company. (*Gallup, August 2005*)
- 53% of non-union, non-managerial workers would vote to join a union if they could. (*Peter Hart, December 2006*)

58%

60%

52%

53%

People want to invest in America. From education to infrastructure.

- 67% support helping the economy by “increasing government spending on things like public-works projects to help create jobs.” (*Fortune magazine, January 2008*)
- 69% of independent voters in swing districts agree with the following investment agenda: “Under this plan, the government will invest to guarantee high-quality affordable health care for all, invest in child development and preschool programs that help kids start school ready to learn, strengthen public schools and expand college aid. This plan will also develop clean energy to help end our dependence on oil. In order to pay for the plan, it would eliminate recently passed tax breaks for millionaires and big corporations, safely end our costly war with Iraq and include new measures to hold government accountable and reduce corruption and waste.” (*Democracy Corps, January 2008*)

67%

69%

MORE RESOURCES

Economic Policy Institute: Seeks to broaden the public debate about strategies to achieve a prosperous and fair economy. www.epi.org

Center for Budget and Policy Priorities: Conducts research and analysis to inform public debates over budget and tax policies. www.cbpp.org

Center for Economic and Policy Research: Provides research on a variety of timely economic subjects. www.cepr.org

Too Much: An on-line weekly on excess and inequality. <http://www.cipa-apex.org/toomuch/tmweekly.html>

JUST THE FACTS

Families Under Stress				
	2000	Latest	Change	% Change
Median household income ²⁷	\$49,163	\$48,201	-\$962	-2%
People in poverty ²⁸	31,581,000	36,460,000	4,879,000	15%
Uninsured ²⁹	38,426,000	46,995,000	8,569,000	22%
Uninsured children ³⁰	8,385,000	8,661,000	276,000	3.3%
Employer-provided health insurance ³¹	56,341,454	54,157,485	-2,183,969	-4%
Foreclosures ³²	-	2,203,295	-	-
Annual state college tuition ³³	\$4,098	\$5,685	\$1,587	39%
Gasoline per gallon ³⁴	\$1.57	\$3.03	\$1.46	93%
Home-heating oil/gallon ³⁵	\$1.38	\$3.33	\$1.95	141%

All figures adjusted for inflation.

The Economy Dropping				
	2000	Latest	Change	% Change
Manufacturing jobs ³⁶	17,263,000	13,883,000	3,380,000	-20%
Job Loss due to trade Deficit with China (2001-2006) ³⁷	-	1,763,000	-	-
Union representation ³⁸	14.9%	13.4%	-	-1.5%

Endnotes

- ¹United States Department of the Treasury. The Debt to the Penny and Who Holds It. 27 January 2008. <http://www.treasurydirect.gov/NP/BPDLogin?application=np>.
- ²Report: Wars Cost US \$12 Billion a Month," 9 July 2007, Associated Press. <http://www.washingtonpost.com/wp-dyn/content/article/2007/07/09/AR2007070900957.html>
- ³The Debt to the Penny and Who Holds It," United States Department of the Treasury, 27 January 2008. Available from: <http://www.treasurydirect.gov/NP/BPDLogin?application=np>
- ⁴Tax Cuts: Myths and Realities," Center on Budget and Policy Priorities, 16 November 2007. <http://www.cbpp.org/9-27-06tax.htm>, according to estimates by the Urban Institute-Brookings Institution Tax Policy Center
- ⁵Sarah Anderson, John Cavanagh, Chuck Collins, et. al. Executive Excess 2007. The Institute for Policy Studies. United for a Fair Economy. 29 August 2007. <http://www.faireconomy.org/files/pdf/ExecutiveExcess2007.pdf>
- ⁶Income Inequality Hits Record Levels, New CBO Data Show," Center for Budget and Policy Priorities, 14 December 2007. <http://www.cbpp.org/12-14-07inc.htm>
- ⁷U.S. Census, Current Population Reports, Income, Poverty, and Health Insurance Coverage in the United States: 2006, August 2007. <http://www.census.gov/prod/2007pubs/p60-233.pdf>
- ⁸Eric Lotke, Christopher Rasmussen, Alex Carter, Robert L. Borosage, "Toxic Trade: Globalization and the Safety of the American Consumer," Campaign for America's Future, October 30, 2007. <http://www.ourfuture.org/toxic-trade>.
- ⁹Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica Smith. "Income, Poverty, and Health Insurance Coverage in the United States: 2006," United States Census Bureau. August 2007. Available from: <http://www.census.gov/prod/2007pubs/p60-233.pdf>
- ¹⁰U.S. Energy Information Administration, 11 February 2008. Available from: http://tonto.eia.doe.gov/dnav/pet/hist/mg_tt_usw.htm; "Behind the Numbers," AAA, 2007 edition. Available from: <http://gss.case.edu/RTAdocs/YourDrivingCosts2007.pdf>; National Highway Safety Administration. Available from: <http://www.nhtsa.dot.gov/portal/site/nhtsa/menuitem.43ac99aefa80569eea57529cdda046a0/>
- ¹¹Rise in home heating oil costs derived from average home usage of home heating oil [864 gallons a year according to The Consumer Energy Council of America: See "Save on Home Heating Oil," Smart Money, 2 November 2005. <http://www.smartmoney.com/dealoftheday/index.cfm?story=20051102>], and average price of home heating oil—\$1.37/gallon in January 2000 (adjusted) and \$3.30/gallon in February 2008. [See: "U.S. Weekly No. 2 Heating Oil Residential Price (Cents per Gallon Excluding Taxes)," Energy Information Administration. <http://tonto.eia.doe.gov/dnav/pet/hist/whoreus4w.htm>.]
- ¹²Christian Weller and Eli Staub, "Middle-Class in Turmoil: Economic Risks Up Sharply for Most Families Since 2001," Center for American Progress, 28 September 2006. Available from: <http://www.americanprogress.org/issues/2006/09/MidClassReport.pdf>
- ¹³U.S. Department of Labor, Bureau of Labor Statistics. Data compiled and Available from: <http://www.bls.gov/ces/home.htm>
- ¹⁴Total trade deficit of \$759 billion. "U.S. Trade in Goods and Services—Balance of Payments (BOP) Basis," United States Census Bureau, Foreign Trade Division, 8 June 2007. Available from: <http://www.census.gov/foreign-trade/statistics/historical/gands.pdf>.
- ¹⁵Vikas Bajaj and Edmund Andrews, "Reports Suggest Broader Losses From Mortgages," *New York Times*, 25 October 2007. <http://www.nytimes.com/2007/10/25/business/25mortgage.html?pagewanted=print>
- ¹⁶Christine Harper, "Wall Street Plans \$38 Billion of Bonuses as Shareholders Lose," Bloomberg.com 19 November 2007. <http://www.bloomberg.com/apps/news?pid=20602203&sid=ahE8xVisWsbE&refer=us>
- ¹⁷"Report Card for America's Infrastructure: Bridges [C]," American Society of Civil Engineers. Available from: <http://www.asce.org/reportcard/2005/page.cfm?id=22>.
- ¹⁸Sarah Anderson, John Cavanagh, Chuck Collins, et. al. Executive Excess 2007. The Institute for Policy Studies. United for a Fair Economy. 29 August 2007. <http://www.faireconomy.org/files/pdf/ExecutiveExcess2007.pdf>
- ¹⁹Jenny Anderson, "Scrutiny on Tax Rates That Fund Managers Pay" *New York Times*, 13 June 2007. Available from: http://www.nytimes.com/2007/06/13/business/13tax.html?_r=1&oref=slogin; Tom Bawden, "Buffet Blasts System That Let Him Pay Less Tax Than Secretary," *Times Online*, 28 June 2007. Available from: <http://business.timesonline.co.uk/tol/business/money/tax/article1996735.ece>
- ²⁰"When Advocates Become Regulators," *Denver Post*, 23 May 2004. <http://www.commondreams.org/headlines04/0523-02.htm>
- ²¹http://www.apolloalliance.org/downloads/jobs_Apollo_Exec_Summary_Edit.doc.
- ²²<http://www.sharedprosperity.org/topics-health-care.html>
- ²³The 2007 Statistical Abstract. Education: Elementary and Secondary Education: Staff and Finances. Table 241. Average Salary and Wages Paid in Public School Systems: 1985 to 2005 <http://www.census.gov/compendia/statab/tables/07s0241.xls>

- ²⁴AFL-CIO, "The Union Difference": <http://www.aflcio.org/joinaunion/why/uniondifference/>
- ²⁵Kathy Chu with Sharon Silke Carty, Greg Farrell, Barbara Hagenbaugh, Edward Iwata, Noelle Knox, and Adam Shell, "Housing Woes have Domino Effect," *USA Today*, 25 November 2007. http://www.usatoday.com/money/economy/2007-11-25-credit-crunch_N.htm
- ²⁶Susan Page and William Risser, "Economy's Slide has Voters on Edge" *USA Today*, 4 February 2008. http://www.usatoday.com/news/politics/election2008/2008-02-04-economy_n.htm
- ²⁷Carmen DeNavas-Walt, Bernadette D. Proctor, Jessica Smith, "Income, Poverty, and Health Insurance Coverage in the United States: 2006," Current Population Reports, United States Census Bureau, August 2007. <http://www.census.gov/prod/2007pubs/p60-233.pdf>
- ²⁸United States Census Bureau, American Fact Finder. <http://factfinder.census.gov>. (Data compiled using Census Bureau data chart.)
- ²⁹United States Census Bureau. "Health Insurance Coverage Status and Type of Coverage by State, All People, 1999-2006," Historical Health Insurance Tables, Table HIA-4, <http://www.census.gov/hhes/www/hlthins/historic/hihist4.html>
- ³⁰United States Census Bureau. "Health Insurance Coverage Status and Type of Coverage by State, Children under 18, 1999-2006," Historical Health Insurance Tables, Table HIA-5, <http://www.census.gov/hhes/www/hlthins/historic/hihist5.html>
- ³¹Elise Gould, "Health Insurance Eroding for Working Families," *EPI Briefing Paper #175*, 28 September 2006. <http://www.epi.org/content.cfm/bp175>
- ³²"U.S. Foreclosure Activity Increases 75 Percent in 2007," RealtyTrac, 29 January 2008. <http://www.realtytrac.com/ContentManagement/pressrelease.aspx?ChannelID=9&ItemID=3988&acct=64847>
- ³³"Average Undergraduate Tuition and Fees and Room and Board Rates Paid by Full-Time-Equivalent Students in Degree-Granting Institutions," Public 4-year Institution 00-01 (adjusted 2006 dollar), Table 313, National Center for Education Statistics, Digest of Education Statistics, <http://nces.ed.gov/programs/digest/d02/tables/XLS/Tab313.xls>. See also: "Average Undergraduate Tuition and Fees and Room and Board Rates Charged for Full-Time Students in Degree-Granting Institutions," Public 4-year Institution 06-07, Table 321, National Center for Education Statistics, Digest of Education Statistics. <http://nces.ed.gov/programs/digest/d07/tables/xls/tabn321.xls>
- ³⁴"Gasoline Prices by Formulation, Grade, Sales Type," Energy Information Administration. http://tonto.eia.doe.gov/dnav/pet/pet_pri_allmg_a_EPM0_PTC_cpgal_m.htm
- ³⁵"No. 2 Distillate Prices by Sales Type," Energy Information Administration. http://tonto.eia.doe.gov/dnav/pet/pet_pri_dist_a_EPD2_PRT_cpgal_m.htm
- ³⁶Employment, Hours, and Earnings from the Current Employment Statistics Survey (State & Metro Area), United States Department of Labor, Bureau of Labor Statistics. <http://www.bls.gov/sae/home.htm>
- ³⁷Robert E. Scott, "Costly Trade with China: Millions of US Jobs Displaced with Net Job Loss in Every State," *EPI Briefing Paper #188*, 9 October 2007. <http://www.epi.org/content.cfm/bp188>
- ³⁸"Union Members in 2000," United States Department of Labor Bureau of Labor Statistics, 18 January 2001. http://www.bls.gov/news.release/History/union2_01182001.txt. See also: United States Department of Labor, Bureau of Labor Statistics, Table 1 "Union Affiliation of Employed Wage and Salary Workers by Selected Characteristics," 25 January 2008. <http://www.bls.gov/news.release/union2.t01.htm>

NEW ENERGY FOR AMERICA

America's energy policy is running on empty. Families are strapped by rising gas and heating costs. We're shipping billions to oil producers abroad. Our security is weakened by deepening dependence on foreign oil. Catastrophic climate change is a real and present danger. Thanks to years of Bush administration denials and obstruction, we are running out of time.

The current energy policy is socking our pocketbooks. Families are now spending an annual average of \$1,700 more for home heating oil and \$800 more to fill up their cars than in 2000.

And it's socking our planet. The warning signs of catastrophic climate change are all around us.

Arctic ice is melting at a record pace. Wildfires are burning hotter and longer. The lake that supplies water to Phoenix and Las Vegas is drying up. A record number of Category 5 hurricanes have formed in the Atlantic Ocean this decade. Hunting seasons and wildlife habitats are beginning to be adversely impacted.

But the genius of America is to turn crisis into opportunity. In 1961, President Kennedy challenged us to send a man to the moon within a decade and launched the Apollo plan to make it happen. Now we need a similar vision—an Apollo initiative for energy independence, mobilizing science and technology to build a new energy economy.

With a concerted drive for energy independence, we can put millions of Americans to work generating clean, affordable energy alternatives and maximizing energy efficiency. We can reverse the loss of 3.4 million manufacturing jobs, the spike in energy costs and eventually the warming of the planet. There's no reason to wait, and no time to lose.

THE CHALLENGE

We now spend more than \$200 billion each year on foreign oil—much of it borrowed from the Chinese government—propelling a skyrocketing trade deficit and depriving our economy of investments that could create good jobs. That money ties us to corrupt governments in politically unstable parts of the world. And the greenhouse gases from foreign oil keep us on the perilous path towards an economically devastating climate crisis.

HOT QUOTE

"We need to put an end to the lies, the myths, the hysteria that say you can have either a clean environment or good jobs. You can have both, or you have neither."

LEO GERARD

President of the United Steelworkers
July 7, 2007

Turning to domestic oil is not a serious option. Not only will that do nothing to reverse global warming, but the oil simply isn't there. The United States has less than 2% of the world's oil reserves¹ and imports 60% of the oil we use.² We can't drill our way out of the hole we're in.

The reality is: world oil production is at or near its peak. Global demand for oil—up to 86 million barrels a day³—has exhausted spare capacity. Increasing demand by China, India and the industrializing world is driving prices ever higher—and spurring an intense scramble for secure sources of supply.

There's nothing in the pipeline to cushion us from unexpected supply shocks caused by natural disasters or global unrest. Our margin of error is gone. And in the long run, there's not enough oil to go around.

THE CONSERVATIVE FAILURE

The path to a clean energy economy has been blocked by the Bush administration and its conservative allies who scorn the threat posed by global warming and discount the growing economic and security costs of reliance on foreign oil.

Hunters, fishermen and farmers all attest to the startling changes wrought by global warming. After years of denial, President Bush has finally admitted that something is happening, yet his administration continues to cook the books, pressuring government scientists to downplay the data and mislead the public.

In 2006, the public pushed back and installed a new Congress. In 2007 and 2008, congressional leaders tried to change course, proposing to end oil and gas subsidies and invest that revenue into producing renewable energy. With the price of oil breaking \$100 a barrel, and ExxonMobil raking in record annual profits of over \$40 billion, it made no sense to continue handouts to Big Oil on our dime.

But the new Congress was thwarted by an obstructionist conservative minority, committed to the do-nothing, know-nothing policies of the past. Why buck the people's will to maintain such an ineffective energy policy? Look no further than campaign contributions. Since 2000, oil interests have funneled 80% of their political giving—more than \$80 million—to the Republicans in power.⁴

For too long, conservatives have been subsidizing the disease and starving the cure. We don't have to continue the failed policies that perpetuate the addiction to oil and put our pocketbooks and planet at risk. We have a choice.

THE PROGRESSIVE SOLUTION

We need a concerted national initiative to rapidly move us to a new energy economy, creating jobs, strengthening our security and helping resolve the climate crisis.

The Apollo Project for Good Jobs and Energy Independence calls for a public investment of \$30 billion a year for 10 years, creating 3 million jobs that pave the way to energy independence. We can raise the revenue by scrapping the giveaways to Big Oil and by making private companies pay for polluting the public sky with greenhouse gases.

Targeted public investment will unleash billions in private capital and mobilize the imaginations of the young to build the next generation of energy-efficient appliances, batteries and advanced automotive technologies.

We can create millions of new jobs in renewable and low-carbon energy production, green building construction and retrofits and the manufacture of new energy-efficient products—good-paying jobs that can't be easily outsourced.

Rather than shipping billions abroad for oil, we'll profit from taking the lead in the growing markets for green technology. We'll provide sustainable and affordable fuel options for consumers and businesses. We'll fortify our economy and our security.

What will the new energy economy look like? Imagine:

- New factories and retooled plants producing wind turbines, solar panels and hydrogen fuel cells.
- A revived American auto industry leading the world in developing the next generation of clean energy cars such as Flex-Fuel vehicles and hybrids.
- Schools, offices and homes retrofitted to become more energy efficient with large savings for business and families.
- A 21st-century public infrastructure with mass transit and high-speed rail systems and a modernized electrical grid.

Endorsed by a broad coalition of environmental, labor and business organizations, the Apollo Project provides a solution that resonates with the American “can-do” spirit. We need to get America's energy policy out of the hands of oil companies and into the hands of the public.

HOT QUOTE

“You can't take a building you want to weatherize, put it on a ship to China and then have them do it and send it back.”

VAN JONES

President of the Ella Baker Center
October 17, 2007

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Working Americans now bear the brunt of a failed energy policy...

Proof Points

- We spent \$237 billion on imported crude oil last year.⁵
- The price of gasoline has doubled⁶ and the price of home heating oil has more than doubled, since January 2000.⁷
- Families spend \$1,700 more to heat their homes,⁸ and \$800 more to fuel their cars⁹ than in 2000.

...as catastrophic climate change looms.

- Arctic ice is melting at a record pace.¹⁰
- Wildfires are burning hotter and longer.¹¹
- A record number of Category 5 hurricanes have formed in the Atlantic Ocean this decade.¹²
- Even hunting seasons and wildlife habitats are beginning to be adversely impacted.¹³
- Lake Mead, which supplies water to Phoenix and Las Vegas, is drying up.¹⁴
- The British government projects a 10-20% decline in global economic activity—comparable to the Great Depression—if we don't stop global warming.¹⁵

Conservatives have subsidized the disease and starved the cure.

- Despite enjoying record profits from sky-high gas prices, oil companies get billions in tax breaks and government subsidies.¹⁶
- ExxonMobil posted the highest annual profit ever for a U.S. company, \$40.61 billion, in 2007.¹⁷
- In 2007, Senate Republicans used a filibuster to block a clean energy bill that would have stripped subsidies from Big Oil and invested in renewable energy.¹⁸

We can choose a new energy economy, creating millions of jobs, generating clean American energy and freeing us from the tyranny of oil.

- Most jobs producing renewable energy are not easily outsourced, helping reverse the recent loss of 3 million manufacturing jobs.¹⁹
- Addressing climate change will be much cheaper than dealing with the consequences.²⁰
- Investing \$30 billion a year for clean energy is a fraction of the \$237 billion we spent on foreign oil last year and the \$500 billion we've blown in Iraq to date.²¹

Spotlight Stories

SAN JOSE, Calif.—Strangers are flocking to Eric and Nicole Jorgensen's boxy 50-year-old tract house. With energy on nearly everyone's mind, the Jorgensens' place—with solar panels on the back roof, a sun oven in the backyard and a meter that runs backward—is a full-scale attraction. It draws fifth-grade classes, international news crews and fellow homeowners. "California has so much sun that it's silly everyone isn't doing this," said Mr. Jorgensen, 34, a physicist at Stanford University. He hitched his house to the sun and wind last October, and it now produces more energy than it uses.²²

From *The New York Times*, May 3, 2001

SWEETWATER, Tex.—The wind turbines that recently went up on Louis Brooks's ranch are twice as high as the Statue of Liberty, with blades that span as wide as the wingspan of a jumbo jet. "That's just money you're hearing," he said as the turbines hummed in a brisk breeze recently. Teenagers who used to flee small towns like Sweetwater after high school are sticking around to take technical courses in local junior colleges and then work on wind farms. Marginal ranches and cotton farms are worth more with wind turbines on them. "Wind has invigorated our business like you wouldn't believe," said Marty Foust, local shopkeeper. "We're now in our own bubble."²³

From *The New York Times*, February 23, 2008

Conservative Spin

Big government policies will only hurt the economy. We need to unleash the power of the free market to achieve energy independence.

Progressive Response

- Conservatives are subsidizing the disease and starving the cure. They're giving billions in subsidies to Big Oil, even while oil companies rake in record profits.
- The economy will thrive with public investment in clean American energy, mobilizing private capital to create 3 million jobs.

More government spending just means higher taxes for everyone.

- We now pay what amounts to a Bush oil tax. We spend \$2,500 more a year on gasoline and home heating oil, after seven years of the Bush energy policy.
- We can invest in renewable energy without increased taxes on the middle-class. Scrap the subsidies for Big Oil, and make private companies pay for polluting the public sky.

Burdensome regulations on utilities and energy companies will lead to higher energy costs for consumers.

- We have higher energy costs today without affordable and accessible clean energy alternatives.
- When we scrap subsidies for Big Oil and make private companies pay for polluting the public sky, we'll be able to invest and make renewable energy affordable.

Gas prices are high because environmental regulations prevent us from building more refineries, limiting our oil supply.

- Oil companies can build refineries now if they want. But they don't, because they make more money when they dictate supply and keep prices high.²⁴
- With a new energy economy, we will free ourselves from the tyranny of oil and provide ourselves with affordable clean energy alternatives.

Public Pulse

Americans are tired of rising fuel prices and want a new energy policy.

- 65% say our energy policy is seriously on the wrong track. (*Greenberg Quinlan Rosner Poll, April 2007*)
- 81% of Americans think gas prices are “unreasonable” when “compared to the prices of most other things [they] buy.” (*CNN/Opinion Research Corporation Poll, May 2007*)
- 63% of Americans say that recent price increases in gas cause them “financial hardships.” (*CNN/Opinion Research Corporation Poll, November 2007*)
- 66% of Americans have had to reduce their driving, turn down the thermostat or cut back on other expenses. 49% have changed their vacation plans. (*AP/IPSOS Public Affairs Poll, May 2006*)

65%

81%

63%

66%

Americans support an energy policy based on public investment in new energy.

- 64% of Americans are “willing to pay higher taxes on gasoline and other fuels if the money was used for research into renewable sources like solar and wind energy.” (*CBS/New York Times Poll, April 2007*)
- 75% of Americans would be willing to pay more for electricity if it were generated by renewable sources like solar or wind energy in order to help reduce global warming. (*CBS/New York Times Poll, April 2007*)

64%

75%

Concern about global warming adds urgency for a new energy policy.

- 76% of people believe the effects of global warming are apparent now. (*Greenberg Quinlan Rosner Poll, April 2007*)
- Seven in ten Americans think that the federal government should do more to address global warming. (*ABC News/Washington Post Poll, April 2007*)

76%

70%

MORE RESOURCES

The Apollo Alliance, an energy think tank that works to build a broad-based constituency in support of a sustainable and clean energy economy that will create millions of good jobs for the nation, reduce our dependence on foreign oil and create cleaner and healthier communities, <http://www.apolloalliance.org/>

American Council for an Energy Efficient Economy, a nonprofit organization dedicated to advancing energy efficiency as a means of promoting both economic prosperity and environmental protection, <http://www.aceee.org/>

Ella Baker Center, a strategy and action center that launched the Green-Collar Jobs Campaign, creating opportunities in the green economy for poor people and people of color through policy advocacy, public outreach and an employment pipeline—the Green Jobs Corps, <http://ellabakercenter.org>

Energize America, a comprehensive and compelling 20-point plan developed by informed citizen activists to wean the U.S. from its fossil fuel addiction and provide the U.S. with energy security by 2020 and energy freedom by 2040, <http://www.ea2020.org/>

National Resources Defense Council, a legal and science advocacy group that focuses on a full range of environmental issues, <http://www.nrdc.org/>

Renewable Energy Partnership Project, an organization that promotes the advancement of renewable energy technology through policy research and seeks to define growth strategies for renewables that respond to competitive energy markets and environmental needs, <http://www.repp.org/>

Union of Concerned Scientists, a science-based nonprofit working for a healthy environment and a safer world, <http://www.ucsusa.org/>

Reports

New Energy for America: The Apollo Jobs Reports, Good Jobs & Energy Independence.

Apollo Alliance. http://www.apolloalliance.org/downloads/resources_ApolloReport_022404_122748.pdf

Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost?
McKinsey & Co. <http://www.mckinsey.com/client/service/ccsi/greenhousegas.asp>

Coal in a Changing Climate.

National Resources Defense Council. <http://www.nrdc.org/globalWarming/coal/coalclimate.pdf>

Ethanol: Energy Well Spent.

National Resources Defense Council. <http://www.nrdc.org/air/transportation/ethanol/ethanol.pdf>

Wind Energy for Electric Power.

Renewable Energy Partnership Project. http://www.repp.org/articles/static/1/binaries/wind_issue_brief_FINAL.pdf

Stern Review on the Economics of Climate Change.

http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm

Endnotes

¹“World Oil Reserves by Country as of January 1, 2007,” United States Energy Information Administration. http://www.eia.doe.gov/oiaf/ieo/pdf/oil_tables.pdf

²“Strengthen National Energy Security,” United States Department of Energy and Environmental Protection Agency. <http://www.fueleconomy.gov/feg/oildep.shtml>

³“International Petroleum Supply, Consumption, and Inventories,” Energy Information Administration. http://tonto.eia.doe.gov/cfapps/STEO_Query/steotables.cfm?periodType=Annual&startYear=2004&startMonth=1&endYear=2008&endMonth=12&tableNumber=6

⁴“Oil & Gas: Long-Term Contribution Trends,” Center for Responsive Politics. <http://www.opensecrets.org/industries/indus.asp?Ind=E01>

⁵“U.S. International Trade in Goods and Services, December 2007,” Exhibit 17, Imports of Energy-Related Petroleum Products, Including Crude Oil, U.S. Census Bureau, U.S. Bureau of Economic Analysis, U.S. Department of Commerce, 14 February 2008. <http://bea.gov/newsreleases/international/trade/2008/pdf/trad1207.pdf>

⁶Retail Gasoline Historical Prices, United States Energy Information Administration. http://www.eia.doe.gov/oil_gas/petroleum/data_publications/wrgp/mogas_history.html

⁷“U.S. Weekly No. 2 Heating Oil Residential Prices—cents per gallon.” United States Energy Information Administration. 24 December 2007. <http://tonto.eia.doe.gov/oog/info/hopu/hopu.asp>

⁸Rise in home heating oil costs derived from average home usage of home heating oil [864 gallons a year according to The Consumer Energy Council of America: See “Save on Home Heating Oil,” *Smart Money*, 2 November 2005. <http://www.smartmoney.com/dealoftheday/index.cfm?story=20051102>], and average price of home heating oil—\$1.37/gallon in January 2000 (adjusted) and \$3.30/gallon in February 2008. [See: “U.S. Weekly No. 2 Heating Oil Residential Price (Cents per Gallon Excluding Taxes),” United States Energy Information Administration. <http://tonto.eia.doe.gov/dnav/pet/hist/whoreus4w.htm>.]

⁹“U.S. All Grades All Formulations Retail Gasoline Price (Cents per Gallon).” United States Energy Information Administration. http://tonto.eia.doe.gov/dnav/pet/hist/mg_tt_usw.htm (Adjusted for 2008 dollars)

¹⁰“Scientist: ‘Arctic Is Screaming,’” *Associated Press*, 11 December 2007. <http://www.cnn.com/2007/TECH/science/12/11/arctic.melt.ap/>

¹¹“According to experts...warmer spring seasons—due at least partly to climate change—have already resulted in earlier snowmelt, longer summer dry periods, and increased wildland fire activity in western U.S. forest ecosystems, where the experts stated that fires are linked more to climatic conditions than to land management techniques. Both the frequency of large fire ... and the area burned increased significantly in the western United States during the period of 1987 through 2003... wildland fire size and severity are likely to further increase with climate change...,” “Climate Change Agencies Should Develop Guidance for Addressing the Effects on Federal Land and Water Resources,” United States Government Accountability Office, 7 August 2007. <http://www.gao.gov/docsearch/abstract.php?rptno=GAO-07-863>

¹²“Category 5 Warning,” by Chris Mooney, *Los Angeles Times*, 7 September 2007. <http://www.latimes.com/news/opinion/la-oe-mooney7sep07,0,6220263.story?coll=la-opinion-righttrail>

¹³“The Chesapeake Bay and Global Warming: A Paradise Lost for Hunters, Anglers, and Outdoor Enthusiasts?,” National Wildlife Foundation. September 2007. http://www.nwf.org/sealevelrise/pdfs/chesapeake_bay_final.pdf

¹⁴“Lake Mead Could Be Within a Few Years of Going Dry, Study Finds,” *New York Times*, 13 February 2007. <http://www.nytimes.com/2008/02/13/us/13mead.html>

¹⁵"Sir Nicholas Term, Stern Review on the Economics of Climate Change," 30 October 2006, HM Treasury. http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm

¹⁶Based on data contained in Inventory of Major Federal Energy Programs and Status of Policy Recommendations, The U.S. Government Accountability Office, GAO-05-379, June 2005, www.gao.gov/news.items/d05379.pdf; as quoted in Testimony of Tyson Slocum, Director of Public Citizen's Energy Program, U.S. House Committee on Energy and Commerce, Subcommittee on Oversight and Investigations, "Gasoline Prices, Oil Company Profits, and the American Consumer," 22 May 2007. <http://www.citizen.org/documents/House07.pdf>

¹⁷David Ellis, "Exxon Shatters Profit Records," *CNNMoney.com*, 1 February 2008. http://money.cnn.com/2008/02/01/news/companies/exxon_earnings/

¹⁸"Senate Passes Energy Bill Without Oil Tax Hikes," *PBS—The Online NewsHour*, 14 December 2007. http://www.pbs.org/newshour/updates/environment/july-dec07/energybill_12-14.html

¹⁹"New Energy for America: The Apollo Jobs Report, Executive Summary" January 2004. The Apollo Alliance. <http://www.apolloalliance.org/jobs.php#index.cfm>

²⁰"Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost?" McKinsey & Co., November 2007. <http://www.mckinsey.com/clientservice/ccsi/greenhousegas.asp>

²¹Amy Belasco, "The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9.11," CRS Report for Congress, 9 November 2007. <http://www.fas.org/sgp/crs/natsec/RL33110.pdf>

²²"Reducing America's Energy Dependence," Natural Resources Defense Council. <http://www.nrdc.org/air/transportation/gasprices.asp>

²³Evelyn Nieves, "In California, Solar's Time to Shine," *New York Times* 3 May 2001. <http://www.nytimes.com/2001/05/03/national/03CONS.html?ex=1203915600&en=c57f35e40321b68b&ei=5070>

²⁴Clifford Krauss, "Move Over, Oil, There's Money in Texas Wind," *New York Times*, 23 February 2008. <http://www.nytimes.com/2008/02/23/business/23wind.html?ei=5087&em=&en=3ede15dc922971a4&ex=1204002000&pagewanted=print>

FAIR TRADE

Our current global economic strategy cannot be sustained. Our annual trade deficit with the world has nearly doubled since 2000, now standing at \$712 billion.¹ To finance this debt, we either borrow from abroad or sell off assets at the rate of \$2 billion per day. In the past year, a declining dollar has helped reduce this imbalance with Europe. But China and other mercantilist nations control their currency values, in part to help them capture export markets. The US is now running a structural deficit that even the International Monetary Fund calls fundamentally unstable.

For years, there has been furious debate about trading agreements—NAFTA, WTO and the terms of China’s trade status with the United States. Americans have generally favored global trade but have grown more skeptical of its costs as jobs were lost to international competition.

First, jobs in textiles, shoes and toys were shipped abroad. Now we’re losing jobs in more advanced manufacturing industries—including autos and computers. Our trade deficit in advanced technology products is growing rapidly. It won’t stop there. Economist Alan Blinder estimates up to 40 million service jobs—from scientific research to typists—could potentially be offshored. Worse, corporations have systematically used the threat of global competition and of moving abroad as a club in negotiations with workers—driving down wages, cutting benefits and shedding past promises. Not surprisingly, more and more Americans are looking for a different direction.

It’s past time to end the stale debate and recognize that “free trade” is a slogan, not a policy. Global markets are created by laws and rules. All trade is managed, that’s why the trade agreements are thousands of pages long. The question is who makes the rules, who benefits and who pays the costs.

THE CHALLENGE

We have pursued a global economic strategy designed by and for the multinational corporations and banks—a strategy for Wall Street, not for Main Street. Our trade accords protect corporate rights but not worker rights; investors but not the environment. The result has been a race to the bottom in which companies have every incentive to move jobs to countries with the cheapest labor, the fewest workplace regulations and the weakest environmental protections.

The United States is getting played in this global market. Americans do get access to cheaper goods; Wal-Mart alone is responsible for 11% of

HOT QUOTE

“Goods produced under conditions which do not meet a rudimentary standard of decency should be regarded as contraband and not allowed to pollute the channels of international commerce.”

**PRESIDENT FRANKLIN
DELANO ROOSEVELT**

America's trade deficit with China.² But we're importing toxic toys and exporting jobs. Cheap prices are negated by wages that do not keep up with inflation. Despite constantly increasing productivity, American workers are experiencing more job insecurity. And those that lose their jobs likely can only find new ones with worse pay and benefits.

Entire industries have now moved abroad. We run a growing deficit with China in advanced technology goods, while China has stockpiled \$1.5 trillion in reserves.³ We are borrowing money that our children will have to repay, as we sell off assets that our children will not control.

We're becoming less competitive in the global economy because of a fundamentally flawed global strategy. It's critical that we adopt a new strategy.

THE CONSERVATIVE FAILURE

The Bush administration continued the unfair trade policies of previous administrations, to the delight of the corporate wings of both major political parties.

Conservatives argue that the effects of job loss due to trade are easily absorbed in an economy in which millions of jobs are created and destroyed every year. They scorn enforceable protections in trade agreements for workers and the environment as meddling in the internal affairs of other nations. They pay lip service to the reality that China and other countries play by a different set of rules and fix the value of their currencies to make their exports cheaper.

But the damage done by unfair trade has become starkly apparent. Our \$712 billion trade deficit—nearly doubling in size under Bush—is dragging down our economy. We have lost 3.4 million manufacturing jobs since 1998—that's one out of every five manufacturing jobs in America.⁴ Instead of lifting up the Mexican economy, NAFTA uprooted peasants from their land, forcing them to come north looking for work, thus worsening illegal immigration. More than 20 million toxic toys from China were recalled in 2007.⁵ By shipping jobs to poor countries with weak environmental protections, companies are accelerating the climate crisis.

This isn't a partisan question. Corporate-friendly Democrats helped implement this corporate trade strategy, claiming that displaced workers would be provided with retraining, wage insurance and temporary support. These good intentions did not survive tight budgets and conservative anti-government ideology. In 2007, congressional Democrats tried to expand assistance for displaced workers, but the bill died under threat of Bush's veto.

But on its own, help for displaced workers is a band-aid, not a solution for a flawed global strategy. Without a strategy to rebuild production in the

United States, boost demand abroad and manage currency adjustments, we risk a long and painful economic recession here and the perils of a global depression abroad.

THE PROGRESSIVE SOLUTION

When you're in a hole, stop digging. No more NAFTA-style trade deals until we have a clear strategy to compete in the global economy—a strategy for this nation, not for the multinationals.

A new strategy starts with rebuilding America, restoring our economic foundation and sparking development of new industries and good jobs that are not easily outsourced.

Launch a concerted national drive for energy independence to generate millions of jobs here, develop new technologies, address global warming and help capture the green industries of the future. Modernize our infrastructure—from roads to high-speed trains and from bridges to broadband—to make America the best place to do business. Invest in a world-class education system, so our children can flourish in the global economy. Guarantee quality health care for all so businesses no longer suffer from global competitive disadvantages.

Next, we must strengthen our workforce. Eliminate tax breaks that reward companies for sending jobs overseas. Make it easier for workers to organize by passing the Employee Free Choice Act. And provide real assistance for all workers displaced in the global economy, ensuring health care, wage insurance, educational opportunities and job placement services.

Most critically, we must revamp our trade strategy. We need an entirely new set of global trade rules and institutions that works for working people across the world, not simply for corporations.

Require trade accords to enforce workers' fundamental human rights and international environmental standards. Revoke provisions that restrict governments from serving the public interest, from using tax dollars to promote legitimate social objectives or from making life-saving medicine affordable to their citizens. Put enforceable standards in the text of trade agreements—not in unenforceable side deals—and have an executive branch that actually enforces the standards.

Finally, we need international coordination for sustainable global growth. Leverage our market access to persuade China and other East Asian countries to let their currencies increase in value and boost domestic demand. Establish global rules to help police emerging financial institutions such as hedge funds and sovereign investment funds. Enact a global Marshall Plan—paid for by a tax on short-term currency speculation—so impoverished countries can develop their economies. Such a tax would also help limit the destabilizing volatility in foreign exchange markets.

HOT QUOTE

"I pity the man who wants a coat so cheap that the man or woman who produces the cloth will starve in the process."

PRESIDENT BENJAMIN HARRISON

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Trade deals made by and for multinational corporations have led a global race to the bottom in wages, safety and environmental devastation.

Proof Points

- Over 20 million toys from China were recalled this year because of lead and other hazards.⁶
- Instead of lifting up the Mexican economy, NAFTA drove peasants off their land and fueled illegal immigration.⁷
- Industrial production in developing countries with weak environmental protections is accelerating the climate crisis.⁸
- The U.S. trade deficit has almost doubled since Bush took office—up to \$712 billion in 2007 from \$363 billion in 2001.⁹

Conservatives said job losses from trade would be easily absorbed by our economy. Instead, the middle-class got squeezed.

- The manufacturing sector has lost 3.4 million jobs—one out of every five manufacturing jobs—since 2000.¹⁰
- About one-half of all U.S.-owned manufacturing production is now located abroad.¹¹
- An estimated 40 million U.S. jobs are potentially offshorable, including scientists and mathematicians, telephone operators and typists.¹²
- Lost jobs are often replaced with positions offering less pay. From 2003 to 2005, 30% of displaced workers did not find new work. Of those that did, 49% earned less than their previous job.¹³

We need a new strategy to compete in the global economy—rebuild America’s foundation and design trade agreements for Main Street, not Wall Street.

- Require trade accords to protect not just corporate rights, but workers’ rights, consumer safety and environmental standards.
- Press China and other nations to stop distorting global markets by manipulating the value of their currencies.
- Create millions of jobs generating clean energy and modernizing infrastructure.
- Guarantee health care for all so businesses won’t suffer global competitive disadvantages.

Spotlight Story

Despite assuring local employees just over a year ago that the approval of the Central American Free Trade Agreement (CAFTA) would secure their jobs, Jockey International announced last week that sewing operations at the Millen facility would be permanently terminated. Approximately 203 workers will lose their jobs to overseas counterparts....

“...Adding insult to injury, Jockey plans to outsource jobs to Jamaica, Honduras, Costa Rica and El Salvador, many of the countries included in the CAFTA,” said [U.S. Representative John] Barrow. The congressman went on to explain that top executives from Jockey came to his office just last year and lobbied for his approval of CAFTA, which was coming up for a House vote.

“They looked me in the eye, and told me that a vote for CAFTA was a vote to protect jobs in Millen. Now the very same people whose jobs they claimed to be protecting will be out of work,” Cong. Barrow said.

From *Millen News (Millen, GA)*, July 26, 2006¹⁴

Conservative Spin

Free trade grows the global economy, creating jobs and lowering prices.

Progressive Response

- We don't have free trade or fair trade. We have unfair trade rules rigged to benefit multinational corporations.
- And we've seen the results: exporting millions of jobs and importing millions of toxic toys. We have pressure driving wages down and pollution driving carbon emissions up—here and abroad.

Building protectionist walls around America will strangle the economy, as it has in the past.

- The global economy is a reality. The question is what strategy we pursue. Thus far it has been one that benefits companies, not citizens. We need a strategy that uses the leverage of our markets to strengthen our prosperity and raise standards for workers, consumers and the environment.

Free trade is already making strides in reducing global poverty.

- If NAFTA was the antidote to poverty, we wouldn't have hundreds of thousands of Mexicans risking their lives each year to illegally cross the border to work in America. China is growing, not by practicing free trade, but by following a ruthless national economic strategy.

America has created more than 8 million jobs over the past four years, more than making up for any job losses. Free trade is helping create jobs here and abroad.

- Americans are working but for less pay, as good jobs leave and are replaced by jobs with lower wages and fewer benefits. Household income has declined while costs for food, fuel, health care and college have skyrocketed.

We don't need to scrap these trade deals and break our word, we just need to enforce them better.

- The current trade deals lack the teeth to be properly enforced, which is how the multinationals wanted it. We need a new trade strategy to protect not just corporate rights, but workers' rights, consumer safety and environmental standards.

Public Pulse

Uneasiness persists concerning the impact of globalization.

- 87% of voters are concerned about outsourcing. (*Foreign Affairs*, May/June 2006)
- 81% of voters gave the government a C, D or F in its handling of outsourcing. (*Foreign Affairs*, May/June 2006)
- 63% believe international trade has “made things worse” for the U.S. and causes job loss and low wages. (*Gallup*, November 2007)

87%

81%

63%

Support is strong for fair trade that puts the middle class first.

- 84% favor tax incentives for companies that relocate to where jobs have been lost to trade.
- 82% favor trading only with countries that ban child labor.
- 78% favor trading only with countries that meet clean air and water standards.
- 51% favor trading only with countries where workers can organize. (*Above results from Fortune Magazine*, January 2008)

84%

82%

78%

51%

Fair trade resonates with Republican voters.

- 59% of Republican primary voters say “Foreign trade has been bad for the U.S. economy.” (*Wall Street Journal*, October 2007)

59%

MORE RESOURCES

AFL-CIO: An Economy That Works For All, a repository of information and updates on the politics of global trade and its effects on working people, <http://www.aflcio.org/issues/jobseconomy/>

Campaign for America's Future: An Economy For All, <http://ourfuture.org/economy>

Economic Policy Institute, a nonprofit, nonpartisan think tank that seeks to broaden the public debate about strategies to achieve a prosperous and fair economy, <http://www.epi.org/>

Fair Trade Federation, an international association of businesses and non-profit organizations alleviating global poverty through the promotion of trading practices based on principles of social and economic justice, <http://www.fairtradefederation.org/>

IFIwatchnet, an initiative in international NGO networking, connecting organizations worldwide, which are monitoring international financial institutions such as the World Bank, the IMF and regional development banks, <http://ifiwatchnet.org/>

The Institute for Policy Studies, a multi-issue think tank providing analysis of and proposals for alternative forms of global trade, http://www.ips-dc.org/global_econ/

TransFair U.S.A, the only third-party certifier of Fair Trade products in the United States, providing real world models for the potential of fair trade on the global market, <http://www.transfairusa.org/>

Reports

“Costly Trade With China: Millions of U.S. jobs displaced with net job loss in every state,” Economic Policy Institute
<http://www.epi.org/content.cfm/bp188>

“Documenting the Evidence of the Failed NAFTA-WTO ‘Trade’ Model,” Public Citizen
http://www.citizen.org/documents/FLYERO_1.pdf

Economic Seminar Series, Center for Economic and Policy Research
http://www.cepr.net/index.php?option=com_content&task=view&id=10&Itemid=36

Global Imbalances, Power Shifts and the Future of Multilateralism, Center for Economic and Policy Research
http://www.cepr.net/index.php?option=com_content&task=view&id=1092&Itemid=182

“Globalization and American Wages,” L. Josh Bivens, EPI
<http://www.epi.org/content.cfm/bp196>

“Off-Shore Outsourcing Rising Rapidly Up the Income and Skill Ladder,” Public Citizen
<http://www.citizen.org/documents/FactSheetonOutsourcing2007.pdf>

“NAFTA & the US: Facts & Figures,” Economic Policy Institute
<http://www.epi.org/newsroom/releases/2006/09/NAFTA-US.pdf>

“Revisiting NAFTA: Still not working for North America’s workers,” EPI
<http://www.epi.org/content.cfm/bp173>

Understanding Low-Wage Work in the United States, Inclusion and Center for Economy and Policy Research
<http://www.inclusionist.org/files/lowwagework.pdf>

Endnotes

- ¹U.S. Census Bureau Foreign Trade Statistics, FT900: U.S. International Trade in Goods and Services, February 14 2008. http://www.census.gov/foreign-trade/Press-Release/current_press_release/press.html
- ²"The Wal-Mart Effect," Economic Policy Institute, 26 June 2007. <http://www.epi.org/content.cfm/ib235>
- ³"China's Foreign Exchange Reserves, 1977-2007" <http://www.chinability.com/Reserves.htm>
- ⁴"State Jobs in Manufacturing at All-Time Low," *Milwaukee Journal-Sentinal*, 22 December 2007. <http://www.jsonline.com/story/index.aspx?id=699382>
- ⁵"Toxic Trade: Globalization and the Safety of the American Consumer," Institute for America's Future, 30 October 2007
- ⁶"Toxic Trade: Globalization and the Safety of the American Consumer," Institute for America's Future, 30 October 2007
- ⁷Robert E. Scott, Carlos Salas, and Bruce Campbell, "Revisiting NAFTA," Economic Policy Institute, 28 September 2006. <http://www.epi.org/content.cfm/bp173>
- ⁸"Developing countries to cause 'climate crisis'," *The Telegraph*, 12 March 2007. <http://www.telegraph.co.uk/earth/main.jhtml?xml=/earth/2007/12/03/eacgd103.xml>
- ⁹U.S. Census Bureau Foreign Trade Statistics, FT900: U.S. International Trade in Goods and Services, February 14 2008. http://www.census.gov/foreign-trade/Press-Release/current_press_release/press.html
- ¹⁰"State Jobs in Manufacturing at All-Time Low," *Milwaukee Journal-Sentinal*, 22 December 2007. <http://www.jsonline.com/story/index.aspx?id=699382>
- ¹¹Jeff Faux, "Globalization that Works for Working Americans," *EPI Briefing Paper #179*, 11 January 2007. <http://www.sharedprosperity.org/bp179.html>
- ¹²Alan S. Blinder, "How Many U.S. Jobs Might Be Offshorable?" *CEPS Working Paper No. 142*, March 2007. <http://www.princeton.edu/~ceps/workingpapers/142blinder.pdf>
- ¹³"Displaced Workers Summary," Bureau of Labor Statistics, 17 August 2006. <http://www.bls.gov/news.release/disp.nr0.htm>
- ¹⁴"CAFTA is Suspect in Jockey Job Losses," *The Millen News*, 26 July 2006. http://www.themillennews.com/news/2006/0726/Front_Page/002.html

REBUILDING AMERICA

America is literally falling apart. A bridge collapses in Minneapolis at one end of the Mississippi River; levees fail New Orleans at the other. The bursting of a decades-old steam pipe terrorizes midtown Manhattan. A roof caves in on a first-grade classroom in South Carolina's infamous "Corridor of Shame." This is not what America is supposed to be.

America prospered early in its history by making investments vital to its future—such as canal systems and continental train tracks. Presidents of both parties led the way: Lincoln established land grant colleges; Teddy Roosevelt created the national parks; FDR and Truman pushed for the GI Bill that educated the World War II generation; and Eisenhower built the Interstate Highway System. Over the years, America built the world's premier system of free, universal K-12 education. But those huge gains are eroding, and we're losing our competitive edge in the world.

THE CHALLENGE

Conservatives reflexively reject public investment, and tout tax cuts as the cure-all for any problem: economy doing poorly, cut taxes; economy doing well, cut taxes.

The Bush tax cuts went to the wealthiest Americans and the most powerful corporations. They get the money. We get the potholes. Crony companies like Halliburton get no-bid contracts. We get a sputtering economy, as global corporations and investors bet against the dollar, moving investment abroad.

With the total cost of the war estimated to hit \$3 trillion,¹ and with deficits continuing to pile up, rampant tax cutting makes rebuilding our economic foundation more difficult. To conservatives, this is reason to celebrate. "Starve the beast" is their anti-government mantra, but what they are starving are the investments vital to our future—repairing bridges, schools and levees; modernizing water and transportation systems; generating clean energy and guaranteeing world-class education for all.

We're deeply enmeshed in a global economy, but by failing to invest in the future, we are diminishing our ability to compete. We only rank 15th in the world in broadband connectivity. Our high school students rank 22nd in science and 28th in math. Europe plans to generate 20% of its energy from renewable sources, while we grow more and more dependent on foreign oil.

HOT QUOTE

**"Let's get out of Iraq/
and get back on the
track/And let's rebuild
America first."**

MERLE HAGGARD

"America First"

THE CONSERVATIVE FAILURE

The failure is plain to see in the numbers. Conservatives gave \$50 billion in tax cuts annually to millionaires² but refused to spend \$7 billion to give more kids health insurance. They lavished \$14 billion in subsidies on oil companies during a time of record-high gas prices and corporate profits but refused to invest in renewable energy. They neglected to support state colleges, prompting tuition hikes at three times the rate of inflation. They spend \$10 billion every month to send our young to Iraq³ but never fully funded their own No Child Left Behind program.

Meanwhile, conservatives have made our tax system less fair, festooning the tax code with loopholes and racking up staggering debt—primarily to the benefit of corporations and the wealthy. Millionaires got an average \$118,000 annual break from the Bush tax cuts, while middle-income households got only \$740.⁴ Hedge fund billionaires pay taxes at lower rates than their secretaries. Corporations get tax breaks for moving jobs abroad.

Bush and the Republicans passed tax cuts when the economy was good and the budget was in surplus. They passed tax cuts when the economy was lousy, the country was at war and the budget was in deficit. Now they want to make the Bush tax cuts permanent, busting a \$3 trillion dollar hole in the budget over the next 10 years.⁵ They are ideologically incapable of learning from their mistakes.

HOT QUOTE

"I certainly would not claim that tax cuts pay for themselves."

EDWARD LAZEAR

chair of President's Bush's Council of Economic Advisers, June 27, 2006

THE PROGRESSIVE SOLUTION

To remain competitive in the global economy, we need to invest in the foundation of a rock-solid America.

We need to invest in our people: quality, affordable health care and world-class education from pre-K to college.

Guaranteeing health care for all, by offering a real choice of public and private insurance plans, would require \$50 billion of public investment, but would drive down costs and yield the same in savings for families, businesses and state governments.

Expanding early childhood education will ensure kids don't fall behind before they get started. Every dollar invested in early childhood education yields seven times that in savings, with less need for special ed, welfare and criminal justice services.

And no student should be priced out of the college or advanced technical training they need to succeed in the modern economy. Tuition rates, grant aid and loan forgiveness must be readjusted to make college affordable to all who earn it.

We need to pioneer clean energy technology to power the 21st century. The Apollo Project would invest \$30 billion a year for 10 years to rapidly move us into the new energy economy. We would create 3 million jobs and provide families and businesses with affordable, accessible clean energy alternatives. We can pay for it by scrapping the giveaways to Big Oil and making private companies pay for polluting the public sky.

We need to rebuild our crumbling infrastructure, from roads to high-speed rail, from schools to hospitals and from bridges to broadband. A multi-billion-dollar national infrastructure investment bank will provide financing to kick-start rebuilding projects across the country.

To help pay for these critical investments, we need major tax reform that restores fairness. End tax cuts that allow the wealthiest to shirk their responsibilities and shift the burden onto working people. Close corporate loopholes and tax breaks that reward companies for sending jobs overseas. Shut down the scam that allows billionaires to get lower tax rates than their secretaries. Give middle-income families a break with a larger child tax credit and a tax credit to help pay tuition for children in college.

At the same time, we should recognize that in the short run the need to rebuild America is more urgent than the need to line up numbers on the budget ledger. Our kids cannot wait for good educations. Our families cannot wait for health care. Our planet cannot wait for clean energy. Over time, these investments will help pay for themselves. In the meantime, our nation will be put on the path to renewed prosperity.

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

America is literally falling apart, and falling behind in the world, with bridges collapsing, levees failing and schools crumbling...

Proof Points

- Poor road conditions cost U.S. motorists \$54 billion a year in repairs and operating costs.⁶
- America only ranks 15th in broadband connectivity.⁷
- Our high school students rank 22nd in science and 28th in math.⁸
- Europe plans to generate 20% of its energy from renewable sources,⁹ leaving us in the dust at 6%¹⁰ if we don't step up.

Conservatives did nothing to rebuild America, reflexively rejecting public investment, and touting tax cuts as the cure-all for any problem.

- The Bush tax cuts for millionaires will cost more than the federal government spent last year on K-12 and vocational education.¹¹
- One month of Iraq war funding would cover 4 million kids with health insurance.¹² Yet conservatives chose to continue the war and block legislation to expand children's health coverage.
- They lavished \$14 billion in subsidies on oil companies during a time of record-high gas prices and corporate profits but refused to invest in renewable energy.¹³
- Tax cuts were the single largest contributor to the Bush administration's \$2.3 trillion deficit between 2001 and 2006.¹⁴

We need a rock-solid foundation for America to remain competitive in the global economy. Invest in our education and health, modernize our infrastructure and build the new energy economy.

- Investing \$30 billion a year in clean energy will create 3 million good-paying jobs.¹⁵
- Investing \$50 billion to guarantee health insurance for all will produce the same amount in savings for families, businesses and state governments.¹⁶
- Every dollar invested in early childhood education yields seven times that in savings, with less need for special ed, welfare and criminal justice services.¹⁷

Spotlight Stories

“The ground opened up beneath a horse stall in Phoenix. An eighty year old sewer line collapsed in St. Cloud. In Tyler, Texas, the sinkhole was caused by crumbling drainage pipes. In San Antonio, ‘big chunks of rocks were falling off into the abyss that used to be a street.’ In Vallejo, California, the pit split an underground gas line (no danger in that). In San José, a water main ruptured beneath a high school (‘the water may appear dirty,’ officials assured residents, ‘but it is safe to drink’). In Sunnyvale, the burst pipe buckled 300 feet of road surface. In Greensboro the sinkhole swallowed a car.”

From *The Big Con blog*¹⁸

“When second-grade teacher Susan Seki goes to bed at night and hears rain, she hopes the books in her classroom are dry and that her students won’t have to wear galoshes during class the next day. The Lincoln Elementary School in Burlingame, CA instructor finds it hard to teach vocabulary and arithmetic when the school’s deteriorated roof leaks. Placing buckets around the room—something the school has done twice this school year—does not help the learning environment, either.”

From *D.C. Examiner*, November 23, 2007¹⁹

HOT QUOTE

“A strong and sound Federal tax system is essential to America’s future...Without such a system, we cannot render the public services necessary for enriching the lives of our people and furthering the growth of our economy.”

PRESIDENT JOHN F. KENNEDY

April 20, 1961

Conservative Spin

Public investment really means the same old tax-and-spend policies that waste your money.

Progressive Response

- It is time to rebuild America. Shut down tax loopholes, curb wasteful spending and invest in areas vital to our future.

There's no way to do all that investment without running up huge deficits.

- Borrow-and-spend conservatives wasted the surplus, ran up debt and have nothing to show for it. We'll need to clean up their fiscal mess.
- But the investments America needs in energy, education and health care cannot wait, and over time will help pay for themselves. Rebuilding America is our #1 priority.

Stopping the runaway government spending is what will fix the economy.

- We need to spend more on investments in our future and less on the waste, fraud and abuse that marked this conservative era—the bridge to nowhere, the no-bid Halliburton contracts, the \$3 trillion that will be squandered on the war in Iraq.
- But any politician who says we can improve health care, energy and education without public investment playing a role is smoking something.

Pro-growth tax cuts will stimulate the economy and pay for themselves.

- We've had seven years where tax cuts were sold as the solution to every problem. Look at the results: bigger debts and a weaker economy, growing inequality and a declining middle class.
- When conservatives talk about tax cuts, hold onto your wallet. The corporations and the wealthy will have the party; you'll get the bill.

They think they know better than you how to spend your money.

- We the people have the choice on how to invest our public tax dollars. If we want to invest in health care for all, clean energy, modern infrastructure and world-class education, that's our choice.

Public Pulse

Investing in public works has considerable support.

- 67% support “increasing government spending on things like public-works projects to help create jobs.” (*Fortune Magazine, January 2008*)
- 60% believe investment in infrastructure improvements will do more to stimulate the economy than tax cuts. (*Los Angeles Times, January 2005*)

67%

60%

People are more frustrated that taxes are unfair than that they're too high.

- People say that corporations and upper-income people pay “too little” in taxes while middle- and lower-income people pay “too much.” (*Gallup, April 2007*)
- 56% of voters in “battleground” congressional districts say, “I’m mainly frustrated that taxes are unfair—a bigger burden on the middle class than the wealthy.” Only 39% say their “main frustration is taxes are too high, period.”
- 61% want to repeal the Bush tax cuts for either the wealthy or all taxpayers and only 24% them to be made permanent. (*Pew Research Center, October 2007*)

56%

61%

MORE RESOURCES

American Society of Civil Engineers, <http://www.asce.org>

Center for Budget and Policy Priorities, <http://www.cbpp.org>

Citizens for Tax Justice, <http://www.ctj.org>

Pre-K Now, <http://www.preknow.org>

United for a Fair Economy, <http://faireconomy.org>

Reports

American Society of Civil Engineers, “Report Card for America’s Infrastructure.” <http://www.asce.org/reportcard/2005/index.cfm>

MSNBC Bridge Tracker, <http://www.msnbc.msn.com/id/21840954/>

Pre-K Benefits: Fact Sheets, <http://www.preknow.org/advocate/factsheets/benefits.cfm>

Endnotes

- ¹Joseph Stiglitz and Linda Bilmes, "The Three Trillion Dollar War," *The Times* (UK), 23 February 2008. http://www.timesonline.co.uk/tol/comment/columnists/guest_contributors/article3419840.ece
- ²"The Skewed Benefits Of The Tax Cuts," Table 2, Center for Budget and Policy Priorities, 4 February 2008. <http://www.cbpp.org/2-4-08tax.htm>
- ³"Report: Wars Cost US \$12 Billion a Month," 9 July 2007, Associated Press. <http://www.washingtonpost.com/wp-dyn/content/article/2007/07/09/AR2007070900957.html>
- ⁴"Tax Cuts: Myths and Realities," Center on Budget and Policy Priorities, 16 November 2007. <http://www.cbpp.org/9-27-06tax.htm>, according to estimates by the Urban Institute-Brookings Institution Tax Policy Center
- ⁵"The Skewed Benefits Of The Tax Cuts," Center for Budget and Policy Priorities, 4 February 2008. <http://www.cbpp.org/2-4-08tax.htm>
- ⁶"America's Corridor of Shame," *Toronto Star*, 26 January 2008. <http://www.thestar.com/article/297675>
- ⁷American Society of Civil Engineers, "Report Card for America's Infrastructure." <http://www.asce.org/reportcard/2005/index.cfm>
- ⁸"Broadband subscribers per 100 inhabitants, by technology," June 2007, Organisation for Economic Co-operation and Development. <http://www.oecd.org/dataoecd/21/35/39574709.xls>
- ⁹"International Outcomes of Learning in Mathematics Literacy and Problem Solving," Average science literacy scores of 15-year-old students, by country: 2000 and 2003, National Center for Education Statistics, December 2004. <http://nces.ed.gov/pubs2005/2005003.pdf>
- ¹⁰"Europe Sets Ambitious Limits on Greenhouse Gases," *New York Times*, 10 March 2007. <http://www.nytimes.com/2007/03/10/world/europe/10europe.html>
- ¹¹"U. S. Energy Consumption by Energy Source, 2001-2005," Energy Information Administration, July 2007. <http://www.eia.doe.gov/cneaf/solar.renewables/page/trends/table1.html>
- ¹²"The Skewed Benefits of Tax Cuts," Center on Budget and Policy Priorities, 4 February 2008. <http://www.cbpp.org/2-4-08tax.htm>
- ¹³"State Children's Health Insurance Program (SCHIP): Reauthorization History," The Kaiser Commission on Medicaid and the Uninsured, January 2008. <http://www.kff.org/medicaid/upload/7743.pdf>
- ¹⁴Friends of the Earth, <http://www.foe.org/new/releases/January2006/exxontaxbreaksfactsheet.pdf>
- ¹⁵"Tax Cuts: Myths and Realities," Center on Budget and Policy Priorities, 16 November 2007. <http://www.cbpp.org/9-27-06tax.htm>
- ¹⁶"New Energy for America: The Apollo Jobs Reports, Good Jobs & Energy Independence," Apollo Alliance, http://www.apolloalliance.org/downloads/resources_ApolloReport_022404_122748.pdf
- ¹⁷"Health Care for America Would Save Billions," Economic Policy Institute news release, 15 February 2008. http://www.sharedprosperity.org/hcfa/news_release.pdf
- ¹⁸"Fact Sheets: The Benefits of High Quality Pre-K," Pre-K Now, <http://www.preknow.org/advocate/factsheets/benefits.cfm>
- ¹⁹The Big Con blog, Campaign for America's Future, <http://www.ourfuture.org/blog-entry/sinkingfeeling-chapters-iv-ixii-doh>
- ²⁰Mike Rosenberg, "Leaky school roofs may be plugged," D.C. Examiner, 23 November 2007. http://www.examiner.com/a-1064180-Leaky_school_roofs_may_be_plugged.html

HEALTH CARE FOR ALL

Quality, affordable health care should be a right for everyone in America, not a privilege for the few. But the number of people in this country without health insurance is growing. And the likelihood of losing—or not being able to afford—good health care is striking fear in the hearts of many family breadwinners. Meanwhile, the CEOs of private insurance and drug companies are raking in huge profits.

The number of uninsured people in America has shot up to 47 million, including 9 million kids, as skyrocketing health care costs are pricing care out of reach for more and more families and businesses. Employers are passing more costs onto employees or finding it difficult to offer coverage at all. Many families are one medical emergency away from bankruptcy.

Private insurance companies profit off of this broken system by avoiding insuring those who are sick, and insurance agency clerks tell doctors what treatments they can prescribe. The time is now to fix the system and guarantee that everyone has the choice of quality, affordable health insurance.

THE CHALLENGE

Unlike every other industrialized country, America does not have a national system of public health insurance. Instead, intense lobbying by insurance companies over decades has left us with a patchwork system. Medicare, Medicaid and the Veterans Administration are public plans that cover seniors, the poor and veterans. Most other Americans get employer-provided private plans of varying quality, but the number of people covered by employers is shrinking as more and more employers decide they cannot afford to even offer coverage.

As fewer and fewer employers provide quality coverage, more and more middle-class families are vulnerable when catastrophe strikes. Today, more than half of all personal bankruptcies are due to medical bills. Every 30 seconds, someone files for “medical bankruptcy.”

Why are costs skyrocketing and squeezing working families? The administrative costs for private insurers are approximately four times the size as those for Medicare.¹ That’s because instead of providing coverage to all who need it, private insurers have a layer of bureaucracy to “cherry pick” their customers. They take on people who are less likely to get sick and deny coverage to people with pre-existing conditions. The uninsured often turn to expensive emergency rooms for their medical care, driving up costs for everyone. Furthermore, there’s been no incentive to move

HOT QUOTE

“The issue of universal coverage is not a matter of economics. Little more than 1% of GDP assigned to health could cover all. It is a matter of soul.”

UWE REINHARDT

towards electronic medical records, which would help prevent wasteful spending on unnecessary medical procedures.

Insurance companies, HMOs and private providers do compete with one another. But without standards for high quality, the competition is over who can avoid insuring the sick and the elderly—and who has a better system to deny health care to people who need it. This kind of competition has led to byzantine paperwork, soaring costs and massive waste, not affordable choices for all Americans.

Letting private insurance companies dictate the terms of our health care system simply hasn't worked. They haven't covered everybody. They haven't kept costs reasonable. They haven't given us good choices.

THE CONSERVATIVE FAILURE

Seven years of conservative rule in Washington has made the problem worse. Nine million more Americans, 47 million total, are uninsured. Family health insurance premiums have risen 57%, while fewer businesses offer their employees coverage.

Instead of expanding coverage, conservatives blocked bipartisan legislation extending health care to 4 million uninsured children—twice. They lavished billions in subsidies on insurance companies, despite an astonishing 1,084% rise in insurance company profits during the last five years. And they continually sought to cut billions from Medicare and Medicaid.

Conservatives also have been looking out for the drug companies. Conservative congressman Billy Tauzin designed the law banning Medicare from negotiating lower drug prices, sticking taxpayers with a huge bill. As soon as the law passed, he resigned and took a \$2 million job as CEO for the drug lobby. But the fellow conservatives he left behind in Congress continued to do his bidding. After a new Congress was elected in 2006, the conservative minority stifled efforts to let Medicare negotiate lower drug prices and to allow Americans to import affordable medications from Canada.

With the public demanding health care reform, conservatives can't completely ignore the issue. But their proposals would make problems worse—encouraging employers to drop health care coverage and offering individuals the illusion that tax breaks would make health insurance affordable for their families.

The insurance companies and their supporters are pushing plans that have deductibles as high as \$11,000. They would make us pay taxes on our employer-paid health benefits or offer us tax credits that pay only a fraction of our health insurance. Tax credits don't guarantee health care.

Conservatives pretend to offer freedom, yet they have left too many Americans stuck with only bad health care choices.

THE PROGRESSIVE SOLUTION

It's time to guarantee health care for all, get costs under control and offer Americans the choice between a good public insurance plan, like Medicare, and private insurance plans that can meet basic standards of benefits and cost. With this guaranteed affordable choice approach, if you have insurance you like, you can keep it. But if you need something better—or if you lose your job—you have other options.

The bold health care proposal authored by Yale University Professor Jacob Hacker, “Health Care For America,”² has reshaped the health care debate. Both Barack Obama and Hillary Clinton modeled their health care plans on Hacker's plan, published by the Economic Policy Institute.

All Americans would have a choice between private insurance plans and a public insurance plan. Quality standards would ensure that public and private plans compete on a level playing field—no more profits from “cherry picking” the young and healthy while turning away those with pre-existing conditions. We'll be able to set and enforce the rules to make sure insurance companies put our health before their profits, and we're not left at the mercy of the same private insurance companies that got us into this mess.

Employers would have to either provide quality coverage or chip in a modest amount to fund the public plan. Low-income families would receive subsidies to ensure everyone could afford coverage. Huge savings would come from slashing administrative costs, emphasizing preventative care, reducing emergency room visits and moving to electronic medical records.

An independent analysis from the nationally respected, nonpartisan consulting firm The Lewin Group found that “Health Care For America” would not only cover 99.6% of Americans but would also save \$1 trillion in health care spending over 10 years. The group concluded that an annual public investment of \$49 billion would be needed to implement “Health Care for America,” and families, businesses and state governments would immediately enjoy an equivalent \$49 billion in savings.³

Real health care choices guaranteeing quality health care for all at an affordable cost—that's how we'll finally achieve an America where quality health care is a right for all, not a privilege for a few.

HOT QUOTE

“Of all the forms of inequality, injustice in health care is the most shocking and inhumane.”

DR. MARTIN LUTHER KING, JR.

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Skyrocketing medical costs are pricing care out of reach for families and business, leaving us without good health insurance choices.

Proof Points

- Since 2000, family health insurance premiums have risen 57%.⁴
- 47 million Americans are uninsured, up from 38 million in 2000, including 9 million kids.⁵
- Only 60% of American businesses offered health benefits in 2007, down from 69% in 2000.⁶
- More than half of all personal bankruptcies are due to medical bills.⁷

Conservatives have blocked real reform—protecting the greedy practices of the insurance companies, which put profits before people.

- Bush and his fellow conservatives blocked bipartisan legislation—twice—that would have provided health care to 4 million uninsured children.
- Conservatives banned Medicare from negotiating with drug companies for lower prices.
- Billions in wasteful subsidies are doled out to private insurance and drug companies through Medicare Part D⁸ and Medicare Advantage,⁹ the programs that provide drug prescription coverage for seniors.
- Conservatives promote caps on jury awards in malpractice cases that would do nothing to lower health care costs but would help insurance companies.¹⁰
- While premiums are up for working families, insurance company profits rose an amazing 1,084% in five years.¹¹

Now is the time for real health care choices that guarantee quality affordable health care for all, with standard, comprehensive benefits that meet our needs.

- Guaranteed choice between quality public and private plans.
- If you have insurance you like, you can keep it. If you don't have insurance you like, or don't have it at all, you'll have real choices.
- Employers must provide quality private coverage or chip in to fund the public plan.
- We'll save \$1 trillion in health care spending over 10 years.¹²

Spotlight Story

When Steve and Leslie Shaeffer's daughter, Selah, was diagnosed at age 4 with a potentially fatal tumor in her jaw, they figured their health insurance would cover the bulk of her treatment costs.

Instead, almost two years later, the Murrieta, Calif., couple face more than \$60,000 in medical bills and fear the loss of their dream home. They struggle to stave off creditors as they try to figure out how Selah can keep seeing the physician they credit with saving her life.

"We're in big trouble," Leslie said.

Shortly after Selah's medical bills hit \$20,000, Blue Cross stopped covering them and eventually canceled her coverage retroactively, refusing to pay for treatment, including surgery the insurer had authorized in advance.

The company accused the Shaeffers of failing to disclose in their coverage application an undiagnosed bump on Selah's chin and physician visits for croup. Had that been disclosed, the company said in a letter, it would not have insured Selah.

The Shaeffers say they weren't trying to hide anything. When they applied for coverage, Selah did not have a tumor, at least as far as they—or any physician—knew. The doctor visits occurred after Leslie filled out the paperwork, and they seemed routine, the Shaeffers say. They believe Blue Cross was looking for any excuse to dump their daughter and dodge her bills.

From *Los Angeles Times*, September 17, 2007.¹³

Conservative Spin

A government take-over of health care would destroy the best health care system in the world and take away your right to choose your doctor.

Progressive Response

- With guaranteed affordable choice, if you have insurance you like, you keep it. Or, you can choose between quality private and public plans. The health care guarantee assures health plans that make sure you can pick your doctor. And it ensures that you have an insurance policy you can afford.

You think health care is expensive now, wait until it's "free."

- Guaranteeing affordable health care choices for all will require some tax revenues—\$50 to 100 billion per year depending on the plan—plus modest contributions from companies and individuals. But it will save us \$1 trillion in health care spending.
- We'll be able to slash administrative costs, emphasize preventative care, reduce emergency room visits and cut down on unnecessary procedures with electronic medical records.

What they are talking about is nothing but socialized medicine.

- Conservatives opposed great reforms like Social Security and Medicare by screaming socialism. They were wrong then, and they're wrong now.
- Guaranteed affordable health insurance would not make doctors and other health care professionals work for the government. The progressive plan is about making sure you have good health insurance you can afford and the ability to go to the doctors you want.

Americans don't want long waiting times and rationed health care.

- With 47 million without health insurance, and millions more underinsured, we're tragically rationing care right now. When we guarantee quality health care for all, people will no longer be denied health care because they can't afford it, lose their jobs or have pre-existing medical conditions.

If government can run health care so well, why is Medicare going bankrupt?

- Medicare has worked for 40 years. But the price pressures driving up costs in the private health care system affect Medicare as well.
- Medicare actually has lower overhead than private health insurance. And if we design a comprehensive program to cover all Americans, we can save \$1 trillion over the next 10 years. That will get health care costs under control and stabilize Medicare.

Lawyers are driving good doctors out of practice. Conservatives will lower costs by capping excessive jury payouts and stopping frivolous lawsuits.

- Capping jury awards would have almost no impact on health costs, according to the Congressional Budget Office. But it would help conservatives protect insurance company profits, instead of patients victimized by fraud or negligence.

Public Pulse

Voters want their government to guarantee health coverage for all.

- Voters prefer “guarantee[d], affordable health insurance coverage” by a three-to-one margin over conservative proposals such as health savings accounts or tax credits. (*Lake Research Partners, November 2007*)
- 64% agree that “the federal government should guarantee health insurance for all Americans.” (*CBS/New York Times, February 2007*)
- 64% believe “it is the responsibility of the federal government to make sure all Americans have health care coverage.” (*Gallup, November 2007*)
- 76% believe making sure all Americans have access to health care is more important than maintaining the Bush tax cuts. (*CBS/New York Times, February 2007*)

64%

64%

76%

Health care reform is a top priority for America’s voters.

- 90% say that there is a need for fundamental changes or complete restructuring of America’s health care system. (*CBS News/New York Times poll, February 2007*)
- 81% of Americans are “dissatisfied” with health care in this country. (*Gallup, November 2007*)
- 56% describe our health care system as having “major problems” and another 17% say it’s in a “state of crisis.”¹⁶ (*Gallup, November 2007*)

90%

81%

56%

Americans are concerned about the cost of health care.

- 89% say they are “very” or “somewhat concerned” about the health care costs facing their family in the coming years. (*CBS News/New York Times poll, February 2007*)
- 81% of Americans are “very” or “somewhat dissatisfied” with the cost of health care in the United States. (*CBS News/New York Times poll, February 2007*)

89%

81%

Americans support Medicare drug price negotiation.

- 79% say that Medicare should be allowed to negotiate with drug companies to get better prices for prescription drugs for senior citizens. (*ABC News/Washington Post poll, January 2007*)

79%

MORE RESOURCES

Campaign for America's Future: Health Care for All
<http://ourfuture.org/healthcare>

Economic Policy Institute: Agenda for Shared Prosperity
<http://www.sharedprosperity.org/topics-health-care.html>

The Access Project
<http://www.accessproject.org/>

AFL-CIO Health Care Project
<http://www.aflcio.org/issues/healthcare/crisis.cfm>

America's Agenda – Health Care for All
<http://www.americasagenda.org/>

Americans for Health Care
<http://www.americansforhealthcare.org/>

America's Health Together
<http://www.healthtogether.org/>

FamiliesUSA
www.familiesusa.org

Herndon Alliance
www.herndonalliance.org/

Kaiser Family Foundation
<http://www.kff.org/>

Medicare Rights Center
<http://www.medicarerights.org/>

Physicians for a National Health Program
<http://www.pnhp.org/>

Robert Wood Johnson Foundation
<http://www.rwjf.org/>

Universal Health Care Action Network
<http://www.uhcan.org/>

Endnotes

¹Karen Davis, Ph.D., "Time for Change: The Hidden Cost of a Fragmented Health Insurance System," The Commonwealth Fund, 1 March 2003. http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=221616

²"Health Care for America," Economic Policy Institute. <http://www.sharedprosperity.org/topics-health-care.html>

³"Cost Impact Analysis for the 'Health Care for America' Proposal," The Lewin Group, 15 February 2008. <http://www.sharedprosperity.org/hcfa/lewin.pdf>

⁴The Henry J. Kaiser Family Foundation, Employer Health Benefits 2007 Annual Survey: Exhibit 6.3 Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2007, 11 September 2007. <http://www.kff.org/insurance/7672/sections/ehbs07-6-3.cfm>. (Adjusted for 2006 dollars)

⁵United States Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2006," August 2007, <http://www.census.gov/prod/2007pubs/p60-233.pdf>

⁶"Whither Employer-Based Health Insurance? The Current and Future Role of U.S. Companies in the Provision and Financing of Health Insurance," Sara R. Collins, Ph.D., Chapin White, Ph.D., and Jennifer L. Kriss, Commonwealth Fund, September 2007. http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=522916

⁷Health Affairs, "Marketwatch: Illness and Injury Contributors to Bankruptcy." 2 February 2005. <http://content.healthaffairs.org/cgi/content/full/hlthaff.w5.63/DC1>

⁸The waste and inefficiency built into the structure of the Medicare Part D prescription drug program will add more than \$800 billion to the cost of prescription drugs to the government and beneficiaries over its first decade. See "The Excess Cost of the Medicare Drug Benefit," Dean Baker, Ph.D., Center for Economic and Policy Research and Institute for America's Future, February 2006, <http://www.ourfuture.org/report/excess-cost-medicare-drug-benefit>

⁹Our government pays Medicare Advantage plans roughly \$1,000 more per beneficiary per year than it would cost to cover the same person through traditional Medicare, costing \$149 billion over 10 years. See "Curbing Medicare Advantage Overpayments Would Strengthen Medicare," Center for Budget and Policy Priorities, 5 December 2007, <http://www.cbpp.org/12-5-07health.htm>

¹⁰"Even a reduction of 25 percent to 30 percent in malpractice costs would lower health care costs by only about 0.4 percent to 0.5 percent". See "Limiting Tort Liability for Medical Malpractice," Congressional Budget Office, 8 January 2004, <http://www.cbo.gov/ftpdoc.cfm?index=4968>. More at <http://www.saynotocaps.org/factsandfigures/justthefacts.htm>

¹¹Profits of the 18 health insurance companies that make up the Corporate Library's health insurance industry classification, based on an AFL-CIO review of 10-Ks.

¹²"Cost Impact Analysis for the 'Health Care for America' Proposal," The Lewin Group, 15 February 2008, <http://www.sharedprosperity.org/hcfa/lewin.pdf>

¹³"Sick but Insured? Think Again," *Los Angeles Times*, 17 September 2007, <http://www.consumerwatchdog.org/nw/?postId=6833>

QUALITY EDUCATION

America's public education system has long been the cornerstone of our vibrant economy and thriving democracy, investing in the next generation and providing opportunity to all. Now, instead of lifting our kids up, our education system is holding too many of them back.

We're not making the investments needed to provide every child with the basics of modern education: early education, so every child starts school prepared to achieve; small classes; skilled teachers; after-school programs; modern facilities and affordable college tuition. Instead, we're putting inordinate emphasis on standardized tests and stifling creative teaching, while failing to provide the resources needed to reform the schools that need help.

Public education still suffers from a savage inequality. Remarkable schools exist in affluent suburbs, but we fail to make even basic investments in poorer communities. Many schools are crumbling, overcrowded and forced to rely on trailers for classrooms. Some 25,000 schools require substantial repairs and renovation, according to a government study. Too many children are forced to learn under deplorable physical conditions that literally make them sick. The demand for teachers is rising, as half of new teachers leave the woefully underpaid profession within five years.

A college education or advanced technical training is vital to opening the doors of imagination and thriving in the global economy. But college is being priced out of reach for an increasing number of families, and students are forced to take on ever-greater debt burdens.

THE CHALLENGE

Public schools educate 90% of the nation's children¹, and record numbers of students will enter school over this decade. Most of the funding for public schools comes from state and local sources, but rampant tax-cutting at the federal level has led to squeezed state budgets. Without a national commitment to our schools, communities are hard-pressed to keep up with growing education needs.

Approximately 6 in 10 high school graduates go on to college.² But neither family incomes nor tuition grants have kept pace with soaring costs. Each year, 400,000 academically qualified students forego college because they cannot afford it. Other students take on higher levels of debt and scramble for part-time jobs. Some take time off from school to earn money and many drop out along the way. Those who graduate are burdened with increasing amounts of debt that take years, if not decades to pay off. Grappling with high-interest loan rates prevents many

HOT QUOTE

"For individuals, education is the prerequisite for opportunity and success. For communities and nations, educated citizens provide the foundation for sustainable social and economic progress."

BILL GATES

CEO of Microsoft, January 23, 2008

graduates from entering public service careers, such as teaching, further exacerbating the problems of the public school system.

At a time when a good education has never been more important, we're increasingly failing to provide even the basics. More-affluent families send their kids to better schools and can pay to supplement their educations. But working and poor families don't have that capacity—and increasingly their children are denied equal opportunity from the start.

THE CONSERVATIVE FAILURE

President Bush turned “No Child Left Behind” from an inspiring slogan to a broken promise. Schools were left behind as Bush broke his promises to provide the resources needed for reform. Subjects were left behind as principals set aside social studies, science, art, music and phys ed to chase the law's math and reading requirements. Good teaching was left behind as teachers were forced to narrowly teach “to the test” instead of teaching the critical thinking needed to succeed in today's economy.

When grading No Child Left Behind, many teachers would give it a D or an F. The law has been implemented in a rigid manner with far too much emphasis on standardized testing. This has narrowed down the curriculum and diminished educational opportunities for poor students and those with learning differences. As a teacher in Florida put it: “I have seen students drop out of school, cry, cut themselves, become physically ill and more, just because of the pressure we are putting on them to excel on the tests that accompany NCLB.... [W]e are pushing the creativity out of the classroom and creating little robots.”³

Bush left college students behind as well, but not the college loan companies that profit from student debt. He killed a proposal to crack down on student loan companies, despite allegations of financial favors to colleges for steering clients their way.⁴ He joined with Republicans in Congress to cut \$12 billion in federal student loans, helping push even more business to private firms. And he broke his campaign promise to raise the level of Pell Grants *and* keep pace with runaway tuition costs.

The failure to invest in our public schools stems from the ideological desire to privatize education. Conservatives continue to push vouchers for private schools that would divert resources away from public institutions. They do nothing to repair crumbling schools, pay teachers competitive salaries or make college affordable. Instead of ensuring that parents and students have good education choices in every neighborhood, their vision would perpetuate existing inequalities and stifle the aspirations of millions in the next generation.

THE PROGRESSIVE SOLUTION

In 2007, the new majority in Congress began to reverse the damage, passing the largest increase in college student aid since the GI Bill. But that was just a first step. Much more is still needed to make college accessible to all and to cut loose the anvil of debt weighing down new graduates.

Make college affordable. We need more substantial tuition tax credits. We need to offer students grants and scholarships in exchange for national service. We need to use federal challenges to require states to sustain contributions to high-quality affordable public schools. We need increased funding to prepare underserved populations for higher education.

For primary education, we must replace the failed No Child Left Behind approach with a strategy that actually lifts schools up, promotes critical learning skills and provides support for cash strapped states.

Maximize learning. Expand early childhood education so kids don't fall behind before they get started. Provide meaningful after-school opportunities for students from 1st through 12th grades. Lengthen the school year and move off of the 19th-century agricultural calendar.

Recruit, train and retain first-rate teachers for all students. Pay teachers more and provide them with career opportunities. Offer high-quality training to beginning teachers, and have continuing on-the-job training opportunities. Reward teachers for excellence, and offer financial incentives to teach in schools with at-risk children.

End the savage inequality. Fund all schools properly, and provide adequate health care and nutrition, so every student has an opportunity to learn and thrive.

Reform No Child Left Behind. Junk requirements that narrow the curriculum and force schools to “teach to the test.” Promote demanding curriculums that emphasize the critical thinking needed to thrive in the global economy. Broaden criteria for assessing school performance beyond snapshot standardized tests to include factors such as teacher retention, class sizes and graduation rates.

Invest in our children's success. Double federal expenditures on education—from 3 to 6%—as a near-term goal. Modernize and repair school infrastructure. Require schools to invest in best practices so money is spent wisely.

Support lifetime learning. With the increasing technological complexity of today's workplaces, and the need to adopt new skills over a lifetime, higher education beyond high school is critically important. Grants and additional tax credits are needed to promote continuing education.

Only with a national commitment to public education, backed with public investment, can we achieve the reforms necessary to prepare the next generation to flourish in the 21st-century global economy and make our education system world-class once again.

HOT QUOTE

“If we are serious about ensuring that every child in America meets high standards, then we must develop a federal school finance policy equal to the task.”

GOODWIN LIU

Assistant Professor of Law at Boalt Hall
School of Law, 2006

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Instead of lifting our kids up, our education system is holding too many of them back.

Proof Points

- The demand for teachers is rising, as half leave the woefully underpaid profession within five years.⁵
- Some 25,000 schools require substantial repairs and renovation.⁶
- Each year, 400,000 academically qualified students forego college because they cannot afford it.⁷

Conservatives turned No Child Left Behind from an inspiring slogan to a broken promise.

- President Bush and congressional conservatives never fully funded the program and provided the resources needed for reform.
- Teachers were forced to narrowly “teach to the test” instead of teaching the critical thinking skills needed to succeed in today’s economy.
- After 7 years of No Child Left Behind, only 1 in 3 fourth graders are reading at or above proficiency levels.⁸
- When grading No Child Left Behind, many teachers would give it a D or an F.⁹

College is being priced out of reach for an increasing number of families.

- During the Bush administration, the cost of public college tuition has risen nearly 40%¹⁰ while wages have been stagnant.¹¹
- President Bush joined with congressional conservatives to cut \$12 billion in federal student loans¹², helping push even more business to private firms.
- Debt levels for graduating seniors with student loans more than doubled over the past decade—from \$9,250 to \$19,200.¹³

Public investment is critical if we are to provide world-class education to our kids and ensure college is accessible and affordable to all who earn it.

- Reform No Child Left Behind. End “teaching to the test.” Promote demanding curricula that emphasize the critical thinking needed to thrive in the global economy.
- In 2007, the new Democratic majority in Congress passed the largest increase in college student aid since the GI Bill. Build on success until college is truly affordable.¹⁴
- Every dollar invested in early childhood education yields seven times that in savings, with less need for special ed, welfare and criminal justice services.¹⁵
- In a 1999 federal study, three-quarters of all schools said they needed funds for repairs and modernization in order to upgrade their condition to “good”.¹⁶

Spotlight Story

Kristin Cole, 30, who graduated from Michigan State University's law school and lives in Grand Rapids, Mich., owes \$150,000 in private and government-backed student loans. Her monthly payment of \$660, which consumes a quarter of her take-home pay, is scheduled to jump to \$800 in a year or so, confronting her with stark financial choices.

"I could never buy a house. I can't travel; I can't do anything," she said. "I feel like a prisoner."

A legal aid worker, Cole said she may need to get a job at a law firm, "doing something that I'm not real dedicated to, just for the sake of being able to live." Parents are still the primary source of funds for many students, but the dynamics were radically altered in recent years as tuition costs soared....

"...[T]his is literally a new form of indenture... something that every American parent should be scared of," said Barmak Nassirian, associate executive director of the American Association of Collegiate Registrars and Admissions Officers.

From *The Associated Press*, September 30, 2007.¹⁷

Conservative Spin

Sending your tax dollars to the government won't make college affordable. Lower taxes and more money in your pocket will.

Progressive Response

- We tried that. Higher tuitions, along with higher gas prices and medical costs, effectively slapped a bigger tax on working families than Bush's tax cuts.
- Instead of tax cuts for the wealthiest, tax breaks to hedge fund managers and oil companies and billions for a disastrous occupation of Iraq, let's invest in America's foundation, including affordable education.

Parents should not be forced to keep their kids in failing public schools. We should provide vouchers so parents have a choice of public and private schools.

- Private school choice doesn't work because there will never be enough private options in the places that most need better schools—such as inner cities and poor rural areas.

Throwing good money after bad in failing public schools is a waste of money.

- Thoughtless spending won't lift up schools and end savage inequalities, but smart investment in critical areas will.
- Every dollar invested in early childhood education yields seven times that in savings, with less need for special ed, welfare and criminal justice services.
- Half of teachers leave the profession in five years; we need to invest in better salaries so we can recruit and retain the best for our kids.
- Kids can't learn in crumbling schools with unhealthy air quality or makeshift trailers. We need to invest in upgraded infrastructure.

No Child Left Behind is working, raising scores in critical areas of reading and math.

- Narrowly teaching to the test can goose test scores a bit, but after 7 years of No Child Left Behind, only 1 in 3 fourth graders are reading at or above proficiency levels. And it can't teach the critical thinking skills our children need to succeed in the 21st-century economy.
- Furthermore, No Child Left Behind has never been properly funded, leaving schools without the resources needed to improve children's education and end the savage inequalities in educational opportunities that hold kids back.

Liberal proposals waste money on college aid to families that don't need it, instead of spending money wisely by targeting the neediest.

- Conservatives continue to ignore how their failed economic policies have squeezed the middle-class, putting college out of reach or saddling college graduates with debilitating levels of debt. We need to invest in education so college will be affordable and accessible to every student who earns it.

Public Pulse

Americans believe in public schools and government involvement in education.

- 79% say: “The government—local, state or federal—should be responsible for funding preschool education for all children in the U.S.” (*Harris Interactive, May 2007*)
- 72% support reform of the public school system versus only 26% who want an alternative to public schools. (*Gallup, September 2007*)
- Only 31% support “contract[ing] with private profit-making corporations” to run their public schools. (*Gallup, September 2007*)
- Only 39% support letting families “choose a private school to attend at public expense,” down from a high of 46% in 2002. (*Gallup, September 2007*)

79%

72%

31%

39%

Negative views of No Child Left Behind are growing rapidly.

- A plurality of adults (40%) had an unfavorable view of No Child Left Behind in 2007, up from 13% in 2003. (*Gallup, September 2007*)
- 52% of public school parents said in 2007 there is too much emphasis on testing, up from 32% in 2002. (43% of all adults agree there is too much emphasis on testing, up from 31%.) (*Gallup, September 2007*)
- Only one-third of public school parents say No Child Left Behind is helping their schools, with the rest saying it is hurting or making no difference. (*Gallup, September 2007*)

40%

52%

33%

Investing in smaller classes and better teachers attracts wide support.

- 95% believe smaller class sizes would be effective in attracting and retaining teachers, and 87% believe higher salaries for beginning teachers would accomplish the same. (*Gallup, September 2007*)

95%

MORE RESOURCES

Afterschool Alliance, Get the most up-to-date polling and analysis on after-school issues, <http://www.afterschoolalliance.org/>

Campaign for America's Future: Revitalizing Education, Analysis and development of progressive and education issues in primary and higher education, http://www.ourfuture.org/issues_and_campaigns/education/index.cfm

Campaign for College Affordability, A coalition of concerned organizations that promote grassroots organizing and provide legislative summaries on college affordability, <http://collegeaffordabilitynow.org>

Center for American Progress—Campus Progress, An organization that connects student leaders with progressive voices, <http://www.campusprogress.org>

Children's Defense Fund, State-by-state analysis of education, poverty, and other child issues, <http://www.childrensdefense.org>

National Education Association, Stay current with legislation and reports that inform parents and educators about public education, www.nea.org

Pre-K Now, Great state data and analysis on early education, <http://www.preknow.org/resource/index.cfm>

Public Education Network, Get up-to-date data research and polling on public education, <http://www.publiceducation.org/>

State PIRGs' Higher Education Project, Read the latest news in college affordability and accessibility, <http://www.uspirg.org/higher-education>

United States Student Association, Learn about the newest legislative bills and grassroots activism by the nation's oldest organization representing college students, <http://www.usstudents.org>

Reports

Campaign for America's Future, Higher Education: Chasing the Dream,
<http://ourfuture.org/reports/higher-education-chasing-dream>

Campaign for America's Future, Higher Education: Soaring Out of Reach
for America's Families, <http://ourfuture.org/node/13081>

Alliance for Excellent Education, The High Cost of High School
Dropouts: What the Nation Pays for Inadequate High Schools,
<http://www.all4ed.org/publications/HighCost.pdf>

Renewing Our Schools, Securing Our Future,
http://emailimages.ctsg.com/caf/edureport_gsbff_full_report.pdf

College Board Trends in Higher Education Series: Trends in Student
Aid 2006, http://www.collegeboard.com/prod_downloads/press/cost06/trends_aid_06.pdf

Trends in Higher Education Series: Trends in College Pricing 2006,
http://www.collegeboard.com/prod_downloads/press/cost06/trends_college_pricing_06.pdf

National Education Association, Rankings & Estimates:
Rankings of States 2005 and Estimates of School Statistics 2006,
<http://www.nea.org/edstats/images/06rankings.pdf>

Public Education Network, NCLB Research Reports,
http://www.publiceducation.org/nclb_main/Reports-NEA.asp

The Education Trust, Summary of Education Trust Recommendations
for No Child Left Behind Authorization,
<http://www2.edtrust.org/NR/rdonlyres/BE18FFC3-20A7-4689-8C30-1ACC1E64EDF2/0/EdTrustNCLBRecommendationsSummary41607.pdf>

Funding Gaps 2006,
<http://www2.edtrust.org/NR/rdonlyres/CDEF9403-5A75-437E-93FF-EBF1174181FB/0/FundingGap2006.pdf>

US PIRG—Higher Education Project, Cutting Interest Rates, Lowering
Student Debt, http://www.uspirg.org/uploads/yk/6D/yk6DTze3MIXGree5q_Fm1A/Cutting-Interest-Rates-U.S.PIRG.pdf

Endnotes

¹“Just The Facts,” Virginia Education Association. http://www.veaweteach.org/articles_vje_detail.asp?ContentID=2239

²“Report: Greater percentage of Americans educated,” 5 June 2002, *USA Today*. <http://www.usatoday.com/news/education/2002-06-05-education-census.htm>

³“AFT Members Grade NCLB,” American Federation of Teachers. http://www.aft.org/fixnclb/survey_responses.htm

⁴“Warnings On Student Lenders Unheeded,” *Washington Post*, 1 May 2007. <http://www.washingtonpost.com/wp-dyn/content/article/2007/04/30/AR2007043001930.html>

⁵“Half of Teachers Quit in 5 Years.” *Washington Post*. 9 May 2006. http://www.washingtonpost.com/wp-dyn/content/article/2006/05/08/AR2006050801344_pf.html

⁶General Accounting Office. 1995. *School Facilities: Conditions of America's Schools*. http://www.epa.gov/iaq/schools/pdfs/publications/gao_he95061.pdf

⁷“2006 ACE Annual Report,” American Council on Education. http://www.acenet.edu/Content/NavigationMenu/About/AnnualReport/06AR_Year.htm

⁸“The Nations’ Report Card: Reading 2007,” U.S. Department of Education. <http://nces.ed.gov/nationsreportcard/pdf/main2007/2007496.pdf>

⁹American Federation of Teachers. “Now It’s Time to Fix NCLB.” http://www.aft.org/fixnclb/survey_responses.htm

¹⁰United States Department of Education, National Center for Education Statistics. Digest of Education Statistics, 2007. (Adjusted for 2007 dollars) http://nces.ed.gov/programs/digest/d06/tables/dt06_319.asp

¹¹Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica Smith. (*Income, Poverty, and Health Insurance Coverage in the United States*: 2006. United States Census Bureau. August 2007. (Adjusted for 2006 dollars) <http://www.census.gov/prod/2007pubs/p60-233.pdf>

¹²“Big Cuts To Student Loan Programs,” National Public Radio, 14 March 2006. <http://www.npr.org/templates/story/story.php?storyId=5279321>

¹³“Quick Facts About Student Debt,” Project on Student Debt. http://projectonstudentdebt.org/files/File/Debt_Facts_and_Sources.pdf

¹⁴“President Expected To Sign The Largest Increase In Student Aid Since The G.I. Bill,” Campaign for America’s Future, 19 September 2007. <http://ourfuture.org/news-releases/president-expected-sign-largest-increase-student-aid-gi-bill-0>

¹⁵<http://www.preknow.org/advocate/factsheets/benefits.cfm>

¹⁶American Federation of Teachers. 2006. *Building Minds, Minding Buildings: Turning Our Crumbling Schools into Environments for Learning*. <http://www.aft.org/topics/buildingconditions/downloads/minding-bldgs.pdf>

¹⁷“High-Priced Student Loans Spell Trouble,” *Associated Press*, 30 September 2007. <http://www.huffingtonpost.com/huff-wires/20070930/student-loans-the-spiral/>

RETIREMENT SECURITY

Every worker yearns for a dignified retirement after decades of labor. But for too many, this hope is a fading dream. Low wages and high costs make it difficult to save, corporate pensions are being eliminated and Social Security is under attack. Backed by Wall Street financial houses, President Bush started his second term by trying to privatize Social Security. Privatization is the centerpiece of the conservative “ownership society,” which essentially shifts risk from society as a whole to single individuals.

Americans took a good look at the Social Security privatization—and rejected it. A broad coalition formed to dig for the facts, crystallize the message and carry it to the American people. The attack on Social Security was turned back, but not forever. We have a long way to go before all Americans can count on a secure retirement after years of hard work.

THE CHALLENGE

Retirement security should be like a sturdy stool supported by three strong legs—Social Security, personal savings and employee retirement benefits. But all of these legs are now shaky.

Social Security is designed as the bedrock—a minimum payment, adjusted for inflation, which lasts as long as you live. Half of all workers now have no pension at all other than Social Security. The program is currently in surplus but it is projected—under very cautious estimates—to fall short around the year 2052. The situation is not as dire as conservatives sometimes pretend. The Congressional Budget Office calculates that applying the payroll tax to all income—it now only applies to the first \$102,000 earned—would entirely eliminate any shortfall.

The other legs of the retirement stool are in far worse shape. Few companies provide pensions anymore. Among those that do, many have failed to set aside sufficient funds to pay what they owe. Nowadays, instead of pensions, companies that offer retirement plans use 401(k) plans, in which the company matches a portion of funds that workers take out of their paychecks. These plans are good as far as they go, but they provide a smaller benefit and shift investment risk to the worker.

At the same time, personal savings are way down. Stagnant wages, rising gas and home heating prices, higher health insurance premiums, increased tuition costs and rising debt have left more families living paycheck to paycheck. In 2005 and 2006, Americans saved less than

HOT QUOTE

“There is no imminent crisis facing Social Security and it is not going bankrupt, no matter how many times Bush tries to paint that grim picture.”

**CONGRESSWOMAN
JAN SCHAKOWSKY**

they had ever saved since the Great Depression.¹ Needless to say, few Americans are saving enough to provide for a secure retirement.

THE CONSERVATIVE FAILURE

On this already shaky foundation, conservatives want to increase individual risk and decrease shared security. Under a privatized Social Security, there would be no guaranteed income, no protection against inflation and no guaranteed payment for as long as you live. Instead of everyone contributing to a program that secures benefits for all, each would be on their own. Conservatives argue that Social Security provides a low return, and individuals should take responsibility over their own savings. Some will win; some will lose. But two things are certain if Social Security is privatized: everyone will pay more management fees to Wall Street firms, and more senior citizens will live in poverty. The projected Social Security shortfall will even increase. The most secure leg of retirement will be sawed off.

For conservatives, the very success of Social Security makes it a target. They hope to create more “investors” and more conservatives. They want people focused on the health of Wall Street not the strength of our economy and our government.

At the same time, conservatives have done nothing to counter the corporate rollback of pensions. They’ve refused to crack down on executives who provide themselves with luxurious pension plans even while plundering those of their workers.

Converting guaranteed pension benefits into 401(k) matches allows corporations to slip workers a backdoor pay cut. In the end, the ownership society turns retirement policy on its head—corporations get the security and individuals are left with the risk.

THE PROGRESSIVE SOLUTION

Progressives need to take a broad and bold approach to helping Americans establish a solid three-legged stool of retirement security.

Make the economy work. Most importantly, progressives must champion economic policies that benefit the many and not simply the few. With full employment and rising wages, Americans can save more, workers can demand better retirement benefits from employers and Social Security's projected shortfall can be reduced. Universal health care would reduce what families have to spend on health care costs and protect seniors against soaring drug and medical costs. Improved energy policies can help Americans save better by sparing them from rapidly rising gas and home heating prices.

Strengthen Social Security. Progressives must work to strengthen Social Security and protect it from future assaults. Raising the payroll cap would itself resolve the projected shortfall four decades away. Privatization or other structural changes pose a far greater risk.

Hold companies accountable for pensions. Progressives must hold companies to their existing pension obligations. At the very least, progressives should require the following.

- Every company must provide a retirement program for its workers, supplemented with an employer contribution. One simple step would be automatic enrollment, with a match, and employees must opt out rather than opt in.
- The shop floor must be treated the same as the top floor. If the CEO has a defined-benefit pension, workers should get the same; if the CEO has retirement stock options, workers should also. If worker pensions are cut back for a company in distress, CEO pensions should be as well.
- Congress must require companies to fund the pension commitments they make. Congress must shore up the Pension Benefit Guaranty Corporation's balance sheet to help workers whose companies go belly-up. At the same time, worker pension commitments should be at the front of the line, not the back of the line, in corporate bankruptcy proceedings.

Universal 401(k) investment accounts. Congress should create a tax-free investment account—a universal 401(k) that everyone can use. Current IRA and 401(k) plans provide tax benefits for saving, a useful way to help people plan for their own futures. But they mostly help the affluent, who are more likely to have access to these plans and who have more money to set aside. A better universal plan would cover everyone and provide a partial match for savings—especially for lower-income workers. It can even provide a cash benefit at birth that will expand tax-free over time. Conservatives will like creating a new generation of investors; progressives will like giving poor and working people a chance to build up assets from birth.

HOT QUOTE

"...the American retirement income security system is breaking down. If current trends continue, poverty rates among the elderly will increase and middle-class retirees will find that their retirement income will not pay for the lifestyle they achieved while working."

TERESA GHILARDUCCI

("Schwartz Chair of Policy Analysis, New School for Social Research," November 20, 2007)

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Social Security has been a proven success for more than 70 years, and progressives continue to protect it from conservative attacks.

Proof Points

- Social Security benefits lift nearly 13 million seniors age 65 and older above the poverty line, as well as 1.3 million children.²
- Social Security has an accumulated surplus of over \$2 trillion. By 2016, that surplus will be over \$4.2 trillion—more than four times the amount needed to pay benefits in that year.³
- Social Security is currently in surplus. It is not projected to fall short—even under very cautious estimates—until the year 2052.⁴
- When conservatives tried once again in 2005 to gut Social Security with privatization, progressives rallied the public and saved it.

Conservatives weakened retirement security by allowing corporations to underfund and drop pensions, by failing to create incentives to save and by mismanaging the overall economy.

- Participation in defined-benefit plans has dropped dramatically in the last 20 years from 62% to 20% of workers.⁵
- Defined-benefit plans of the S&P 500 were underfunded by \$218 billion in 2005.⁶
- The federal government's Pension Benefit Guaranty Corporation estimated that its own underfunding exceeded \$450 billion.⁷
- The Enron scandal alone robbed 20,000 retirees and former employees of \$1 billion in retirement savings.⁸
- The mortgage crisis has hammered savings in home equity. At least \$2 trillion in home equity has disappeared, and it may reach \$4 trillion.⁹
- Among households nearing retirement, half have \$15,000 or less in a 401(k) or IRA type plan.¹⁰
- Nearly a third—and 39% of African American and Hispanic households—do not have enough retirement savings, including Social Security, to replace even half of their income in retirement.¹¹
- Real median household income dropped nearly \$1,000 from 2000 to 2006.¹²

Strengthen all three legs of the retirement security stool: protect Social Security, promote household savings and shore up private pensions.

- Income above \$102,000 is not subject to the payroll tax. Lifting that cap is a fair and minor adjustment that would prevent any shortfall in 2052.¹³
- Over 75 million workers each year have no employer-sponsored pension,¹⁴ and would benefit from a universally available tax-free 401(k) savings account.
- Hold companies accountable. Ensure all companies provide a retirement program, and make sure pensions aren't plundered.
- Fully fund the PBGC as a safety net for workers whose companies go bankrupt.

Spotlight Stories

Anneliese Crosby, 46, who codes medical records at a private hospital in Manchester, N.H., is trying to get a government job for financial reasons—better pay, benefits and job security... [Currently] her retirement depends mostly on contributions to her tax-deferred retirement account. “It’s scary. I feel like I need a second job or to be on the lookout for a new job,” she says. “I should put more in my retirement account, but I can’t afford it.”

From *USA Today*, February 21, 2007.¹⁵

Melissa Marcello, a 39-year-old waitress at a steakhouse in Orlando, Fla., expects to make as much as \$40,000 this year, a little more than the national median for full-time workers. Even so, she says retirement is “not a thought in my head.”

She automatically moves \$100 into a mutual fund every month, making her thriftier than most Americans, but she still expects Social Security to be a major part of her retirement income. “I think it will be,” Ms. Marcello said. “I hope it will be. It will have to be there.”

From *The New York Times*, April 11, 2006.¹⁶

Conservative Spin

Social Security will go broke as baby boomers retire. We need a new system that allows workers to invest their own money and earn higher returns in the stock market.

Progressive Response

- Social Security is in surplus now and faces no problems for four decades. Any long-term projected shortfall can be eliminated simply by requiring everyone to pay payroll taxes on more of their income. The winners under privatization will be Wall Street brokers, who will be showered with management fees. For seniors, privatization will simply increase individual risk and leave more people in poverty.

The economy has changed since the days when people worked for one company all their lives and retired with a company pension. IRAs give employees control over their own retirement income. People concerned about market risk can choose low-risk investments.

- The economy hasn't changed so much that corporations should cheat their employees by walking away from their obligations. Corporations need to honor the commitments they made and fund their pension plans. You never hear about corporate executives losing their pensions. Workers deserve the same protection that executives give themselves.

The ownership society is about giving people the ability to make their own decisions about how to save for their retirement. Liberals don't trust people to make their own decisions.

- The ownership society says you are on your own. In fact, when it comes to Social Security, we're in it together. Workers support their parents' generation and are in turn supported by their children's generation. The new economy places ever-increasing risk on workers—less job security and fewer guaranteed pensions. Social security provides a secure floor—we cannot put that at risk as well.

Public Pulse

Americans believe Social Security is extremely important.

- 80% of Americans believe that Social Security is very important, including 45% who think Social Security is *extremely* important. (*Gallup/USA Today, 2007*)
- 80% say it's "the government's responsibility to provide a decent standard of living for the elderly." (*CBS News/New York Times, June 2005*)

80%

80%

Americans oppose privatization, support minor adjustments to strengthen Social Security

- 63% support raising the payroll cap on taxing Social Security benefits (*CBS News/New York Times, June 2005*)
- 56% say it's a "bad idea" to "change the Social Security system to allow workers to invest their Social Security contributions in the stock market" (*NBC News/Wall Street Journal Poll, May 2005*)

63%

56%

Retirement insecurity is a widely shared concern among Americans.

- 47% of Americans are worried they'll outlive their money when they retire; 45% are worried they'll retire at a later age than they previously thought. (*Gallup/USA Today, March 2008*)

47%

MORE RESOURCES

Alliance for Retired Americans, a nationwide organization that focuses on issues affecting seniors. <http://www.retiredamericans.org>

National Committee to Preserve Social Security and Medicare, a membership organization dedicated to protecting, preserving, promoting and ensuring the financial security, health and well being of current and future generations of maturing Americans. <http://www.ncpssm.org/>

Campaign for America's Future: Protecting Social Security, a center of progressive strategy, organizing and issue campaigns. <http://socialsecurity.ourfuture.org/socialsecurity>

Economic Policy Institute, a nonprofit, nonpartisan think tank that seeks to broaden the public debate about strategies to achieve a prosperous and fair economy. <http://www.epinet.org/>

Endnotes

¹Bureau of Economic Analysis, "Table 2.1. Personal Income and Its Disposition." <http://www.bea.gov/beam/dn/nipaweb/TbleView.asp?SelectedTable=58&FirstYear=2005&LastYear=2007&Freq=Qtr>

²Joni Lavery and Virginia P. Reno, "Children's Stake in Social Security," Social Security Brief No. 27, National Academy of Social Insurance. February 2008. http://www.nasi.org/publications2763/publications_show.htm?doc_id=670348&name=Social%20Security; <http://www.cbpp.org/2-24-05socsec.htm>.

³"Myths and Realities about Social Security and Privatization," National Committee to Preserve Social Security and Medicare. February 2008. <http://www.ncpssm.org/news/archive/myths/>

⁴"Social Security: EPI Issue Guide," Economic Policy Institute. May 2005. <http://www.epi.org/issueguides/socialsecurity/socialsecurityissueguide.pdf>

⁵"Retirement Security: EPI Issue Guide," Economic Policy Institute. September 2006. http://www.epi.org/content.cfm/issueguides_retirement_security; <http://www.epi.org/issueguides/retire/fig7.pdf>; <http://www.epi.org/issueguides/retire/fig8.pdf>

⁶Stephen Taub, "Defined-benefit Plans Face \$218B Deficit," CFO.com. 3 November 2005. http://www.cfo.com/printable/article.cfm/5129797/c_2984379?f=options

⁷"2006 Annual Report," Pension Benefit Guaranty Corporation, p. 36. http://www.pbgc.gov/docs/2006_annual_report.pdf

⁸"Enron's legacy: Scandal marked turning point," *USA Today*, 29 January 2006. http://www.usatoday.com/money/industries/energy/2006-01-29-enron-legacy-usat_x.htm

⁹Vikas Bajaj and Edmund Andrews, "Reports Suggest Broader Losses From Mortgages," *New York Times*, 25 October 2007. <http://www.nytimes.com/2007/10/25/business/25mortgage.html?pagewanted=print>

¹⁰"Fast Facts on Retirement Security," Retirement Security Project. 4 June 2006. <http://www.retirementsecurityproject.org/pubs/File/FastWebFacts20060406.pdf>

¹¹"Wealth: Unrelenting Disparities," from Chapter 5 of *The State of Working America 2006/2007*. <http://www.stateofworkingamerica.org/swa06-ch05-wealth.pdf>

¹²Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica Smith. "Income, Poverty, and Health Insurance Coverage in the United States: 2006," Current Population Reports, United States Census Bureau. August 2007. <http://www.census.gov/prod/2007pubs/p60-233.pdf>

¹³Lawrence Mishel, "Lifting cap on Social Security taxes would rescue retirement program," Economic Policy Institute, 15 May 2005. http://www.epi.org/content.cfm/webfeatures_viewpoints_lifting_cap_on_SS_taxes

¹⁴"Retirement Security: EPI Issue Guide," Economic Policy Institute. September 2006. http://www.epi.org/Issueguides/retire/retirement_security_issue_guide-epi.pdf

¹⁵Dennis Cauchon, "Pension Gap Divides Public and Private Workers" *USA Today*, 21 February 2007. http://www.usatoday.com/money/perfi/retirement/2007-02-20-pensions-cover_x.htm

¹⁶David Leonhardt, "Save Yourself," *New York Times*, 11 April 2006. <http://www.nytimes.com/2006/04/11/business/retirement/11savings.html?scp=31&sq=retirement+security&st=nyt>

OUT OF IRAQ TO REAL SECURITY

We are now in our fifth year of occupation in Iraq. The war has cost us more than 30,000 casualties¹ and \$10 billion a month and counting.² The eventual total cost—including providing health care to the sick and wounded, replacing the weapons and other war materiel used and paying the interest on the money borrowed to pay for the war—is now estimated at a staggering \$3 trillion by Nobel laureate Joseph Stiglitz.

Yet Iraq is the worst foreign policy debacle in our modern history not only because of its financial and human costs but also because of its cost to our national security. It has squandered resources in a protracted civil war, while distracting attention and forces from the struggle against Al Qaeda in Afghanistan. It has alienated our allies and inflamed the Muslim world.

While we have been mired in Iraq, pressing challenges to our national security—from nuclear proliferation to catastrophic climate change—have been slighted or denied. Little thought has been given to our strategy in the global market, even as the economic rise of India and China has effectively doubled the global workforce. We're now the world's largest debtor, complacently running deficits in high technology products as our economic strength—the foundation of our nation's security—erodes. We are committed to policing the world, while sustaining an empire of bases and a military budget as large as the rest of the world's combined.³ Yet we are doing so on resources borrowed from abroad. It is time for a fundamental change in course.

Iraq is not the cause of these threats and challenges, but it is central to their neglect. The longer we are mired in Iraq, the more we isolate ourselves from our allies, embolden our enemies and cripple our ability to meet our real security needs.

THE CHALLENGE

After the horrific attacks of September 11th, the world recoiled, then rallied to support America in our time of trial. The pursuit of Al Qaeda received wide international backing. The French said, "We're all Americans now." Even our sworn enemies in Iran offered their help.

Now, such unity is a distant memory. Shifting resources out of Afghanistan to invade and occupy Iraq, under false pretenses, strained our alliances and inflamed anti-American sentiment. Our moral authority was further eroded by the torture of prisoners, the flouting of the Geneva Conventions and the horrors of Abu Ghraib, Guantanamo and secret prisons around the world.

HOT QUOTE

"The Iraq conflict has become the cause celebre for jihadists, breeding a deep resentment of US involvement in the Muslim world and cultivating supporters for the global jihadist movement."

NATIONAL INTELLIGENCE ESTIMATE

April 2006

As we poured resources and attention into Iraq, we neglected real security concerns. Al Qaeda, the intelligence community tells us, has reconstituted itself. The Taliban is making gains in Afghanistan. Our leadership in efforts to stem proliferation and clean up loose nukes has suffered from inattention or misplaced policy. The administration's denial of global warming and abandonment of the Kyoto process has left us isolated across the world, with US delegates being mocked at recent global talks on climate change. We're running up record foreign debt, selling off assets and borrowing money, yet pouring ever more resources into a military tasked with policing the globe.

And because of Iraq, our military itself has been stretched to the breaking point. Extended tours of duty, difficulty recruiting new soldiers and widespread post-traumatic stress disorder are wreaking havoc on our military readiness. In turn, the administration's policies have cannibalized our National Guard, leaving us ill equipped to handle disasters at home. And the penchant for privatization has turned over broad swathes of our operations to "private security contractors," who have become notoriously unaccountable for appalling crimes.

Fundamentally, the invasion of Iraq has been a strategic blunder that further destabilized the Gulf region, distracted us from the pursuit of Al Qaeda and eroded our real security. As our own intelligence community explains, factors fueling the "jihadist movement" include "fear of Western domination, leading to anger, humiliation, and a sense of powerlessness," "the slow pace of real and sustained economic, social, and political reforms in many Muslim majority nations" and "pervasive anti-US sentiment among most Muslims."⁴ Invading Iraq played right into Al Qaeda's hands.

Most Americans now oppose the Iraq war and want to change course. Most agree that it is not worth its costs. But to be able to change course, we must recognize that this strategic blunder was not born from incompetence but from a fundamentally flawed neo-conservative worldview.

HOT QUOTE

"This administration and the previously Republican controlled legislature have been the most caustic agents against America's Armed Forces in memory."

MAJ. GEN. PAUL EATON

USA, Ret., May 1, 2007

THE CONSERVATIVE FAILURE

After first running for president by promising a “humble” foreign policy, President Bush formed a “neoconservative” national security team that promoted a unilateralist doctrine of pre-emptive war and believed in a presidency that operated above the law in areas of national security. They discounted the threat from decentralized, stateless terrorists and focused on nations they deemed “rogue states.” In 2001, they rebuffed requests to focus on counter-terrorism, insisting that more money was needed for missile defense.⁵ In August 2001, Bush infamously shrugged off a CIA memo titled “Bin Ladin Determined to Strike in US,” telling the briefer, “All right. You’ve covered your a**, now.”⁶

President Bush often said that September 11, 2001, “changed everything.” In fact, little was changed. Instead of relentlessly pursuing Al Qaeda, the Bush administration used the terrorist attacks as a justification to oust the leader of the “rogue state” of Iraq. It did not matter that Saddam Hussein had nothing to do with September 11 and was not aligned with Al Qaeda. Iraq was a weakened state in a strategic location. Installing a friendly government that would allow the Bush administration to construct permanent military bases was considered easy to achieve—a “cakewalk”—and a boon to our national security.

They were wrong on every count.

Invading Iraq unleashed a multi-faceted civil war. Before the year is out, we will have lost more than 4,000 American lives and tens of thousands of Iraqi lives. The prospect of permanent bases with pledges to keep troops there for “100 years”—fuels anti-American sentiment among Iraqis and limits our ability to reconcile deep sectarian differences and enlist the cooperation of neighboring states.

Advocates of the war insist that the increase in troop levels in 2007 has reduced violence. But in the words of one reporter, Iraq has simply moved “from the eighth circle of hell to the fifth”⁷ with sectarian violence persisting, millions of refugees still displaced and political progress—the stated objective of the “surge”—nonexistent. What progress has been made on the ground has not been accompanied by progress in political reconciliation. The US is still trapped in a civil war that shows no signs of ending.

The Bush administration continues to conflate the Iraqi civil war and the threat from Al Qaeda, saying “We will fight them over there so we do not have to face them in the United States of America.” Such flawed logic has failed the people of London, Madrid, Bali, Casablanca, Istanbul, Jakarta, Riyadh, Amman, and Algiers. The number of terrorist attacks worldwide continues to rise, up to 14,338 in 2006.⁸ Clearly, the invasion of Iraq has not ended the threat of terrorism, and in turn, has not made America more secure.

THE PROGRESSIVE SOLUTION

Progressive foreign policy is based on American values of freedom and opportunity, and executed with strong international alliances. America has the most powerful military in the world, but military prowess alone is not sufficient to address our real security needs. Military intervention and war should be a last resort, not a permanent routine. The US simply has neither the resources nor the legitimacy to police the world alone. Our security requires developing allies and building legitimate international institutions and a stable legal order. Here's how we can deploy the full range of American influence to change course.

The president should task the Joint Chiefs with creating a plan for the ending of the Iraqi occupation and the safe removal of US troops. That mission would be gladly received by generals concerned about the future of their forces. Accompany this process with a diplomatic offensive, inside Iraq and across the region, seeking to encourage the Iraqis to resolve their differences and to limit the foreign meddling in Iraq. Scrub plans for permanent bases and further “regime change,” so we can enlist the cooperation of neighboring states, respect Iraqi sovereignty and stabilize the region.

Revive the coalition against Al Qaeda and other terrorist networks. Once we are out of Iraq, we will have the resources and the renewed moral authority to rally the world and address actual threats to global security. Despite all the bellicose rhetoric, this is far more a matter of aggressive police and intelligence work than of military deployments. One thing is clear: we cannot win the battle for hearts and minds, and deprive terrorist organizations of recruits, while exacerbating fears of Western domination.

Respect sovereignty and self-determination. Instead of coddling the dictators we like and pushing “regime change” for those we don't, we can patiently promote democracy by engaging all parties in all countries—providing an example, not an interventionist army. We should signal that we will work with whomever a sovereign people chooses to lead them, even as we state clearly our interests and our values.

Embark on a global drive to curb proliferation of weapons of mass destruction. We must curb the proliferation of weapons of mass destruction and eliminate current stockpiles. We need to sustain cooperation with Russia to ensure that the “loose nukes” strewn through the states of the former Soviet Union are dismantled and protected. Instead of counterproductive saber-rattling, we must pursue stern diplomacy with states angling to obtain nuclear weapons, and make clear that contributing to global stability is the only path to economic and national security.

Launch a bold drive for energy independence. This is an opportunity to mobilize U.S. science and technology, to invest in alternative energy and efficiency, and to create good jobs and new industries. It is also a national security imperative—we need to end our dependence on foreign oil, reduce our trade imbalance and seriously address global warming. (See New Energy for America in this report for more.)

Focus on emerging real security threats. We need to adjust our security budget to decrease funds wasted on unnecessary Cold War weaponry that doesn't address 21st century threats. Terrorism thrives in failed states, so we must increase resources devoted to disease prevention, disaster relief, climate change, education and fighting poverty.

Recommit the U.S. to building international law and strong international alliances. As the world's largest economy, with investments and interests across the world, we have the greatest stake in a strong international legal order. Without effective international institutions, we cannot protect fundamental human rights, punish purveyors of genocide or prevent economically weak states from failing and becoming incubators for terrorism. We can shape international law without sacrificing our sovereignty and the right to defend ourselves militarily from imminent threats.

Make the United States a source of hope again. We have a strategic interest in re-establishing our moral authority. We should be leading the international community to respond to genocidal violence, as in Darfur. We should be leading the effort to eliminate preventable diseases. We should champion democracy with the strength of our ideas, not the force of our arms.

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

The invasion and occupation of Iraq has further destabilized the Middle East, sapped our economic strength and stretched our military to the breaking point.

Proof Points

- The National Intelligence Estimate reports that Al Qaeda has reconstituted itself while we have been distracted in Iraq.⁹
- If present casualty rates continue, we will have lost 4,000 soldiers by April 2008.¹⁰
- Before it's over, it is estimated that the war will cost us \$3 trillion,¹¹ diverting funds that could have been invested in strengthening our foundation: energy independence, modern infrastructure, health care and education.
- We're paying for the war by racking up the world's largest debt¹² and becoming increasingly dependent on loans and goods from abroad.
- Active-duty Army combat tours are now 15 months long, with only half the recommended time at home between tours.¹³
- Roughly one-half of all Army units received the lowest readiness rating a fully formed unit can receive.¹⁴

By allowing the occupation of Iraq to drain our resources, conservatives undermine our national security and ignore real global threats.

- Terrorist attacks are on the rise, more than 14,000 in 2006.¹⁵
- Our intelligence community says "fear of Western domination" is fueling the "jihadist movement."¹⁶
- Climate change is already depleting natural resources across the globe, fueling conflict and upheaval as the crisis in Sudan illustrates.¹⁷
- Nations still seek nuclear weapons to achieve prestige, and potentially dangerous nuclear material remains unsecured.
- The AIDS pandemic continues to spread globally: 40 million people were infected in 2006, up from 33 million in 2001.¹⁸

Ending the occupation is the critical first step to restoring our moral authority, rebuilding strong alliances and refocusing on top priorities.

- Support for attacks on US troops is linked to opposition to permanent military bases.¹⁹
- Taking "regime change" off the table will help enlist the cooperation of neighboring states.
- Scrapping unilateralism will allow us to rebuild alliances needed to address terrorism, poverty, disease, genocide and climate change.

Spotlight Story

Eddy and Linda Porter spent Wednesday packing up their son Casey's apartment, to send him off to Iraq.

"It's just going to be another hellish year," Linda Porter said.

Spc. Casey Porter has been deployed once before. But this time, it's different.

"I honored my commitment, why is it not being honored on the other end?" Casey said.

Casey had just three weeks left of his enlistment when he was expecting to receive discharge papers. Instead, he received new deployment papers with a date three months away to return to war.

Now that date has come, and he's leaving later this week.

"I think it's a slap in the face to veterans who have to go through this because I know there's several other people in my position," Casey said.

Actually, there are several thousand across the country. Others' attempts to legally fight stop loss in the past, have failed.

"I view stop loss as a selective draft. It is only against those people who volunteered. I don't think that's a reward, I think that's a punishment for having volunteered," Linda said.

"If you volunteered, served your four years, you oughta get out," Casey's father, Eddy, said.

He was drafted back in the 60's during the Korean War. He sees the bigger picture of his son's situation.

"They've got to keep the continuity and there's not enough people coming in," Eddy said.

So now, those who are enlisted are being redeployed even if they're not ready.

"I've seen soldiers, my first time going, getting on the plane with crutches," Casey said.

Casey said a non-military doctor diagnosed him with post traumatic stress disorder, but the military refused to recognize it.

"It's just, 'Get on the plane.' I don't feel like I have my freedom, to live my life. To leave the military and continue on," Casey said.

It's ironic that a soldier might feel a lack of freedom since he's put his own life on the line, to protect just that.

From News 8 Austin website, March 5, 2008²⁰

Conservative Spin

Liberals have a pre-9/11 mindset and don't understand that we're at war with Islamofacism.

Progressive Response

- The threat of terrorism is very real, and conservative foreign policy has made it worse. Occupying Iraq has destabilized the Gulf region and helped Al Qaeda recruit. The first step in reassembling a broad, aggressive global coalition against Al Qaeda and its allies is to end the occupation of Iraq and redirect our energy and attention to the true threat.

We haven't had an attack on American soil since 9/11. The Bush foreign policy is working.

- The war in Iraq has proved a recruiting boon for Al Qaeda. That's reflected in terrorist attacks in London, Madrid, Bali, Casablanca, Istanbul, Jakarta, Riyadh, Amman, and Algiers. The number of terrorist attacks continues to climb. Radical terrorist networks remain a global threat, and the occupation of Iraq has made matters worse.

The surge is working. Violence in Iraq has dropped. Now is not the time to surrender.

- Iraq has only moved from "the eighth circle of hell to the fifth." Debilitating sectarian violence persists and political progress—the supposed objective of the surge—is nonexistent. Until we make it clear we're not staying permanently, we can't enlist the cooperation needed to stabilize Iraq. Our own generals say it will take a decade or so for the occupation to provide security—that is a commitment of another \$3 trillion and thousands of more lives that we cannot afford.

We have to be willing to pre-emptively strike countries like Iran to prevent them from obtaining nuclear weapons.

- Threats of regime change seem to lead nations to accelerate their weapons programs, not dismantle them. Countering proliferation and securing loose nukes requires forging a global consensus, applying global pressure, and sustaining diplomatic efforts to provide incentives—positive and negative—for countries to abandon their efforts.

Throwing money at global problems will just waste money on UN bureaucracy and corrupt governments.

- We have brought the international community together to tackle problems before, such as when we eradicated smallpox and saved the ozone layer. Leaving global problems to fester merely creates the conditions where terrorism thrives. Let's build on what we know has worked.

Public Pulse

Americans oppose the war and want to end the occupation

- 64% “oppose” the Iraq war. *(CNN, February 2008)*
- 57% say the war was a “mistake.” *(USA Today/Gallup, Jan.-Feb. 2008)*
- 63% want to either withdraw “right away” or “within the next year.” *(Los Angeles Times/Bloomberg, January 2008)*
- 65% say Iraq has “made it more difficult for the U.S. military to be ready to respond to conflicts elsewhere in the world.” *(ABC/Washington Post, June 2005)*

64%

57%

63%

65%

Americans want to work with the world and raise our global standing

- 68% are “dissatisfied with the position of the United States in the world today.” *(Program on International Policy Attitudes, October 2006)*
- 71% think the United States is “not respected around the world today.” *(CBS, June 2007)*
- 79% believe the United States should “coordinate its power together with other countries according to shared ideas of what is best for the world as a whole” instead of in a way that only “serves U.S. interests and values.” *(Program on International Policy Attitudes, October 2006)*

68%

71%

79%

MORE RESOURCES

Arms Control Association, a membership organization dedicated to promoting public understanding of and support for effective arms control policies, <http://www.armscontrol.org/>

Amnesty International, a worldwide movement of people who campaign for internationally recognized human rights for all, <http://www.amnesty.org/>

The Carter Center, committed to advancing human rights and alleviating unnecessary human suffering, <http://www.cartercenter.org>

Center for American Progress, a progressive think tank dedicated to improving the lives of Americans through ideas and action, <http://www.americanprogress.org/issues/security>

Center for Defense Information, provides expert analysis on various components of U.S. national security, international security and defense policy, <http://www.cdi.org>

Conflicts Forum, aims to open a new relationship between the West and the Muslim world, <http://conflictsforum.org>

Foreign Policy in Focus, a think tank for research, analysis and action that brings together scholars, advocates and activists who strive to make the United States a more responsible global partner, <http://www.fpiif.org>

Fourth Freedom Forum, working to create a more civilized world based on the force of law rather than the law of force, <http://www.fourthfreedom.org/>

The Henry L. Stimson Center, offers practical, nonpartisan, creative solutions to the problems of national and international security through research projects of the highest quality, <http://www.stimson.org>

Human Rights Watch, dedicated to protecting the human rights of people around the world, <http://www.humanrightswatch.org>

Israel Policy Forum, advocates for active and sustained American diplomatic efforts, which are essential to achieving a comprehensive settlement of the Arab-Israeli conflict, <http://www.israelpolicyforum.org/>

Just Foreign Policy, dedicated to reforming U.S. foreign policy through coordinating the broad majority of Americans to advocate their interests and values, <http://www.justforeignpolicy.org/>

National Security Archive, collects and publishes declassified documents obtained through the Freedom of Information Act, <http://www.gwu.edu/~nsarchiv/>

National Priorities Project—Cost of War, research organization that analyzes and clarifies federal data so that people can understand and influence how their tax dollars are spent, <http://nationalpriorities.org>, <http://costofwar.com/>

New America Foundation, working to promote a new internationalism that adapts our best foreign policy traditions to the 21st century, http://www.newamerica.net/issues/foreign_policy

Nuclear Threat Initiative, working to reduce the global threats from nuclear, biological and chemical weapons, <http://www.nti.org/>

TomDispatch.com, provides deeper understanding of our post-9/11 world and a clear sense of how our imperial globe actually works, <http://www.tomdispatch.com/>

Reports

Center for American Progress, Strategic Reset: Reclaiming Control of U.S. Security in the Middle East, http://www.americanprogress.org/issues/2007/06/strategic_reset.html

Foreign Policy in Focus, “Just Security: An Alternative Foreign Policy Framework,” <http://www.ips-dc.org/getfile.php?id=134>

National Intelligence Council, “Declassified Key Judgments of the National Intelligence Estimate “Trends in Global Terrorism: Implications for the United States,”” http://www.dni.gov/nic/PDF_GIF_otherprod/Global_Terrorism_NIE_Key_Judgments.pdf

National Intelligence Council, “The Terrorist Threat to the US Homeland,” http://dni.gov/press_releases/20070717_release.pdf

National Priorities Project, Local Cost of the Iraq War, http://www.nationalpriorities.org/publications/local_cost_of_the_iraq_war_through_fy2008

Endnotes

¹Iraq Coalition Casualty Count. <http://icasualties.org/oif/>

²"Report: Wars Cost US \$12 Billion a Month," 9 July 2007, Associated Press. <http://www.washingtonpost.com/wp-dyn/content/article/2007/07/09/AR2007070900957.html>

³"Dems: What about the Military Budget?," Foreign Policy in Focus, 21 February 2008. <http://www.fpif.org/fpiftxt/5009>

⁴National Intelligence Council, "Declassified Key Judgments of the National Intelligence Estimate 'Trends in Global Terrorism: Implications for the United States,'" April 2006, http://www.dni.gov/nic/PDF_GIF_otherprod/Global_Terrorism_NIE_Key_Judgments.pdf

⁵"The \$11B 2001 Terror Dodge," LiberalOasis.com, <http://www.liberaloasis.com/archives/032804.htm#040204>

⁶Ron Suskind, *The One Percent Doctrine: Deep Inside America's Pursuit of Its Enemies Since 9/11*, Simon & Schuster, 2006

⁷Thomas E. Ricks, "The War Over The War," *Washington Post*, 20 November 2007. <http://www.washingtonpost.com/wp-dyn/content/discussion/2007/11/16/DI2007111601854.html?tid=informbox>

⁸"Terrorist Attacks in Iraq and Afghanistan Rose Sharply Last Year, State Department Says," *New York Times*, 1 May 2007. <http://www.nytimes.com/2007/05/01/washington/01terror.html>

⁹National Intelligence Council, "The Terrorist Threat to the US Homeland," 17 July 2007. http://dni.gov/press_releases/20070717_release.pdf

¹⁰Iraq Coalition Casualty Count. <http://icasualties.org/oif/>

¹¹http://www.timesonline.co.uk/tol/comment/columnists/guest_contributors/article3419840.ece

¹²"Rank Order—Current Account Balance," The World Factbook, Central Intelligence Agency. <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2187rank.html>

¹³"A Breaking Military: Overextension Threatens Readiness," Iraq and Afghanistan Veterans of America. http://www.iava.org/component/option,com_/Itemid,66/option,content/task/view/id,2465/

¹⁴Ibid

¹⁵"Terrorist Attacks in Iraq and Afghanistan Rose Sharply Last Year, State Department Says," *New York Times*, 1 May 2007. <http://www.nytimes.com/2007/05/01/washington/01terror.html>

¹⁶National Intelligence Council, "Declassified Key Judgments of the National Intelligence Estimate 'Trends in Global Terrorism: Implications for the United States,'" April 2006, http://www.dni.gov/nic/PDF_GIF_otherprod/Global_Terrorism_NIE_Key_Judgments.pdf

¹⁷"Darfur conflict heralds era of wars triggered by climate change, UN report warns," *The Guardian*, 23 June 2007. <http://www.guardian.co.uk/environment/2007/jun/23/sudan.climatechange>

¹⁸"The Millennium Development Goals Project," United Nations, 2007. <http://www.un.org/millenniumgoals/pdf/mdg2007.pdf>

¹⁹"Most Iraqis Want U.S. Troops Out Within a Year," Program on International Policy Attitudes, 27 September 2006. <http://www.worldpublicopinion.org/pipa/articles/brmiddleeastnafricars/250.php?lb=brme&pnt=250&nid=&id>

²⁰Reference information: 'Stop loss' means back to war for enlisted soldiers. Chelsea Hover, http://www.news8austin.com/content/your_news/default.asp?ArID=202093

IMMIGRATION: VALUES AND SENSE

Our immigration system is broken. An estimated 12 million undocumented workers live in America, easily exploited by unscrupulous employers. Hundreds of thousands come each year, looking to support their families.

This mass migration, like the previous ones in our history, is driven by need: impoverished workers seeking a way to support their families. It has been exacerbated by the failure of our trade and development policies and facilitated by lax enforcement of our own labor laws. In Mexico, NAFTA proved costly for ordinary workers, uprooting peasants from their land and driving them north looking for work.¹

At the same time that global forces are pushing workers to our borders, employers are pulling immigrants into jobs in the shadow economy, where they can be easily exploited. Employers are creating an underclass that lowers the floor on wages and working conditions for all.

Scapegoating won't solve the problem. Each wave of immigration in American history has roused racial fears. Each new group has been charged with being a source of crime. Each has been blamed for undermining our economy. Each has been accused of refusing to assimilate.

And yet each wave—whether voluntary or enslaved, sanctioned or illegal—has ended up contributing to our economy and enriching our society. We must fix our broken immigration system using common sense and American values.

THE CHALLENGE

Each year this decade between 700,000 and 1.2 million immigrants are admitted legally into the United States through a hodgepodge of programs with confusing quotas and categories.² The number of visas available every year is arbitrary and was set by Congress more than a decade ago. Wait times for legal visas can be as long as 22 years, resulting in a massive backlog of eligible applicants.

In turn, the undocumented worker population grows by an estimated 500,000 each year.³ More come from Mexico than any other nation. Since NAFTA took effect 14 years ago, the number of people crossing the border illegally has more than doubled. Mexican workers' wages have plunged, and traditional Mexican village agriculture has been disrupted. Millions leave their villages to find a way to support their families.

Current U.S. immigration policy was developed in the 1960s during a very different economic era. Today, the doors of legal immigration are

HOT QUOTE

"We need to enforce the rule of law. We need to enforce our nation's laws. But in order to do so, we have to have laws that we can enforce."

REP. JEFF FLAKE

26 September 2005

too narrow—and the policing of employers who hire undocumented workers is too weak. In addition, employers using the guest worker program have manipulated the system into a form of indentured servitude. Workers are often abused, malnourished, housed in squalid conditions and cheated out of pay.

We have only begun to have a debate about what our immigration policy should be. Traditionally, America's acceptance of migrants has always followed the ebbs and flows of our labor needs. Today we face a new challenge, as a global economy designed by and for multinational corporations is undermining workers at home and abroad. More and more people are desperate to come here to make a living, while more American workers fear that a flood of immigrants will drag down wages that are already under pressure.

We must adapt to the new realities of the global economy and strike a common sense solution that fixes a broken immigration system, secures our borders, nourishes our economy and respects all workers.

THE CONSERVATIVE FAILURE

President Bush and the congressional conservatives failed to enact comprehensive immigration reform and let an untenable situation fester. They are frozen because their core constituencies are split. Corporations want cheap labor. Anti-immigrant right-wing ideologues push unworkable proposals such as mass deportation and construction of a giant wall along our southern border. The result: gesture and rhetoric but no reform.

Bush's efforts to pass needed comprehensive reforms were blocked by his own party. Meanwhile, the Bush team has actually made it easier for employers to exploit immigrant workers by denying them basic labor rights. A promised crackdown on employers was just talk: a mere 17 firms faced penalties in 2007.

Efforts to construct a border wall, as a sop to nativists, proceeded. But the planned wall has proven to be more about politics than protection—it would bypass land owned by Bush patrons and private resorts but divide middle-class homes and family farms.

The immigration debate has been driven by fake populists who label any reform as “amnesty,” and seek to play on our divisions and fears. Such attempts failed to help Republicans keep control of Congress in 2006, as the party lost support from both Latino and white voters. But the poisonous rhetoric has its effects, with sensible social reforms at the state and local levels often being blocked by anger and fears about spending “our money” on “those people.” Latinos face increased hostility. And families have been torn apart as harsh crackdowns for show take the place of sensible policy.

THE PROGRESSIVE SOLUTION

Comprehensive immigration reform is essential. America deserves an immigration system that protects all workers and at the same time guarantees the safety of our nation without compromising our fundamental civil rights and civil liberties.

The flood of undocumented workers must be stemmed. The nation must have greater control over its borders, particularly in an age of terrorism. We should dramatically increase security at our borders and ports. Beef up the border patrol, and stiffen penalties for human trafficking. At the same time, relieve pressure on the border by easing legal access and offering enough visas to meet the demand for labor.

We should crack down on businesses that run exploitative workplaces. Punish employers that hire undocumented workers for unfair wages. Strengthen workers' ability to join unions. Raise the minimum wage every year to keep pace with inflation. Step up enforcement of wage and labor laws.

We need to provide undocumented immigrants with a path to earned citizenship. We do not want to lock 12 million people into the shadows, with no way for them to be integrated into our society. And it would simply trample any sense of American decency—and run up prohibitive costs—to attempt to round up and deport 12 million people, dividing them from their children who were born here and have the right to citizenship.

Undocumented immigrants who work, pay taxes, obey the law and receive no preferential treatment over other immigrants should be allowed to earn citizenship after paying penalties and learning English. Once they are out of the shadows and fully contributing to our economy, we can defuse distracting battles over providing health care, educating children and granting drivers licenses.

Ironically, the most effective policy is presently the least popular. We should be reversing the trade and monetary policies that have disrupted Mexican agriculture and driven people off the land, first into the cities and then further north to the United States, looking for work. We should be developing policies and providing assistance to create greater economic opportunities in Mexico.

People abandon their homes and accept the risks of crossing the border unlawfully mainly because they are forced to do so. When Europe absorbed Spain, Portugal and Greece into its common market, there was no mass migration, in part because comprehensive economic planning and development helped to lift up the economies of those countries.

If we don't do all of it at the same time, we're going to solve none of it. Those who say all we need are sticks are posturing, not problem solving. Americans need and want a solution.

HOT QUOTE

"My 10-year-old daughter says anybody who wants to be part of America—and is willing to risk their life to get here—seems to me to be ready to be an American."

FRANK SHARRY

National Immigration Forum, May 15, 2006

MAKING THE CASE

You know the challenge we face. You know how conservatism failed. You know how a progressive vision can move us forward. How do you crystallize the argument, deliver the key facts and take down conservative spin? Below are the tools you need to make the case in your community.

Core Arguments

Our immigration system is broken, with hundreds of thousands of people risking their lives each year to illegally cross the border only to be easily exploited by unscrupulous employers.

Proof Points

- An estimated 12 million people live in the U.S. without documentation, a figure that grows by 500,000 each year.⁴
- Since NAFTA took effect 14 years ago, the number of people crossing the border illegally from Mexico has more than doubled.⁵
- 400 people die each year trying to cross the border.⁶
- Wait times for legal visas can be as long as 22 years.⁷

Conservatives have failed to act because they are frozen between corporate contributors who want cheap labor and right-wing nativists who profit from posturing.

- Republicans, split between corporations wanting cheap workers and anti-immigrant ideologues wanting an unworkable border wall, couldn't pass comprehensive reform.
- The planned wall has proven to be more about politics than protection, bypassing Bush patrons and private resorts, while dividing middle-class homes and family farms.⁸
- The Bush administration promised a crackdown on employers, but only 17 firms faced penalties for hiring undocumented workers in 2007.⁹

To get something done, we need comprehensive reform. If we don't do all of it at the same time, we're going to solve none of it.

- Get tough on the border. Get tough on employers.
- Provide a path to earned citizenship, and increase visas for legal entry.
- End NAFTA-style trade that has undermined our region's economy. Build a new Alliance for Progress to provide hope in Latin America.

Spotlight Stories

Rep. Tom Tancredo is the loudest anti-immigrant zealot—except when it comes to his home. Undocumented immigrants helped remodel U.S. Rep. Tom Tancredo’s Littleton basement, two of the workers told the *Denver Post*.

The workers said they were among a crew of five or six people who labored for contractor Creative Drywall Design of Denver, creating a home theater with terraced seating, a billiards table and game area, and a bedroom for Tancredo, a Republican and one of the nation’s most vocal immigration critics.

All but one of the crew were undocumented immigrants from Latin America, according to two of the workers....Tancredo didn’t break any laws, according to immigration lawyers briefed on the case. He never asked whether the workers—only two of whom spoke English—were in the country legally, said Eric Givan, project manager for the company...

...Tancredo “doesn’t want us here, but he’ll take advantage of our sweat and our labor,” said one of the workers. “It’s just not right.”

From *Denver Post*, September 19, 2002.¹⁰

An immigration raid at a major North Carolina pork-packing plant provoked protests yesterday from union officials, who said the company, Smithfield Foods, had collaborated with the authorities searching for illegal immigrants to discourage its workers from organizing. 18 Mexicans and 3 Guatemalans whom the Immigration and Customs Enforcement officers said were in this country illegally were deported. Gene Bruskin, an organizer for the United Food and Commercial Workers Union, said the company had started to cooperate closely with immigration authorities after a walkout by immigrant workers last summer. He said, “My concern is the company is using the immigration issue to manipulate this long fight over workers’ rights.”

From *New York Times*, January 26, 2007.¹¹

Conservative Spin

Granting citizenship to illegal immigrants is nothing but amnesty for lawbreakers.

Progressive Response

- With comprehensive immigration reform, those who broke the law to get here would not receive a free pass. Those who have been hard working and law abiding while they have been here should be penalized with a serious fine, put at the back of the line for citizenship, and learn English. That is far better than locking them in the shadows or posturing about rounding up 12 million people and shipping them home.

English needs to be our official language.

- As part of a comprehensive immigration reform, those who came here illegally certainly should be required to learn English before earning citizenship. The reality is today's immigrants, just as others did before them, are pushing their children to learn English and are proud to be part of America.
- But that is no reason to prohibit government agencies from offering ballots or providing Medicare information in other languages. What we need is more English language instruction, not foreign language prohibitions.

Illegal immigrants lower wages.

- Immigrants don't drive down wages. Unscrupulous employers who exploit immigrants drive down wages. We need to crackdown on bad employers, while bringing undocumented immigrants out of the shadows so no worker gets exploited.
- The Bush administration said it would crackdown on employers, but only a mere 17 employers faced penalties last year. They have failed, and it's time for real leadership to achieve comprehensive reform.

Illegal immigrants are a drain on our services and tax dollars.

- Immigrants actually pay more in taxes than they receive in services.¹² But we don't want to continue a broken system that drives immigrants into an underground economy.
- With comprehensive reform, we will bring immigration out of the shadows, establish a path to earned citizenship and put to rest the divisive battles over providing health care, educating children and granting drivers licenses.

Public Pulse

Americans support comprehensive immigration reform and reject proposals without a path to citizenship.

- 64% of Americans prefer legislation that “provides for increased border security and tougher enforcement, and also includes a path to citizenship for illegal immigrants, which some would call amnesty” over Congress passing “nothing.” (*Tarrance Group and Lake Research Partners, April 2007*)
- 75% of voters are more likely to support a candidate who says, “we need to put an end to illegal immigration by cracking down on unscrupulous corporations who exploit illegal and legal workers.” (*Democracy Corps, December 2007*)
- 2007 polls by CBS News (28%), Fox News (39%), *New York Times* (33%), *ABC/Washington Post* (35%) and *USA Today/Gallup* (24%) found little support for deportation as a solution to illegal immigration, when matched against a plan with a pathway to citizenship.

64%

75%

Anti-immigrant attacks from Republicans backfired in the 2006 congressional elections.

- Comparing exit polls from 2004 and 2006 suggests an 11-point swing among Latino voters in favor of the Democrats. The swing among non-Latino white voters was 6%.
- Close races in which Latinos made up 10% or more of the electorate produced a net gain of four seats for the Democrats.

10%

MORE RESOURCES

Economic Policy Institute, a nonprofit, nonpartisan think tank that focuses on the economic condition of low- and middle-income Americans and their families, <http://www.sharedprosperity.org/>

The Fair Immigration Reform Movement, an organization founded by low-income immigrant and nonimmigrant grassroots community organizations working for immigration reform and immigrant rights with an antipoverty focus, <http://fairimmigration.org/>

National Immigration Forum, an organization that advocates and builds support for public policies that welcome immigrants and refugees, and that are fair and supportive to newcomers in the United States, <http://www.immigrationforum.org/>

National Immigration Law Center, conducts policy analysis and provides technical advice and training to a broad constituency dedicated to promoting the rights and opportunities of low-income immigrants and their family members, <http://www.nilc.org/>

Pew Hispanic Center, a nonpartisan “fact tank” that provides information on the issues, attitudes and trends shaping America and the world, <http://pewhispanic.org/>

Southern Poverty Law Center, a nonprofit organization that uses litigation to fight injustice and intolerance, <http://www.splcenter.org/news/item.jsp?aid=247>

Audio-Video Content

Economic Policy Institute—A Shared Prosperity, Immigration Reform—Getting it Right, <http://www.sharedprosperity.org/av/20070328.html>

Fair Immigration Reform Movement, National Civil Rights, Labor, Immigration Rights, Faith Groups Speak Out as Immigration Debate Begins, <http://www.fairimmigration.org/press-room/releases/2007/national-civil-rights-labor.html>

Endnotes

¹Robert E. Scott, Carlos Salas, and Bruce Campbell, "Revisiting NAFTA," Economic Policy Institute, 28 September 2006. <http://www.epi.org/content.cfm/bp173>

²"2006 Yearbook of Immigration Statistics," Office of Immigration Statistics, September 2007. <http://www.dhs.gov/ximgtn/statistics/publications/yearbook.shtm>

³"The Size and Characteristics of the Unauthorized Migrant Population in the U.S.," Pew Hispanic Center, 7 March 2006. <http://pewhispanic.org/reports/report.php?ReportID=61>

⁴Ibid.

⁵Ibid.

⁶"Immigrant Deaths Near Border Fall," Associated Press, 8 November 2007. Available at: <http://www.nytimes.com/2007/11/08/us/08border.html>

⁷"Comprehensive Reform of Our Immigration Laws," National Immigration Forum, January 2007. <http://www.immigrationforum.org/documents/TheDebate/ImmigrationReform/CIRBackgrounder.pdf>

⁸See "Holes in the Wall," Texas Observer, 22 February 2008, and "Border Fence Will Slice Through Private Land," Washington Post, 16 February 2008. <http://www.texasobserver.org/article.php?aid=2688> and <http://www.washingtonpost.com/wp-dyn/content/article/2008/02/15/AR2008021503303.html>

⁹"Immigrant Crackdown Falls Short," *Washington Post*, 25 December 2007. Available at: <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/24/AR2007122402025.html>

¹⁰"Illegal Labor Aided Anti-Immigration Congressman from Colorado," *Denver Post*, 19 September 2002

¹¹Julia Preston, "Immigration Raid Draws Protest From Labor Officials," *New York Times*, 26 January 2007. <http://www.nytimes.com/2007/01/26/us/26immig.html?st=cse&sq=immigrant+union+&scp=4>

CAMPAIGN FOR **AMERICA'S FUTURE**

1825 K STREET, NW

SUITE 400

WASHINGTON, DC 20006

(T) 202.955.5665 • (F) 202.955.5606

OURFUTURE.ORG