

## THE WAR ECONOMY

By Meizhu Lui

There is, indeed, a “new world order” in the making. Will it be one of greater democracy and economic prosperity for all – people in the United States, in Iraq, in the Middle East, and beyond? Or will we see the economic divide pulled wider apart and fairness thrown onto the rubble of history? These questions are on the minds of many. What will be the cost of war? Who will pay? Who will benefit?



MEIZHU LUI

As the Iraq war drew closer and as President Bush promised an endless “war on terror,” we began to receive requests for a workshop that would address the impact of war and militarism on the economy.

We immediately formed partnerships with several organizations that offered help with research, curriculum, and outreach. The National Priorities

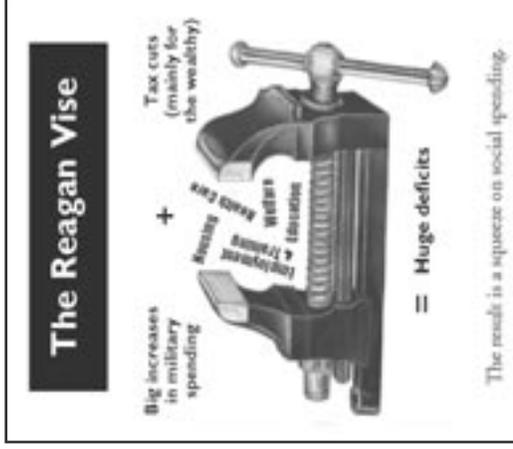
Project provided content, several popular education organizations including the Center for Popular Economics, Dollars and Sense, and Project South contributed to workshop design. Labor Against the War (unions that have passed anti-war resolutions and which represent 4.5 million US workers) will use this workshop to help solidify their new network.

Other organizations including War Times, (a nationally distributed newspaper led by activists of color), Pax Christi (a Catholic organization dedicated for peace), United for Justice and Peace, and Jobs with Justice will all help to get the workshop into the hands of activists who will, in turn, bring it to thousands of people.

We truly appreciate the collaboration of so many organizations to ensure that the workshop is timely. And with the financial support of many people, we will also be able to make it available for free from our website, to translate for and disseminated in Spanish language communities, and to be distributed as a PowerPoint® presentation.

### War, the Economy, and Democracy

Even before the war with Iraq started, states were already suffering their worst budget crisis since the 1930s, according to the National Governor’s Association. People –including readers of Fair Play –are losing their health insurance, their pen-



### FROM WAR AND ECONOMY WORKSHOP.

sions, and their jobs. Schools are closing, class sizes increasing, subsidized childcare slots are vanishing. These cuts jeopardize our futures and our children’s future.

More money pumped into the military means less money spent on human needs and environmental protection. President Eisenhower – a Republican and a General - said 50 years ago that “every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed...We pay for a single destroyer with new homes that could have housed more than 8,000 people.”

How different our leadership is today! While state budgets suffer a \$75 billion dollar shortfall, President Bush is asking for \$75 billion extra dollars to pay for the first phase of the Iraq war.

There are no words coming from the Commander-in-Chief acknowledging the hardship suffered by people here at home, such as those referenced by General Eisenhower. Why this silence?

continue from page 1

The real Bush agenda is to redefine and downsize government. The democratizing functions of government – safeguarding people from poverty, providing opportunities for all to participate equally, and sharing the nation's resources – are being systematically dismantled.

John and Jane Q. Public are being squeezed in a vise on one side, and tax cuts to the wealthy on the other.

How is it that so many people have been convinced to support policies that are against their own interests and those of their neighbors? When John and Jane Q. Public ask what's going on, they learn the myths that illegal aliens are stealing their jobs and lazy freeloaders on welfare are sapping government resources. As usual, people of color are portrayed as the problem. Soon enough, John and Jane are screaming for tax cuts, and voting to cut social programs.

It is no wonder then that the results of current economic policies would widen the racial wealth gap. According to the Federal Reserve's recent Survey of Consumer Finances, the wealth gap between white families and families of color grew by 21% between 1998 and 2001. The net worth of the typical family of color fell to \$17,100, while white families' net worth rose to \$120,900. The typical white family now has a net worth seven times as large as the typical family of color.

At United for a Fair Economy, we know that growing economic inequality can be stopped. We hope that our "War and the Economy" workshop will provide additional tools to those looking for alternatives to the future vision of "permanent war on terror."

Another world is possible.

# MEDIA MATTERS

An interview with Betsy Leondar-Wright,  
UFE's Communications Director



**BETSY LEONDAR-WRIGHT**

**Q. What is UFE's approach to the media?**  
A. From its beginning, UFE has made a concerted effort to get our messages into the mainstream media. We had media relations staff even when our staff was very small, we've included media strategy discussions in all of our program planning, and we've invested in media consultants to help us sharpen our skills. The reason for this effort is because we assume our outrage at growing inequality is shared by millions of people who don't belong to organizations that sponsor UFE workshops and who don't see alternative media.

**Q. Has this investment paid off?**  
A. We have been remarkably successful! We've reached literally millions of people through the media. In the last five years, UFE's work has been covered in the media over 3,000 times. We have prioritized talk radio shows, which have been called "the town meeting of our time," and which reach people who might not read newspapers. The issue of growing economic inequality has become a far more widely known trend than it was five years ago, and our media work has played a role in making that happen.

**Q. Breaking into the mainstream media is considered very hard—especially if your message isn't supporting the status quo. How did you do it?**  
A. There are three secrets to our success: thorough media research and practice, the unexpected voices of wealthy people, and creative action.

**Q. Say more about media research and practice.**

A. UFE has never sent two press releases to exactly the same press list. Our media database now has over 11,000 print, broadcast and on-line contacts, coded by their beats and interests. We track and record our coverage so that we can go back to the journalists that are interested in our work.

UFE monitors news trends and piggybacks our media efforts on current news hooks. Progressive taxation may seem like a boring topic to most talk radio producers, but when states are in budget crisis, or when the Wall Street Journal calls low-wage taxpayers "lucky duckies," then there's an opening for our message.

**Q. Tell us about using the unexpected voice of wealthy people. The estate tax campaign comes to mind.**

A. Yes. The old journalism saw is "Dog bites man – that's not news. But man bites dog – that's news!" So when a multi-millionaire or a business owner criticizes policies that benefit rich people and corporations – that's news!

United for a Fair Economy created the Responsible Wealth (RW) project in 1997 to take advantage of this element of surprise. Dozens of wealthy people have given hundreds of interviews over the past five years, set up by UFE media staff.

In 1997, RW's "Call to Preserve the Estate Tax" had hundreds of signers personally affected by the estate tax – and hundreds of media hits as well. Currently, the Call has over 1,400 wealthy signers, and has been credited with preventing two bills for immediate estate tax repeal, in 2001 and 2002.

**Q. Describe how UFE/RW uses creative action to grab media attention—the third key to success.**

A. UFE uses arts and humor to engage people on

issues of fairness. I'll describe one of our earliest stunts – now a classic in UFE lore! On Tax Day, 1998, two Republican members of Congress came to Massachusetts to promote replacing the progressive income tax with a flat tax or a national sales tax. Their press conference took place on the Boston Tea Party ship, and their plans were to put the US tax code into a box marked “Tea” and throw it into Boston harbor. Two UFE staffers rowed a rubber dinghy marked “Working Family Life Raft” behind a nearby boat. A dozen other UFE members dressed in suits and gowns followed the Congressmen onto the Tea Party ship in the guise of supporters. When the Congressmen, surrounded by TV cameras, got ready to throw the box, the dinghy appeared just below them, and two UFE staffers representing a working family in it yelled, “Don't throw it! You'll sink us with your sales tax, you'll flatten us with your flat tax!”

Meanwhile, the well-dressed UFE members on the boat began to chant, “Throw it! Throw it! Sink them with the sales tax! Flatten them with the flat tax!” The Congressmen froze, unsure what to do. After a moment, they threw the box, which upended the dinghy and dumped its occupants into the chilly waters. The image of the capsizing boat – and the story of how the little band of protestors flipped the meaning of the Congressmen's press conference – appeared from coast to coast, in newspapers, on CNN, and on the radio news. There's no doubt that millions of people who normally skip articles on tax policy were pulled in by a dramatic photo and a good laugh to learn something about regressive tax proposals.

*Q. Speaking of taxes, there seems to be fairly broad opposition to new taxes.*

*A. Widespread opposition to new taxes is understandable. A greater tax burden on working people already struggling to make ends meet will not revive the economy. More progressive taxation, however, in the form of closing corporate tax loopholes and*

raising taxes on the extremely wealthy could bring in needed revenue for states in crisis. That is our message.

*Q. How bad are the states' fiscal problems?*

*A. States face an unprecedented \$70 billion in budget shortfalls in the coming year. In many states, discretionary spending has already been cut to the bone. Further cuts will not only increase human suffering in the short run, they will lead to greater expenses down the road, as preventive health measures aren't taken and infrastructure crumbles. These solutions assume over-spending caused the deficit; when in reality, massive tax cuts during the 1990's were the main culprit behind most states' deficits.*

*Q. Why is progressive taxation such a tough sell?*

*A. The public is generally unfamiliar with the concepts of regressive and progressive taxes. Under current law, state and local taxes fall more heavily on poor and working people. People with the highest income pay the lowest share of their income in these taxes. This disparity is startling news to most taxpayers, who are more likely to support tax increases on wealthy individuals and corporations after learning how regressive taxes currently are.*

*Q. Okay, communications woman. Is it realistic to think we could make a dent in public anti-tax sentiment?*

*A. The current state fiscal crisis provides a prime opportunity to articulate the case for fair and adequate taxation at a time when more people are appreciating the public services they might lose. It's a classic piggyback news hook opportunity. Budget cuts are likely to receive coverage on their own, but with our efforts, the need to raise revenue in a fair way can get into the stories too. If we do our job well, we'll help uproot the seeds of tomorrow's tax revolts.*



**A CLASSIC UFE CREATIVE ACTION. “WORKING FAMILIES LIFE RAFT” CAPSIZES AS A CONGRESSPERSON THROWS TAX CODE IN THE BOSTON HARBOR.**



# ESTATE TAX ORGANIZING ON THE ROAD

By Chuck Collins, Program Director

For three weeks in January and February, Bill Gates Sr. and I hit the road to promote our new book, *Wealth and Our Commonweal: Why America Should Tax Accumulated Fortunes*, published recently by Beacon Press. We visited nine major cities and did 15 public forums drawing over 4,000 people. The media coverage was stunning.

Our hopes for these events were to enlist thousands of new activists to our estate tax reform bandwagon, draw media coverage of our arguments for economic fairness, and sell some books. We also did a number of smaller events, targeted at audiences like university presidents, and leaders in business and the charity/foundation sector. In each city, we met with Responsible Wealth and United for a Fair Economy members, visited newspaper editorial boards and conducted dozens of interviews.

During the tour, we gave over 15 major television interviews including the NBC "Today Show," PBS "NOW with Bill Moyers," CNN, and a series of Bloomberg News programs. We also did over 30 syndicated and local radio interviews including public radio's "Motley Fool" and "Marketplace," Pacifica's "Democracy Now" with Amy Goodman, and several prominent public affairs shows in New York, Los Angeles, San Francisco and Seattle.

Our book tour kicked-off on Monday, Jan. 13 in Washington, D.C. as George Soros and Senator Kent Conrad joined us at the National Press Club for a press conference that was broadcast live on C-SPAN and covered in dozens of newspapers around the country.



K. Kirk



K. Kirk

Immediately following the press conference, Senators Kent Conrad and Byron Dorgan hosted a private luncheon for us that was attended by eleven U.S. Senators, including Minority Leader Tom Daschle and a number of senators who had voted FOR repeal. George Soros and Bill Gates, Sr. gave brief talks about why the estate tax should be preserved. Sen. Kennedy grinned and remarked, with a great deal of irony, "he agreed with Bill 100 percent" except for the part about the dangers of "hereditary wealth and power!"

That afternoon we met "swing" Senators including Olympia Snowe (R-ME) and George Voinovich (R-OH). We also met with newly elected Sen. Mark Pryor (D) from Arkansas who told us he would vote AGAINST any provision to make the repeal of the estate tax permanent. That was the first time he had stated this position. Given the deteriorating budget picture, those who would repeal the estate tax have only 57 of the 60 necessary votes!



K. Kirk

**TOP TO BOTTOM: PAUL KRUGMAN (RIGHT) SPOKE AT OUR NEW YORK CITY EVENT. HERE HE ENGAGES IN A LIVELY DISCUSSION WITH EVENT ATTENDEES. BILL GATES SR., ANSWERS QUESTIONS WITH PASSION AND PATIENCE.... AND HAS A GOOD TIME.**

After a terrific reception at D.C.'s Politics and Prose bookstore, we traveled to New York City. There, Peter Grauer, the Chairman of Bloomberg News, hosted a luncheon for us with two dozen prominent business leaders who wanted to hear Bill talk about the ideas behind *Wealth and Our Commonwealth*. After Bill's talk, John Bogle, the founder of Vanguard Group (the second largest mutual fund in the U.S.), said, "Everyone knows I'm a contrarian, but I can't think of a single thing Bill said that I disagreed with." He picked up his pen and signed the "Call to Preserve the Estate Tax." Among the guests was Sarah Ferguson (aka the Duchess of York) who graciously agreed to autograph our book. (My personal highlight!)

The response to our events was fantastic. We had



K. Kirk

spirited audiences, including 450 people who came out to hear us in Seattle on the night of the President's "State of the Union" address. After the broadcast of the interview with Bill Moyers on his PBS show, over 1,000 new people signed our online petition at [www.responsiblewealth.org](http://www.responsiblewealth.org).

I will never forget our experience in Maine. There we held a breakfast for small business people in Portland that sold out at 220 people. Bill gave an evocative talk about the role of society in building wealth and the need to promote equality of opportunity. Sitting at the front, I could see people with tears in their eyes. He really connected with a powerful truth that I think we all know – that each of us is very dependent on one another and the society we live in for any good fortune that comes our way. Dozens of people approached us afterwards usually with the comment, "I'm a Republican, but I agree with you and I'll be contacting my Senators." Watch for us in the coming months as we continue our travels and media work.

**LEFT: CHUCK COLLINS MAKING AN EMPHATIC POINT DURING THE BOOK TOUR.**

**BOTTOM (LEFT TO RIGHT): MEIZHU LUJ, BILL GATES SR., GEORGE SOROS, AND CHUCK COLLINS AT THE NATIONAL PRESS CLUB.**



Liz Roll

## HELP PRESERVE THE ESTATE TAX

- ◆ Sign the Call to Preserve the Estate Tax at [www.FairEconomy.org/estatetax](http://www.FairEconomy.org/estatetax)
- ◆ Recruit your friends and co-workers to sign the Call to Preserve the Estate Tax
- ◆ Contact your elected officials
- ◆ Write letters to the editor
- ◆ Organize an educational event

We particularly need people in these key states: Maine, Louisiana, Illinois, Arkansas, Oregon, Ohio, Washington, Pennsylvania, Minnesota, Montana, Indiana, and Nebraska to do the above.

To get more information please contact Lee Farris at 617-423-2148 x33 or [lfarris@FairEconomy.org](mailto:lfarris@FairEconomy.org)

For background information, highlights of press coverage, and a schedule of future events, visit our web site. We need your involvement to reform the estate tax and prevent repeal.

[www.faireconomy.org/estatetax](http://www.faireconomy.org/estatetax)

# STATE BUDGETS IMplode: UFE OFFERS SOLUTIONS

By Karen Kraut, State Tax Partnership Coordinator



**KAREN KRAUT**

UFE is in the eye of the state budget deficit storm, working with our state tax partnerships to press for fair taxation as a way to raise money to close the enormous budget deficits engulfing their states. We're actively involved in our home state of Massachusetts and we are supporting the efforts of our coalition partners in Virginia, Texas, Maine, Oregon and Washington State. We are also offering short-term support in New Jersey and Illinois, and are exploring new tax partnerships in other states.

In Massachusetts, the "Stop the Cuts!" coalition launched a campaign of grassroots organizing, lobbying, and media work to close corporate tax loopholes and restore an adequate income tax rate to address the state's \$3 billion budget gap. UFE has developed and is presenting throughout the state a workshop that explains the roots of the budget crisis as well as the "Stop the Cuts!" campaign's fair tax solutions.

In Washington State, the Governor and anti-government state legislators have refused to consider raising revenue despite a \$2.4 billion budget gap in their two-year budget. UFE/Responsible Wealth member Lois Canright, a member of the Washington Tax Fairness Coalition, testified at a state Senate hearing about the importance of addressing the underlying structural reasons behind the state's deficit, mainly regressive taxation and corporate tax breaks. She and another RW member joined the coalition in a press conference in support of a bill to audit all tax breaks.

In an astonishing move, a number of Washington legislators, apparently indifferent to the state's fiscal woes, want to repeal the state's estate tax, at a cost of \$160 million per year. Lois has formed a group to work on preserving and reforming the federal and state estate taxes. They held a statewide call-in day on March 7 to urge state legislators not to repeal the state estate tax, and they are prepared to testify at a hearing on this bill in April.

Using a workshop UFE developed specifically for Washington state, the Washington Tax Fairness Coalition has been educating about and advocating for progressive tax reform in the last six months, over 80 people have been trained to present this workshop, and over 1,900 have participated in workshops throughout the state.

In Oregon, a newly formed estate tax group has been hard at work to retain state and federal estate taxes by collecting hundreds of petition signatures, doing street theater, and publishing letters to the editor. The Oregon Center for Public Policy and a UFE member, who is a farmer, presented testimony at a state hearing on legislation to repeal the estate tax, effectively countering the false claim that the estate tax forces family farms to be sold to pay the tax.

In Maine, UFE is working with the Dirigo Alliance and the Maine Center for Economic Policy to support the governor's legislation to save the state estate tax by "de-linking" it from the 2001 federal tax law. They educated state legislators about the issue, resulting in passage of legislation to keep the state estate tax in 2003 and 2004, thus helping to diminish the state's budget crisis.

In Texas, we worked with Progressive Texas presenting a

workshop we developed on the Texas budget crisis. This workshop was first piloted for 30 women organizers for Proyecto Arise (Project Arise) in the Southernmost part of Texas. Afterward, we trained a small group of Austin activists to lead the workshop.

Since January 2002, the Virginia Organizing Project (VOP) has been presenting the UFE-developed Virginia Budget Crisis workshop throughout the state. This workshop explains the reasons for and history of the budget crisis and offers three specific progressive tax reforms to address the deficit. VOP has trained 25 people to lead this workshop and they have presented the workshop to groups at least once a week for the last three months.

A low-income, grassroots organization, VOP is beginning to convene a broad-based coalition to prepare for the long-term fight for fair and adequate taxation in Virginia, including working to save the state estate tax. After the Virginia legislature voted to repeal the state estate tax, UFE helped write and place two major newspaper op-eds on retaining Virginia's estate tax. The Governor vetoed the repeal! Several legislators switched positions to keep the tax, and the legisla-



ture failed to override the veto, preserving \$211 million in revenue.

In March, UFE was also invited to Montpelier, Vermont to lead a workshop on the state's budget crisis at the March 1 "People's Roundtable for a Fair and Healthy Vermont Economy." Workshop participants developed short-term tax proposals to stop the budget cuts, and set up a working group to make the whole tax system fairer over the long-term. "Lots of positive feedback about UFE's role!" said Ed Stanak, president of the Vermont State Employees Association and chair of the event.

Finally, UFE is supporting fair tax organizations in New Jersey and Illinois in their immediate efforts to address their budget crisis. A coalition in New Jersey is campaigning for a millionaire's tax, and in Illinois, legislation has been introduced to prevent the repeal of the state estate tax. We are mobilizing the unique voices of our Responsible Wealth members in each of these states to speak out at press conferences in favor of these progressive tax reforms.

## TEXAS POPULAR EDUCATION TRAINING OF TRAINERS IN SPANISH

by Tomás Aguilar, National Organizer

In October, UFE broke new ground with our "Economics Education Training of Trainers." This took me to Texas, my home state. The training was designed and conducted entirely in Spanish! Another first was that the training institute was a collaborative effort, with contributions from UFE, Americans Friends Service Committee-Texas, Arkansas and Oklahoma (AFSC-TAO), and the National Organizers Alliance (NOA).



Alan Fogne

### TOMÁS AGUILAR LEADING A TRAINING IN TEXAS.

We took the overall theme from UFE's mission – that inequality hurts everyone – and worked it into the structure of the training institute using popular education methods in the traditions of Central America and Mexico. We used tools like "sociodramas," where we'd break into small groups and act out situations and problems. We'd then try to find out ways to solve them. The reflections after a sociodrama can be very deep and emotional.

Because of the great outreach and needs assessment done by my co-trainers Jeanette Huevo (UFE), Josefina Castillo (Austin AFSC-TAO) and Francisco "Panchito" Argüelles (Houston, NOA), the training was tailored to the realities of organizers and activists in Texas. We provided them with city-specific data when appropriate. We also made sure participants from the same area were grouped together when trying to solve a problem that had been posed. In this manner, they could further collaborate in their hometowns after the training.

Participant feedback after the institute was positive! Nidia Salamanca, the director of the Political Asylum Project of Austin, said, "It was great how the trainers broke down complex topics and made them accessible to the average person." Another participant, Aurelia Roque from El Paso, said a few weeks after the training that she "used

the information I learned about our tax system to argue my case about services for our community to the mayor."

### Training in the Streets

Spending a week camped outside Taco Bell headquarters in Irvine, California with the Coalition of Immokalee Workers (CIW), an organization of farmworkers from Florida, was an incredible, eye-opening experience.

The CIW was seeking a pay increase of 1 cent per pound of the tomatoes they pick, many of which wind up in Taco Bell restaurants. Yes, 1 cent. A penny. At current rates, the workers must haul 2 TONS of tomatoes to make \$50 a day. They receive no health insurance, no sick leave, no paid holidays, no vacation, and no pension. Taco Bell is one of the major buyers of tomatoes in Florida and has the potential to influence the growers to increase the pick rate by a penny per pound.

The workers, along with allies from churches, schools and universities, went on a 10-day hunger strike in front of Taco Bell headquarters to dramatize their situation.

The economic workshops I did with the workers were different from anything I had ever done. Normally, I'd do a workshop in a school, community center or church. I'd use flip charts and blank paper to write on. In California, we were standing outside in the rain exchanging information on the economy. We didn't use our charts or Growing Divide format. The sessions were more of an exchange of information: they shared their experiences in the fields of Florida and in their home countries, and I shared the structural analysis that UFE is known for. The education was made relevant by the hunger strike, the campaign, and the workers' deep commitment to changing the conditions in the fields.

# RW VOICES IN ACTION

by Scott Klinger, Co-Director, Responsible Wealth



Liz Roll

## Senate Approves Acceleration of Estate Tax Repeal During First Day of Iraqi War.

The rest of the world's eyes were focused on the Middle East, but outrageously the most important item of business in the U.S. Senate was accelerating the repeal of the federal estate tax.

The measure, approved in a 51-48 vote on a budget resolution amendment hastily offered by Senator Jon Kyl (R-AZ), would hasten the complete repeal of the estate tax by one year to 2009. The \$46 billion cost of the measure would be paid for out of general government funds, according to the Kyl amendment, qualifying the measure as "funded" and therefore not subject to the 60 vote super-majority rules required for most tax cut bills under Senate rules.

Despite this modest setback, there were significant signs of hope in the vote, as five Senators who had steadfastly supported complete repeal of the estate tax, voted against this measure. Many UFE and RW members made calls about this important vote. A special thanks to the people of Maine who successfully turned both of their U.S. Senators around on this issue.

## Shareholder Activism

Responsible Wealth member Michele McGeoy filed a shareholder resolution calling for Disney

to undertake a comprehensive executive pay review in light of Disney's lofty pay for poor performance. More than 14% of Disney's shareholders supported the RW resolution, the highest level of support of any shareholder proposal on Disney's ballot and more than twice as many who supported a similar resolution last year at Disney.

Responsible Wealth members have introduced resolutions on executive pay issues that will appear on the proxies of four other firms: Bristol Myers Squibb, Citigroup, Coca-Cola, and General Electric. In response to a Responsible Wealth resolution, EMC Corporation agreed to perform a CEO pay review. A resolution on corporate taxes will come before Raytheon shareholders, and one calling for competitive board elections will be voted on at the Exxon Mobil meeting. The text of the resolutions can be found at Responsible Wealth's website:

[www.responsiblewealth.org/shareholder](http://www.responsiblewealth.org/shareholder)

## Victory: SEC Orders Mutual Funds to Begin Disclosing Proxy Votes

Two years ago Responsible Wealth undertook an Investors Right-to-Know Campaign calling upon its members to contact their mutual fund managers to ask how proxies were being voted. Though mutual funds control nearly a quarter of the stocks traded on US markets, the funds have a reputation for mindlessly voting in favor of management positions on matters of corporate governance. Late last year, two Responsible Wealth supporters, Charles Sandmel of Massachusetts and Walter Krieg of New Jersey, took the unusual step of filing a shareholder resolution with a mutual fund. Sandmel and Krieg asked the Fidelity Magellan Fund to begin disclosing its proxy voting record to fund holders.

The Fidelity resolution paralleled an effort coordinated by the Social Investment Forum and the AFL-CIO to seek an SEC rule mandating proxy-voting disclosure by mutual funds. The proposed rule by the SEC drew a record 7,000 public comments with fewer than 100 opposing the proposed rule. In November, the SEC gave final approval to the rule and ordered funds to begin reporting their proxy votes starting with the 2004 proxy season.

## Using Our Voices for Positive Change Conference

Mike Lapham, Co-Director of Responsible Wealth, was the lead organizer for the recent RW conference in Seattle. The RW staff wants to thank the co-sponsors and the 130 attendees who made it our best conference ever! Due to the conference, there is a new group of people using their unique voices to speak out for a fairer society.



Don West

LEFT: MIKE LAPHAM



Ron Wurzer

THE INFAMOUS "CELL PHONE DRILL TEAM" MADE A SURPRISE APPEARANCE AT THE RW CONFERENCE IN SEATTLE, USING THEIR CELL PHONES, WRIST WATCH CALCULATORS AND FISTFULS OF CASH TO LOBBY CONGRESS FOR A DIVIDEND TAX CUT.

# DIVIDEND TAX CUTS WON'T HELP REVIVE THE ECONOMY

By Tom Thomas, Responsible Wealth member



I'm a stockholder, not a big stockholder, but I sometimes get the pleasure of receiving a dividend check. Imagine my surprise when I recently got an insert with my Citigroup dividend asking me to lobby for President Bush's dividend tax cut.

## TOM THOMAS

My first reaction was surprise, then anger. Why is Citigroup, which I own along with millions of others, spending our money telling us what our opinions on federal tax policy should be? It turns out that dozens of companies, including General Motors and Verizon, are sending such inserts to their shareholders about the president's fiscally reckless proposal to eliminate dividend taxes.

Of the staggering \$674 billion 10-year price tag for the president's tax cut bill, the lion's share, \$364 billion, comes from eliminating any tax on dividend income. What does it say about our country's work ethic if we tax income from working but not from owning stock?

Tax filers making between \$30,000 and \$40,000 would get only an average of \$42 a year from this change in the tax rules. Citigroup's CEO, Sanford Weill, on the other hand, would personally get over \$7 million from the policy he asked me to lobby for.

I have joined hundreds of other angry shareholders in an on-line Shareholder Rebellion petition against the dividend tax cut. I hope that our U.S. Senators will listen to us and give some relief to those who really need it instead.

## A letter to our loyal supporters,

It is not stretching the truth one bit to say we can't do it without you.

To all of you who contributed to United for a Fair Economy and/or our project, Responsible Wealth, we offer our heartfelt thanks. We know what tough economic times these are and that makes your donation even more precious.

To all who contributed to our matching grant, we thank you and the donors who issued the original challenge. That kind of a response boosts the spirits of all of us who work at United for a Fair Economy.

Much appreciation,  
The UFE staff

## Interested in Working with UFE?

Go to  
[www.FairEconomy.org/about/jobs](http://www.FairEconomy.org/about/jobs)  
to find out about available jobs at UFE!

Fair Play is a United for a Fair Economy. It is published twice a year, in spring and fall  
Editor: Pam Rogers

Lay-out: Yee Won Chong

Copy Editors: Karen Kraut, Chris Hartman, Jessie Schnapp, David Martin

United for a Fair Economy,  
37 Temple Place, 2nd Floor,  
Boston, MA 02111-1308

phone: 617-423-2148 fax: 617-423-0191

[www.FairEconomy.org](http://www.FairEconomy.org) info@FairEconomy.org

# YES! I WANT BE A MEMBER OF UNITED FOR A FAIR ECONOMY.

Enclosed is my gift of  
 \$500  \$100  \$50  \$30  \$\_\_\_\_\_

Check enclosed  
 Bill my \_\_\_ Visa \_\_\_ MC

Acct. No. \_\_\_\_\_

Expiration \_\_\_\_\_ Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_

Day Phone \_\_\_\_\_

Evening Phone \_\_\_\_\_

Email \_\_\_\_\_

## Thank you!

Mail this to:  
 United for a Fair Economy,  
 37 Temple Place, 2nd Floor,  
 Boston, MA 02111-1308

UFE is a 501(c)3 tax exempt organization.  
 All contributions in excess of the value of the  
 goods and services received are tax-deductible.





You will also find all our past reports. Why not purchase a UFE T-shirts, caps, and bumperstickers while you're at it? Click on the "Order Materials".

[www.faireconomy.org](http://www.faireconomy.org)

"War and the Economy" and "More Bucks for the Bang: CEO Pay at Top Defense Contractors", a report on CEO pay at corporations profiting from the war and increased defense spending can be downloaded at:



37 Temple Place, 2nd Floor, Boston, Massachusetts 02111



Non-profit Organization  
U.s. Postage  
**PAID**  
Permit No. 55116  
Boston, MA

ADDRESS SERVICE REQUESTED

E

F

U