

# RIISING INEQUALITY

## HOUSEHOLD INCOMES 1979-2011

Average Household Income

TOP 1%

MIDDLE AND BOTTOM 20%

1980

2000

2011

# U V E

# CONNECTING THE MOVEMENT

2010-2011 ANNUAL REPORT



UNITED FOR  
FAIR  
ECONOMY™

**W**ith great challenges come great opportunities. Growing inequality, wasteful tax cuts, the assault on public sector workers, and the Great Recession itself are indicative of an economy that is failing our people. But while our economy may be broken, our people are not. From family living rooms to Occupy encampments, Americans of all walks of life are expressing their outrage and fighting back.

To capture this moment in history and steer it toward a more progressive future, it will take a broad social movement that brings people together—across the lines of race, class, and disparate—interests around our shared commitment to an economy that works for all, not just the one-percenters. That’s what United for a Fair Economy (UFE) is working to do.

In the pages that follow, you will read about the work UFE is doing to connect people, connect ideas, and connect the movement for a more fair and just economy. Partnerships have been formed and strengthened. Cross-class connections have been made. Seemingly disparate issues have been connected. Because in the end, whether we are the 23 percent,

**As we work to strengthen the broader movement, we are having a substantial impact on the debates of the day.**

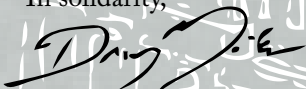
the 44 percent, the 32 percent, or the 1 percent, we stand with the 99 percent because we share their concerns.

As we work to strengthen the broader movement, we are having a substantial impact on the debates of the day. In the

last year alone, UFE’s work has been recognized in major media outlets from *USA Today* to the *Associated Press*. Our workshops have reached thousands. Policy makers are hearing our message.

Now is our time. By working together, as a connected movement, we can capture this moment in history and realize our shared vision of an economy that works for all!

In solidarity,



Brian Miller

UFE Executive Director



Prakash Laufer

Chair, UFE Board of Directors

## MISSION

UFE raises awareness that concentrated wealth and power undermine the economy, corrupt democracy, deepen the racial divide, and tear communities apart. We support and help build social movements for greater equality.

## PROGRAMS

Our work to address fundamental economic inequality intersects with a number of issues, including tax policy, financial reform, CEO pay, foreclosures, and immigration. The following five programs are the core of UFE's work:

- **POPULAR EDUCATION FOR ACTION**

Our participatory education workshops transform dry economic statistics into memorable learning experiences that help deepen analysis, develop critical thinking, and move people to action. Our flagship workshop has reached over 700,000 people in religious congregations, unions, community organizations and business associations across the country.

- **ESTATE & FEDERAL TAXES**

Our extensive media work aims to expand the public conversation and influence debate on federal tax policy and economic issues. This helps lay the foundation for our advocacy work to move policy makers.

- **RESPONSIBLE WEALTH**

Our network of over 700 business leaders and individuals in the top five percent of income and/or wealth in the US use their surprising voices to advocate for fair taxes and corporate accountability.

- **TAX FAIRNESS ORGANIZING COLLABORATIVE**

Our network of 28 state-level grassroots organizations educate and organize for fair and adequate taxation at the state and federal levels.

- **RACIAL WEALTH DIVIDE**

We seek to deepen understanding about the historical and contemporary barriers to wealth creation among communities of color by developing and offering resources for community leaders, activists, organizations, media, and the public at large.

**A**t United for a Fair Economy, we have spent the past year making important connections that strengthen the broader movement. We have aimed to make clear the historical policies and trends—related to race, taxes, unions, housing, etc.—that contribute to economic inequality and got us where we are today. We have worked to build a movement connecting people across race, class, age, and culture. We have contributed to a dialogue that combines issues of tax fairness, racial justice, labor, immigrant rights, housing, and more.

In the past year, we have taken great strides to make our resources on economic inequality available and share-able online. In early 2011, UFE launched a

what's possible when we pull together around a common cause. Imagine what millions united can do.



**RESPONSIBLE WEALTH** Our “Tax Wealth Like Work” campaign called attention to the lower top tax rates on capital gains and dividends

than on wages and salaries. Individuals from various economic realities spoke out in support of more equitable tax rates. The campaign attracted attention from both mainstream and alternative media, and

## We have worked to build a movement connecting people across race, class, age, and culture.

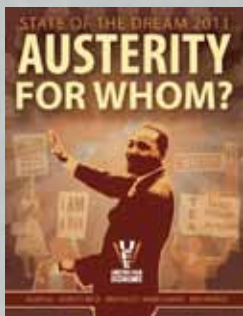
new website and blog with improved social media compatibility. We also began producing infographics, blogs, printed materials, and op-eds that have become widely distributed, appearing in newspapers, on Facebook newsfeeds, and in workshop classrooms across the nation. The infographic on the next page is an example of this work. Spread the word! Tape it to your refrigerator or office door.

Our ultimate goal is to connect people in a unified movement regardless of race or class, while also boosting each individual's unique voice and perspective in an important dialogue about shaping economic policies that reflect our values. Some highlights from the past year provide a glimpse of

was featured in the *Associated Press*' lead tax day story that reached a global audience. In addition to such high-profile media activities, Responsible Wealth members filed shareholder resolutions at JP Morgan Chase and Wells Fargo targeting the banks' unfair use of robo-signing to expedite the foreclosure process. Though the resolutions did not survive the corporate gauntlet, direct actions at both shareholder meetings raised both shareholders' and the media's awareness of questionable foreclosure practices.

**RACIAL WEALTH DIVIDE** Austerity has made the leap from economic buzzword to dominant policy strategy. UFE's 2011 State of the Dream report, *Austerity for Whom?*, demonstrated how





“belt-tightening” legislation is of devastating consequence to people of color. The report received a cascade of attention, including citations in the *New York Times*, *Washington Post*, and across the blogosphere. UFE also held a briefing to deliver the key

findings to Congressional staffers and representatives of DC-based research and advocacy groups.

**POPULAR EDUCATION** Over the past year, our Popular Economics Education team led 55



**UFE Popular Education  
BY THE NUMBERS:**

**55**  
WORKSHOPS

**10**  
TRAININGS OF TRAINERS

**2,200**  
PEOPLE REACHED

workshops and 10 comprehensive Training of Trainers Institutes. Through this important movement-strengthening work, UFE’s education team reached over 2,200 individuals who can now use our analysis of the destructive effects of economic inequality in their work. In addition to the workshops our staff led, at least 80 educational events were led by UFE

**State of the Dream 2011: Austerity for Whom?**

## KEY FINDINGS

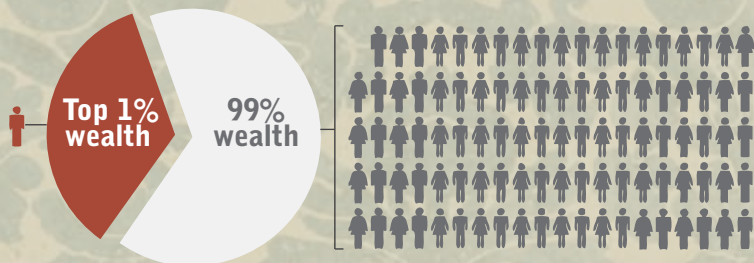
- Blacks hold 10 cents and Latinos hold 12 cents of net wealth for every dollar of net wealth Whites hold.
- Blacks earn 57 cents and Latinos earn 59 cents for each dollar of White median family income.
- Blacks are 30 percent more likely to work in public sector jobs than the general work force.
- Whites are three times more likely than Blacks and 4.6 times more likely than Latinos to have incomes of \$250,000 or more.

training participants using our popular education materials throughout the year. Our education team also helped the Service Employees International Union (SEIU) develop the educational curriculum for its new Campaign for a Fair Economy, reaching an even broader audience.

**ESTATE & FEDERAL TAXES** We stormed into the year with a press teleconference to rally support for the estate tax. Our speakers, all nationally recognized figures, included Abigail Disney (philanthropist and grandniece of Walt Disney), Richard Trumka (president of AFL-CIO), Julian Robertson (Tiger Management hedge fund) and Robert Rubin (former U.S. Treasury Secretary). Then we did it again a few months later with a press event featuring small business owners who shared stories and dispelled the myths about the estate tax.

(CONTINUED ON PAGE 9)

The richest 1% hold 34.6% of all wealth in the U.S.



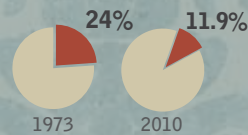
CEO pay relative to the average worker has tripled since the early 1980s.



**1 in 5**  
U.S. children live in poverty.



Union membership has declined by over 50% since 1973..



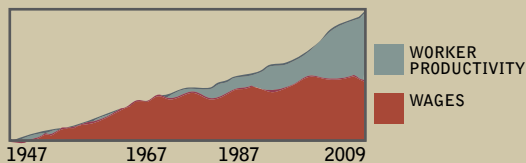
**CHILD POVERTY IS NOT COLORBLIND.**

U.S. child poverty rates by race:

**White 10%**  
**Asian 12%**  
**Latino 27%**  
**Black 33%**  
**American Indian 40%**



The benefits of increased productivity have not gone to the middle class.



**AVERAGE INCOME**  
(2008)

Bottom 90%  
**\$31,244**

Top 10%  
**\$261,951**

Top 1%  
**\$1,**

**FINANCIAL ASSET OWNERSHIP**  
(2009)



Inju  
any  
is a  
eve



# Justice everywhere threat to justice everywhere.

Lobbying expenses have increased over 19-fold since 1983. \*Numbers controlled for inflation

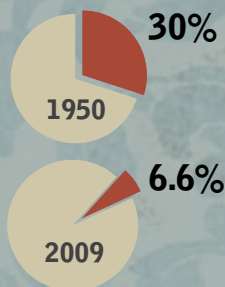


**70%**

of graduates from four-year colleges are in student loan debt.



Corporate taxes as a portion of federal revenue.



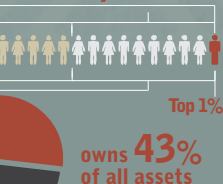
Wealth is spread unevenly by race.

**\$97,860**  
NET WORTH OF  
MEDIAN WHITE  
HOUSEHOLD

**\$2,170**  
NET WORTH OF  
MEDIAN BLACK  
HOUSEHOLD

DR. MARTIN LUTHER KING, JR.

**137,684**



**U E** **UNITED FOR A FAIR ECONOMY™**

Learn more and view sources at [www.faireconomy.org/2011](http://www.faireconomy.org/2011)





"Thank you for getting people to talk about their taxes. It's not very glamorous, but it's important. A lot of wealthy people simply are not paying their fair share."

**MATT**, in a video on UFE's Tax Wealth Like Work campaign

"Blacks are 30% more likely to work in public sector jobs than the general work force and 70% more likely to work for the federal government. Thus, severe cuts to our public sector work force will be felt disproportionately by African-Americans."

**WANJIKU MWANGI**, co-author, State of the Dream report

"In the United States today, the richest 1% owns 34% of our nation's wealth. That's more than the entire bottom 90% combined. We can choose to cut education, job creation and health care, or we can choose to ask those who can contribute more to do so."

**REP. JAN SCHAKOWSKY**, on the Fairness in Taxation Act

"I have attended many workshops and conferences over the years and I cannot remember one that was as meaningful as this one. I came home filled with great ideas, new techniques, and renewed enthusiasm. Hard to beat this experience."

**MARK McDERMOTT**, Training of Trainers participant

"The organizing happening at the hyper-local level is what creates change at the state level. The constant is connecting the discussion about revenue and tax policy to the work that's already happening on other critical issues."

**RAISE THE 'ROOTS** TFOC conference participant

"Trying to raise adequate revenue through a regressive tax structure—where a greater percent of income is demanded of the poor than the well-off—is like trying to squeeze water from a stone."

**KAREN KRAUT**, co-author, Flip It to Fix It report

"The majority of African Americans polled believe that MLK's dream has been fulfilled. That demonstrates that most people don't have a good understanding of what Dr. King's Dream actually is."

**DEDRICK MUHAMMAD**, Sr. Dir. Economic Dept., NAACP

"If we keep going like this, where the discrepancies in the tax system are so vast, we might as well set up a feudal system now; where a few people have the wealth in their hands and the rest of us are beholden to them."

**NANCY**, RW member, on the Tax Wealth Like Work campaign

"Across this country, schools are firing teachers, first responders are underfunded, and hard-working Americans are being denied basic services. Yet, billion-dollar fortunes are exempt from paying their fair share of estate taxes. There is something wrong with this picture."

**RICHARD TRUMKA**, AFL-CIO President

(CONTINUED FROM PAGE 4)

These events, combined with our ongoing advocacy efforts, contributed to a national dialogue that helped to prevent the repeal of the estate tax at the turn of the year.



**TAX FAIRNESS ORGANIZING COLLABORATIVE (TFOC)** This year, the TFOC harnessed new technology and unveiled bold new strategies to build grassroots power and

facilitate connectivity of our tax fairness groups across state lines. Our new webinar series, “Tax Fairness Tune-Ups,” is regularly highlighting skills, strategies, and best practices to boost our members’ capacity to promote progressive tax reform. We

**UFE contributed to a national dialogue that helped prevent the repeal of the estate tax at the end of the year.**

created a new online hub to streamline the sharing of resources between state organizers, including creative actions, communications materials, videos, and other useful advocacy tools. The spring release of our “Flip It to Fix It” report highlighted the



highly regressive reality of state tax structures, demonstrating that “flipping” each state’s highest- and lowest income quintiles’ effective tax rates would immediately solve our state and local budget shortfalls.

## UNITED FOR A FAIR ECONOMY STAFF

**Christelle Adrien**  
Administrative Assistant

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Communications  
Coordinator

**Jen Douglas**  
Grants Coordinator

**Lee Farris**  
Senior Organizer  
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**Jeannette Huezio**  
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**Karen Kraut**  
TFOC Coordinator

**Mike Lapham**  
Responsible Wealth  
Project Director

**Brian Miller**  
Executive Director

**Shannon Moriarty**  
TFOC Communications  
Director

**Wanjiku Mwangi**  
Racial Wealth Divide  
Initiative Leader

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**Steve Schnapp**  
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**Tim Sullivan**  
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Financial Coordinator  
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### STATEMENT OF FINANCIAL POSITION For the year ended June 30, 2011

<b>ASSETS</b>	<b>FY2010</b>	<b>FY2011</b>
Cash & Cash Equivalents	\$325,998	\$258,800
Investments	1,981	7,376
Prepaid Expenses	9,077	0
Pledges & Grants Receivable	125,000	72,000
Accounts Receivable	10,651	9,591
Publication Inventory	9,923	6,357
Fixed Assets	20,476	12,515
Other Assets (deposits & long-term pledges receivable)	8,997	44,267
<b>Total Assets</b>	<b>512,103</b>	<b>410,906</b>

### LIABILITIES

Accounts/Grants Payable & Other Accrued Expenses	112,810	120,941
--------------------------------------------------	---------	---------

### NET ASSETS

Unrestricted	164,326	104,612
Temporarily Restricted	234,967	185,353
<b>Total Net Assets</b>	<b>399,293</b>	<b>289,965</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>512,103</b>	<b>410,906</b>

### STATEMENT OF ACTIVITIES For the year ended June 30, 2011

<b>SUPPORT &amp; REVENUE</b>	<b>FY2010</b>	<b>FY2011</b>
Contributions & Other Income	\$720,668	\$832,711
Grants	520,200	294,825
Program & Conference Fees	19,546	34,812
Materials Sales	2,297	13,063
In-kind Sales	711	10,587
Interest & Dividends	171	491
Loss on Disposition of Equipment	(4,347)	0
Realized & Unrealized Gains on Investments	7	640
<b>Total Support &amp; Revenue</b>	<b>1,259,253</b>	<b>1,187,129</b>

### EXPENSES

Program	816,936	962,720
Administrative	132,166	136,980
Fundraising	154,683	196,757
<b>Total Expenses</b>	<b>1,103,785</b>	<b>1,296,457</b>

### CHANGE IN NET ASSETS

	155,468	(109,328)
Net Assets - Beginning of FY	243,825	399,293
Net Assets - End of FY	399,293	289,965



## THANK YOU (YEAR ENDING JUNE 30, 2011)

### INDIVIDUAL SUPPORT (\$1K+)

Anonymous (19)  
Anonymous Donor Fund  
(MRG Foundation)  
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Wiener)  
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The 2011 Annual Report was written and designed by UFE communications staff.