



# TOWARD AN *ECONOMIC JUSTICE* AGENDA

## Where Are We Now?

**T**hirty years ago, Douglas Fraser, then president of what was still a million-member United Auto Workers union, presciently warned that the leaders of corporate America—in combination with the American Right—were waging a “one-sided class war.” He described it as “a war against working people, the unemployed, the poor, the minorities, the very young and the very old, and even many in the middle class of our society.” Jump ahead three decades and the results of that war are palpable.

Living standards have eroded, and union density is at its thinnest in more than 100 years. Public services are underfunded, and government agencies whose job it is to temper or limit the inequalities of a capitalist society have been hamstrung. This corporate offensive has as its ideological counterpart a “free-market” orthodoxy preached and shared not only by the Republican Party but also by neoliberal Democrats—those “centrists” who favor cuts in social spending, advocate deregulation and privatization, and reject accommodations with the unions.

The heart of social democratic thinking—the idea that the promise of each human being can develop only in a society embodying the values of liberty, equality, and solidarity and that social problems have uniquely social solutions—has been displaced by a vicious economics that equates an “efficient” economy with a deregulated one.

This economic convention holds that eliminating environmental and occupational health and safety regulations, combined with weakening legal guarantees of workers’ rights to form unions, is a prerequisite for economic

growth. It is a conceit that says government provision is inherently inferior to private goods even as our private health insurance system fails the needs of millions. And to ensure that the provision of public goods fails, conservative policy starves the public sector and depletes its treasury by shifting the tax burden from corporations and the rich onto people in middle and low-income communities.

This conscious government policy of redistributing income, wealth and power upward, when aligned with corporate victories over unions, explains why ordinary people’s living standards have deteriorated over the past three decades. In addition, the “Washington Consensus” dogmatic policies of “free trade” (absent any international trade provisions that guarantee human, environmental, and labor rights) and punishing IMF and World Bank “structural adjustment programs” have turned Third World nations into debtors and paupers. These policies have allowed global corporate elites free rein to force a race to the bottom as they search the globe to locate production where labor is cheapest and most vulnerable. Now these Goliath firms are free to locate operations in weak states that cannot or will not enforce human rights, labor standards, or environmental regulations. They exploit labor on a world scale while poisoning the planet.

The old adage that “a rising tide lifts all boats” has been replaced by a scorched earth model of economic development. This model not only despoils once-high living standards in the advanced industrial democracies; its emphasis on short-term profit and financial speculation also gives rise to recurrent international financial

crises that have wiped out much of the middle classes of Latin America and Southeast Asia. And while government expenditures for legitimate national defense needs may be necessary, U.S. military spending is today neither legitimate nor prudent. The United States today spends more on its armed forces than does the rest of the world—combined! And the cost of growing and maintaining an empire is contributing to the demise of social and economic democracy at home.

To achieve a modicum of equality and opportunity, democratic forces in advanced industrial democracies traditionally used their power politically—to create state policies that guaranteed labor rights, raised government revenues through progressive forms of taxation, and used these revenues to fund high-quality universal public goods such as free public education, accessible health care, and child care. To sustain the high levels of productivity necessary to maintain such policies, “welfare states” generously funded research and

development and job training relevant to the needs of a dynamic economy.

That is not how the U.S. functions today, and we and the world are the poorer for it. Replacing the current free-market orthodoxy means waging an ideological battle, something socialist, liberal, and democratic movements are used to doing. While these movements may have different demands, they would not dispute the need for government intervention to rein in undemocratic corporate power.

Today, the left and the social movements operate in a peculiar context in which even those members of the public with the most to gain from government intervention no longer take for granted that federal and state aid is desirable, let alone winnable. The huge number of nonvoters in elections—even allowing for the undemocratic exclusion of a disproportionate number of African-American and Latino prisoners and ex-felons and our arcane voter-registration rules—speaks to this alienation from government. The mentality “If the pols can’t help, why vote?” creates a self-fulfilling nightmare.

## **Corporate Power Corrupts the Culture**

In an ironic twist, it was government and government intervention in the economy—and not its absence—that was blamed for the nation’s ills. Right-wing ideologues exalted private services and private charities while debasing government as inefficient provision for the undeserving. This ideological totem of “Reaganomics” still stands today. Now schools, city services, prisons, and even armies operated by private entities are considered by definition better run because they are in private hands. The underfunded postal service—and not the Enron collapse, the savings and loan scandal, or private Blackwater thugs in Iraq—has become the poster child for waste and incompetence.

This devaluing of the public sector has harsh real-world consequences. Witness the pathetic response to Hurricane Katrina and the high profile Bush administration scandals, including the maltreatment of veterans at Walter Reed Hospital. The interest-rate spiking and foreclosures that followed from the unregulated and flagrant predatory lending of subprime rate

mortgages—foreclosures that are hitting low-income communities of color particularly hard—are also the direct outcome of the wholesale privatization of inherently governmental functions and the deflection of resources to serve corporate interests rather than socially determined national security needs.

These crises have been eye-openers for some, reminders of what government can and should do, because reasserting a strong government role runs against the grain of 30 years of economic thinking dominated by the Right. Worse, alienation from government has become a self-reinforcing dynamic. The incessant attack on means-tested programs for the poor has led many white working- and middle-class people to forget that only progressive taxation, state regulation, and public provision can insure them the opportunity to hold a well-paying union job or afford an adequate retirement and college opportunities for their children (let alone good public schools, roads, public health, and sewage). With regulatory oversight and enforcement

crippled, with state and local governments stripped of the capacity to provide seamless provision of emergency and social services, government's failure to respond effectively to community needs or to major crises has reinforced the business-friendly mantra that government is the source of the problem.

Further contributing to the muddle is a generation's worth of ruthless media consolidation. Conglomerates have a chokehold on the nation's most important media outlets, including radio, television/cable, and newspapers. Six giant conglomerates control the vast majority of the nation's (and increasingly the world's) television, movie and book production and distribution, while the cable companies and the telecoms vie over enclosing and monopolizing the Internet's open-access structure. Not only is

the news held in fewer (and self-interested) hands but the news content is also homogenized. Debate parameters are squeezed to the point where the media begins to take on the characteristics of a consciousness-molding, status-quo-affirming industry.

Thirty years of corporate marauding leaves the U.S. today politically despised abroad and economically unstable at home. For prosperity to be sustainable in the long run, government policy must promote democratic urban planning, environmentally conscious forms of consumption and production, far greater public oversight of corporate behavior, and global rules that promote sustainability and economic development.

## **Turn Fragmented Protest Groups into a Unified Progressive Movement**

The principles of governmental responsibility in ensuring the public good described above were accepted as truisms in most liberal democratic societies up until the resurgence of right-wing ideology and power in the 1970s. Now, we need to reinvent and fight for the notion that a just society means, at the very least, a fair distribution of power between labor and capital and the universal and equitable provision of basic human needs—hardly unique socialist principles. Yet corporate elites claim we

can no longer “afford the luxury” of social equity. Is this really the case? Must even the Democratic Party leadership abandon its historically articulated concern for the interests of working people and the excluded? Can we no longer achieve both economic prosperity and social justice? The peoples of Northern Europe have refused to embrace the Anglo-American style of “race-to-the-bottom” capitalism. We need to join them.

## **The Four Pillars of an Economic Justice Agenda**

Unfortunately, many of the Democratic Party's leaders fail to defend the four pillars on which any just economic policy agenda must be built:

- **Progressive taxation and major cuts in wasteful military spending to provide necessary public revenue;**
- **Universal social insurance programs and high-quality public goods;**
- **Powerful democratic labor and social movements capable of achieving equity in the labor market; and**
- **Global institutions that advance labor and human rights and provide for a sustainable environment.**

It should go without saying that to achieve any or all of these goals, we need a Congress formulating legislation and a government operating federal agencies capable of vigorously enforcing progressive regulations.

The fall 2006 Democratic congressional victories provide some space for social movements to advance these principles. But unless the Democratic Party national leadership abandons its commitment to balancing the budget while preserving and growing a massive military arsenal (the principles of “Rubinomics” and the “Hamilton Project”), Congress will not enact any serious proposals to create a truly universal national health care system and to fund other pressing human needs. Only if social movement pressure from below shakes Democratic leaders from their loyalty to wealthy contributors, corporate donors, and lobbyists can the political stalemate that maintains rampant inequality be reversed.

Even among left Democratic elected officials, how many remind the public that if corporate taxation and upper-income tax rates were restored to 1978 levels, the federal government would garner over \$600 billion a year in additional revenue (or twenty percent of the current federal budget)? Or routinely mention the massive waste in our imperial military budget?

As supporters of America’s unions, we believe that labor’s power in the marketplace must be strengthened by guaranteeing a true right to organize and to bargain collectively. But social justice cannot be achieved solely through the labor market. For all to have a decent living standard, we must also raise the “social wage” provided by public goods and social insurance and broaden its distribution. Sufficient funds to finance such goods will be available only if we restore progressive taxation and if we prune the massive waste in the military budget.

The weakness of the American Left has engendered a mostly defensive politics over the past 30 years. The poor have borne the brunt of welfare state cutbacks, as the value of means-tested social welfare programs has declined, and they are made available to fewer recipients. While the value of universal social programs such as

Medicare and Social Security have been so far been maintained, this defense of the universal programs of the New Deal and Great Society has occurred on a terrain of a major regressive restructuring of our tax system, a significant increase in military expenditure, and (real or alleged) constraints that globalization places on a high-wage industrial economy.

Unfortunately, the sum of Left politics in the U.S. continues to be much less than its parts because different constituencies of the Left focus on their own most immediate, particular—and sometimes conflicting—needs. Thus:

- Even the best of the unions narrowly focus on organizing the unorganized and changing the unfavorable legislative and labor board climate for organizing. This is a valuable goal in itself, one that is clearly necessary. But it is not sufficient. And it cannot succeed except in the context of a broad, progressive political climate.
- Social service providers defend social provision, as they should. But they do not always see the relevance of union organizing. And public sector advocates by themselves do not have the political weight to tackle the main cause of public sector vulnerability: systematic reductions in revenue.
- Private-sector unions and those engaged in living wage and raising-the-minimum-wage struggles often sound and act as though strengthening the power of labor in the private market by itself can raise working-class and poor people’s living standards. Certainly, improving the power of workers in the labor market is a key part of the social justice project. But without progressive taxation, expansion (and restoration) of high quality universal public provision and social insurance, and massive military spending cuts, our nation will not be able to provide equity for the poor and the working poor. To do so requires reconstructing the strong public sector and bringing the social wage up to at least the level underpinning the

more egalitarian societies of Western Europe. And that requires politics—and politics requires allies, especially among those who can be won to resisting the privatization of inherently governmental functions. Not only can the public be persuaded to oppose privatization and increase support for the public sector, but making those connections is also one more way to begin building longer-term strategic alliances around citizen challenges to corporate control of government.

- Fair-trade advocates (and private-sector unions threatened by overseas competition) push for “raise-the-floor” fair trade agreements. But many other sectors of the progressive community do not see how this achievement of global labor solidarity must be central to any domestic—and international—economic justice agenda.
- Finally, Democratic Party leaders were so traumatized by charges of being “weak on defense,” “tax-and-spend profligates” and of “coddling the undeserving” that they long ago abandoned any critique of irrational and wasteful military spending. Nor do they clearly defend the centrality of social rights to a democratic society out

of fear that standing up for public goods will be attacked by the Right. Some neoliberal pundits applauded former President Clinton’s tough-on-crime policies and “welfare reform” for taking the race card away from the Republicans. But they fail to note that race wasn’t the only card Republicans had to play and, more importantly, that race remains central to most political debates. The price of Clinton’s tough-love politics meant the abandonment by the entire political establishment of any responsibility for redressing the plight of our inner cities as well as that of our rural poor. Nor could this allegedly smart politics win back Congress or cinch victory for Al Gore in 2000.

The tragic and shameful aftermath of Hurricane Katrina did not fall from the sky; the neglect of its victims results from a conscious gutting of the capacity of government by both Republican and Democratic elites. As they say in New Orleans, it wasn’t the hurricane that caused the flooding; it was the collapse of the city’s inadequate levee systems that caused the devastation.

## **On Creating an Economic Justice Agenda**

If we are to reconstruct a majoritarian coalition of the working and middle classes, the poor, communities of color, the excluded, and people of conscience, we must advance and defend an economic program that redresses the structural inequality that corporate power has institutionalized over the past 30 years. The program that follows is not set in stone. It is a work in progress, an agenda for Congress that DSA hopes will begin a broad discussion of how

politically to restore progressive taxation; defend and expand high-quality public provision and social insurance; empower working people in the labor market; create universal programs that are genuinely universal and that address racial and ethnic disparities; and create a global economy that raises global living and human rights standards rather than debasing them.

**To learn more about our Economic Justice Agenda  
Visit our website: [www.dsausa.org](http://www.dsausa.org)**

## **The First Pillar**

### **Restore the Fiscal Capacity of Government: Progressive Taxation & Significant Military Spending Cuts**

An economic justice agenda aimed at restoring social equity and equality of opportunity in the United States would, by necessity, restore progressive taxation. The Bush administration's lowering marginal tax rates on high-income earners (a pattern first established on the state level), cutting the capital gains tax, and eliminating the wealth tax have contributed to an annual loss of more than \$200 billion in federal revenues (or nearly 7 percent of the federal budget). This gutting of the treasury will worsen if the Bush tax cuts are made permanent after 2010. Neoliberals and conservatives alike claim we cannot afford to expand public provision; they are wrong. Restoring the marginal income tax rates and corporate taxation that prevailed before the Reagan era would net the treasury at least 20 percent more in annual revenue.

For those claiming the United States is too poor to afford any new government programs in

universal child care, funded parental leave, or job retraining, we would point out that our military budget now incredibly and irrationally exceeds the defense expenditure of all other nations *combined*. Most advanced industrial economies devote 4 to 7 percent of their budgets and only 2 percent or less of their GDP to defense expenditure. The U.S. spends close to 25 percent of its national budget on "defense," or more than 7 percent of our GDP. If one takes into account arms exports and indirect military spending, close to 15 percent of American production is military related.

In short, the restoration of progressive taxation to the levels of even the late 1970s and a leaner, saner defense budget could immediately increase the financial resources available for domestic social programs by well over 25 percent of the current federal budget—approximately \$700 billion.

## **The Second Pillar**

### **Institute High-Quality Public Goods and Social Insurance**

#### **•Establish Single-Payer National Health Insurance**

A single-payer national health insurance system—based on medical need and not on the ability to pay—is in the present political climate the only efficient and just means to provide health care for all. Currently, the U.S. spends close to 17 percent of its GNP on health care (as compared to 12 percent or less in other advanced industrial nations). Yet our health outcomes rank us near the bottom of these nations. Private health insurers spend nearly one out of four of their medical dollars on marketing and administration, while Medicare's administrative costs are only 3 percent of the program's total

expenditure. With "single payer," we could maintain private and non-profit provision of health care and consumer choice of primary-care physicians. The government would not take over the administration and provision of health care, but it would eliminate the wasteful and redundant private insurance industry and replace it with one insurer—a system equivalent to "Medicare for all," and not just for the poor or the currently uninsured. The cost savings in such a program could extend coverage to all citizens; it would also make our labor markets more efficient, as workers would no longer worry that a change in employment might adversely affect their medical coverage. In addition, the huge savings in administrative costs (and elimination of wasteful

insurance advertising) could be used to improve the quality of health care.

**•Defend and Expand Social Security**

Talk of “reforming” Social Security is code for privatizing the most valuable program to survive from the New Deal. The Social Security system insures all citizens not only against poverty in old age but also against disability and the vulnerability dependent children face when they lose an income-earning parent or guardian. This Old Age, Survivors, and Disability Insurance system can readily be preserved, even expanded in scope, by raising the cap on income taxed; taxing wealth and not only income; and including state and local employees in the system. Such a program to expand social insurance would also grant citizenship to all those—such as immigrants of all status—who work in the formal economy, so they could both contribute taxes to Social Security (which they often do) and benefit from the social insurance system their taxes support. Such measures might allow the government to raise the real value of public pensions at a time when the percentage of workers covered by adequate private pensions has declined precipitously.

**•Create a Truly Democratic Public Education System**

To truly leave no child behind, an economic justice agenda would equalize expenditure per pupil in public primary and secondary education and provide extra national funds to schools that serve disproportionately low-income and English-as-a-Second-Language students. By providing funds for universal pre-kindergarten *and* kindergarten (many small school districts are so poorly funded that they can only serve children ages six and up) and boosting after-school programs, we could insure that all children grow up in an environment that provides nurturing care and educational enrichment. A democratic educational policy would transform public school teaching into a well-paid and valued profession, attracting our brightest college graduates and retaining its best teachers.

**•Make Higher Education Affordable**

Neither federal nor state higher education budgets have kept up with a growing student population and increasingly complex technology. Public universities and colleges, created in response to demands by working people, are increasing tuition to the point where young working-class people can no longer afford to attend even community colleges. Worse, students have been made to finance their education with loans whose high interest profits private lenders, including the newly privatized Fannie Mae. Highly indebted graduates must choose lucrative jobs over socially useful ones when they even have a choice. In contrast, numerous other advanced industrial nations offer higher education that is low-cost or free. It is time for the federal and state governments to increase support to higher education, so that tuition can be radically lowered while shifting financial aid from loans to grants. In any case, loans to students should not be from banks or for-profit organizations. Only when students from all income levels can graduate free of debt will higher education offer social mobility.

**•Provide Quality Child Care for All**

Increased public financing of child care, whether via nonprofit childcare cooperatives or pre-nursery schools, would ensure that the children of working parents receive high-quality care. In France, once a child is out of diapers, he or she is eligible to attend state-funded childcare facilities, often open round-the-clock to meet the needs of shift-working parents. Throughout most of Northern Europe, paid parental leave (both maternity and paternity) ensures that parents can stay at home full time with an infant child without suffering any significant loss of income.



## **The Third Pillar**

# **Strengthen the Power of Working People and Their Organizations**

We must immediately restore the right of workers to organize democratic trade unions and to bargain collectively. In light of corporate America's wide abuse of current labor laws to harass and fire pro-union employees, it is imperative that Congress pass the Employee Free Choice Act. Not only would this act enable workers to form a union after a majority signed union authorization cards but it would also ensure that employers bargain in good faith with their unionized workers. Despite Ronald Reagan's ringing defense of the rights of workers to organize democratic trade unions in Communist nations, such a right has not truly existed in the U. S. for more than three decades.

In order to restore the minimum wage to its historic level of one half of the average wage, it should be raised to \$10 an hour and indexed to inflation. In the absence of national health care legislation, workers without adequate health insurance should be guaranteed a "living wage" of \$13 an hour (indexed to inflation and the cost of insurance). The federal government must restore health and safety standards to the levels of the 1970s and strictly enforce these regulations, as well as labor rights and anti-discrimination laws.

The severe cutbacks in eligibility for unemployment and disability insurance must be reversed and the eligibility period for unemployment lengthened from its present 26 weeks. Federal and state governments should expand expenditure on job retraining, active labor market policies, and life-long learning and affordable college education.

### **•Enact a Just Immigration Policy**

Massive migrations of exploited workers, refugees, displaced farmers, agricultural workers, and asylum seekers result from an unjust global political and economic system that works for the benefit of transnational corporations and at the expense of the world's peoples. Immigration to the United States does

not only result from the "pull" of greater economic opportunity. It is also caused by the "push" of growing economic inequality and exploitation in developing societies. Much of the current wave of migration to the United States from Mexico, Central America, and the Caribbean can be traced to NAFTA and other unjust "free trade" agreements that enabled subsidized U.S. agribusiness to flood these societies with cheap produce, destroying the livelihoods of millions of small farmers and other rural workers. The export-oriented, often capital-intensive form of manufacturing imposed on them by the IMF, World Bank, and WTO also limits the number of good jobs in the urban economy of these developing nations.

The same story can be told about African migration to the nations of the European Union. We can stem the "push" for mass immigration from the developing world only if these economies are allowed to develop in equitable and internally integrated ways. Such development would require the national and international regulation of corporate power by free trade unions and democratic governments, as well as the democratization of international economic regulatory institutions.

But reducing or even eliminating the economic forces driving mass immigration is not enough. In the meantime, we must develop humane policies to respond to the migration of more than 12 million people already living in the United States. The presence of a vast number of highly exploitable workers—workers without legal status in this country—leads to the proliferation of low-wage, unsafe, and insecure jobs for all. Employers can more easily discriminate against young African Americans, particularly unskilled young men without high school diplomas, when there is vulnerable immigrant labor to exploit, and the availability of a reserve army of the barely employed endangers union wages and union contracts in many areas—notably among lower-skilled construction and

factory workers. We need an immediate end to the deportations that keep immigrant workers living in fear and prevent them from exercising the few rights they do possess. We need to pass comprehensive immigration reform legislation that grants immediate permanent resident status to undocumented workers currently in the United States and establishes an expeditious and non-punitive road to citizenship for these workers and their families. Such an immigration bill must not include guest worker programs that further exploit these workers and undercut all workers' rights to organize and to secure humane wages and working conditions.

In addition, we must not devote additional resources to militarizing the nation's borders. Since the passage of the restrictive 1994 Immigration Reform Act, the federal government has spent more than \$30 billion on border enforcement. This has not deterred unauthorized border crossings. Instead, it has lined the pockets of "coyotes," or smugglers who serve the needs of exploitative employers searching for cheap labor. The practice of human smuggling has already led to the cruel, painful deaths of some 4,000 people in the deserts of the Southwest and in the holds of ships.

#### **•Control Corporations by Expanding Democracy**

Rolling back the privatization of inherently governmental functions can start with fighting the move to subcontract vote counting.

We need to organize and protect certain parts of the natural, social, and political commons. Community-based trusts and cooperative ventures need to be bolstered by fiscal, tax, and financial policies that balance or eliminate the deeply embedded advantages collectively known as "corporate welfare." We also must curb monopoly patents on property related to public health and products developed with research funded at least in part by taxpayers.

Because they create serious public harms, recidivist lawbreaking companies should be forced into receivership and restructured to eliminate the sources of criminal behavior. Similarly industrial sectors involving inherently

dangerous technologies that pose a fundamental public health threat or inordinate costs borne by the public should be restructured under federal charters that require them to undergo transitional planning (e.g., force tobacco companies to stop advertising for new customers and direct a portion of their revenues to public hospitals to offset some of the costs of secondhand smoke, as well as to tobacco farmers seeking to convert their operations).

Fuel and power companies that refuse to invest in sunrise technologies that will help society make the transition away from fossil fuels should be threatened with nationalization. Any bailout of strategic sectors (e.g. the auto industry) should come with significant requirements to redirect their operations toward solving such national policy challenges as mass transit.

#### **•Challenge the Power of Corporate-Dominated Media**

Challenging corporate control of the media is essential to restoring democratic discourse and resisting corporate power. Although the American people collectively own the airwaves, with an estimated access value of \$750 billion, the public receives virtually nothing in return for spectrum licenses the FCC grants for free to corporate broadcasters. Regulatory palliatives—including the public interest doctrine—have been eviscerated, as public television and radio are co-opted and community voices are marginalized. We need trust busting to break up media monopolies where one corporation can simultaneously control radio, television, newspaper, and cable service in a single media market. Federal dollars in the form of grants or small business loans can go to nonprofits looking to start local newspapers, cable stations, low-watt radio stations, and even satellite radio connections. The federal government should fulfill its commitment to expanding and modernizing the Internet the way it did in funding the U.S. highway system and rural electrification by ensuring that any future rollouts of high speed connectivity be available in every community, regardless of income or population concentration.

## **•Institute Democratic Public Regulation of Finance Markets**

Thirty years of neoliberal Democratic and “free-market” Republican administrations have destroyed the publicly accountable federal regulation of capital and financial markets that the social movements of the Great Depression imposed upon a resistant capitalist elite.

The disasters of 30 years of “free-market” mania—duplicitous accounting practices, corporate stripping of pension fund assets, predatory lending, and “mega-bank” marketing of nontransparent, speculative financial instruments—has brought the productive economy to its knees.

To rein in global capital’s scavenging for short-term speculative gain, democratic, public control of the financial system must be reasserted, rebuilt, and improved. Such democratic regulation would include:

1. Restoring the 1938 Glass-Steagall Act’s separation of finance banks from commercial banks;
2. Instituting vigorous federal and state regulation of financial “rating agencies,” so highly risky, speculative financial instruments are no longer certified as “investment grade” and “credit worthy”;

3. Re-creating a federally regulated savings and loan industry whose sole purpose is to provide affordable mortgages to middle- and working-class home buyers;
4. Strengthening federal and state support for worker- and consumer-owned credit unions that provide affordable credit to working- and middle-class consumers.

## **•Reframe Political Democracy as a Public Good**

The present system of financing political campaigns with private contributions is fundamentally anti-democratic. It is, in effect, a system of one-dollar/one-vote instead of one-person/one-vote. Even with the netroots sparking wider interest in campaign funding, the bulk of contributions still come from less than 1 percent of the population.

This results in a system of legalized bribery where big contributors buy privileged access to public officials and where politicians favorable to wealth and privilege benefit, tilting the legislative playing field toward concentrated wealth on every issue.

Public financing of campaigns has been adopted by several states under the slogan “Clean Money, Clean Elections” and should be enacted nationally, as proposed by Minnesota’s late Senator Paul Wellstone and others.

## **The Fourth Pillar Develop Global Institutions that Advance Labor and Human Rights and Provide for a Sustainable Environment**

The struggle for social justice at home is inextricably tied to the struggle for social justice abroad. Thus, an economic justice agenda would press the U.S. to support the creation of international trade and investment agreements that provided for sanctions against violators of basic human and labor rights. It would also press for the creation of international courts to address crimes committed by multinational corporations. While the world may indeed be flattening and greater economic and cultural global integration may be inevitable, it can only benefit the vast

majority of the world’s people if democratic social movements, political parties, and trade unions regulate such processes. And unless the U.S. takes the lead in curtailing greenhouse emissions and substituting renewable energy for fossil fuels, there can be no future for the movement for social justice—or even for human existence.

The neo-liberal policies of the current IMF and WTO guarantee the ability of capital to invest in countries whose governments suppress basic labor and human rights. Absent democratic control of international institutions, the power of

capital to pursue its parochial, short-term interests will remain unchecked. The U.S. must renegotiate “free trade” agreements such as NAFTA so that developing nations regain the ability to regulate the behavior of foreign investors and to control their economic destiny.

Restructuring the global economic system to enable developing countries to build more integrated and equitable economies would curtail the “push” factor behind global migration. Greater labor rights in the advanced industrial world would curtail the unquenchable thirst of corporate agriculture and food processing industries in the United States—as a raise in wages and benefits would compel these industries to increase labor productivity.

#### **•Treat The Global Environment as the Ultimate Public Good**

A healthy environment, the ultimate public good, is gravely threatened by a system that rewards insatiable corporate greed. The threat to the planet due to carbon dioxide emissions from the burning of fossil fuels will be a major challenge facing humanity in the 21<sup>st</sup> century.

We believe that it is possible to sustain economic development in the developing world while protecting natural resources and controlling the burning of fossil fuels. While it is true that development increases per-capita energy use, massive evidence shows that birth rates decline as societies develop industrially. Therefore, it would be self-defeating to attempt to protect the world’s environment by keeping in place the enormous gap in the standard of living between the global north and the global south.

The United States is both the world’s largest producer of CO2 emissions and—at least among developed nations—the most inefficient consumer of energy. Therefore, the responsibility for dealing with this crisis falls on U.S citizens

more than any others. Improvements in public transportation and regional planning can not only dramatically reduce energy waste, commuting time, and stress but also begin to reverse the race and class segregation characteristic of suburban sprawl. As a start, we need massive programs for research and development of renewable energy resources, public transportation, and retrofitting of buildings for energy conservation now. The kind of changes that would reduce U.S. per capita energy consumption, even to European levels, will require a level of domestic mobilization not seen since World War II. The high-wage jobs that would be thus created would not be exportable and would renew the possibility of a confident, upwardly mobile industrial working class.

A transformed U.S would provide a quality of life equal or superior to what we have now.

The challenge of climate change is an economic, scientific, and labor issue much more than a traditional environmental issue. Therefore, we advocate that the labor movement take the lead in pushing Congress to enact a massive program of public investment in energy efficiency and renewable energy, as proposed by the Apollo Alliance, which sees clean energy and more jobs as reinforcing each other.

Fresh water and biodiversity are also renewable but finite resources being exploited unsustainably. The privatization of water, another essential public good, is a critical issue in much of the world and needs to be resisted and reversed.

In short, we need a global Marshall Plan for sustainable development to reverse the race to the bottom in wages, taxation, health, and environmental regulation. It can be funded by a global punitive “Tobin tax” on speculative transfers of funds and currency in and out of the financial and stock markets of developing nations.

## **Bringing it all Together Reverse Inequality through Social Solidarity**

Absent a democratic state providing for basic human needs and a democratic framework

allowing people to make those needs known, capitalism engenders inhuman levels of social

inequality. For all citizens to flourish, they must have equal access to high quality, equitably financed education, health care, childcare, and housing. In addition, only through publicly provided social insurance can we protect ourselves against the vicissitudes of the market and the course of life, such as unemployment, illness, disability, and old age.

The economic justice agenda sketched above is not a comprehensive program for social and economic justice. We will need additional measures and careful democratic oversight of state provision to ensure that these programs lead to a truly just society. Expanding access to health care services will be as important as expanding health coverage if the United States is to eliminate the racial disparities in the population's health. Nor will increased public spending to create a high quality education system for all eliminate the need for affirmative action programs that take

into account race, class, and gender inequalities, as well as the isolation of the inner city poor.

By uniting behind a program that restores faith in democratic government, re-institutes progressive taxation, defends and extends public goods and social insurance, restores and expands labor rights, and builds just global institutions, democratic forces can curb the power of corporate elites and reverse corporate globalization's exacerbation of inequality. The corporate domination of U.S. politics and society has undermined ordinary people's living standards most egregiously over the last thirty years, most perniciously for those already beaten down. Only by democratizing the distribution of power in the United States can we restore the promise of the American Dream to those who have seen it taken away while extending that promise to those previously excluded from full membership in our society.

## About This Document

*Toward an Economic Justice Agenda* is a perspectives piece we hope will lead to a consensual legislative and political program around which a broad coalition of progressive groups can coalesce. In order to develop a well-articulated perspective that has truly broad support and can focus the work of the many movements for social change in the U.S., we have revised previous drafts with input from DSA members as well as nonmembers and other organizations that make up the broad progressive community and are engaged in similar

discussions. Following that feedback, discussion and debate, we formally adopted an official DSA version at our national convention in November 2007.

To arrange a speaker to talk to your organization about this document and the politics behind it, please contact our national office: (212) 727-8610. If the views we express motivate you to join DSA, please return the membership coupon below. To find out more about DSA, visit our Web site at [www.dsausa.org](http://www.dsausa.org).

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