

**AMERICA 101**  
**By Bill Moyers**

*(Bill Moyers, president of the Schumann Center for Media and Democracy, delivered these remarks in San Diego on October 27, 2006 to the Council of Great City Schools, an organization of urban public school systems.)*

You honor me with this opportunity and you flatter me with the intimation that I might have something to say about urban education that you don't already know. Alas, I don't. You are the experts here. You deal every day with realities I know about only as an observer, a journalist.

This I do know: We should be honest about what we mean by "urban education." We are talking about the poorest and most vulnerable children in America – kids for whom "at risk" has come to describe their fate and not simply their circumstances.

Their education should be the centerpiece of a great and diverse America made stronger by equality and shared prosperity. It has instead become the epitome of public neglect, perpetuated by a class divide so permeated by race that it mocks the bedrock principles of the American Promise.

It has been said that the mark of a truly educated person is to be deeply moved by statistics. If so, America's governing class should be knocked off their feet by the fact that more than 70% of black children are now attending schools that are overwhelmingly non-white. In 1980 that figure was 63%. Latino students are even more isolated. *Brown v. Board's* "all deliberate" speed of 1954 has become slow motion in reverse. In Richard Kahlenberg's words, "With the law in retreat, geography takes command."

Not just the kids suffer. A nation that devalues poor children also demeans their teachers. For the life of me I cannot fathom why we expect so much from teachers and provide them so little in return. In 1940, the average pay of a male teacher was actually 3.6% more than what other college-educated men earned. Today it is 60% lower. Women teachers now earn 16% less than other college-educated women. This bewilders me. Children aren't born lawyers, corporate executives, engineers, and doctors. Their achievements bear the imprint of their teachers. There was no Plato without Socrates, and no John Coltrane without Miles Davis. Is there anyone here whose path was not marked by the inspiration of some teacher? Mary Sullivan, Bessie Bryant, Miss White, the Brotze sisters, Inez Hughes – I cannot imagine my life without them. Their classrooms were my world, and each one of them kept enlarging it.

Yet teachers now are expected to staff the permanent emergency rooms of our country's dysfunctional social order. They are expected to compensate for what families, communities, and culture fail to do. Like our soldiers in Iraq, they are sent into urban combat zones, on impossible missions, under inhospitable conditions, and then abandoned by politicians and policy makers who have already cut and run, leaving teachers on their own.

One morning I opened *The New York Times* to read that tuition at Manhattan's elite private schools had reached \$26,000 a year, starting in kindergarten. On that same page was another story about a school in Mount Vernon, just across the city line from the Bronx, where 97% of the students are black and 90% of those are so impoverished they are eligible for free lunches. During Black History month, a six-grader researching Langston Hughes could not find a single book by Hughes in the library. This wasn't an oversight: There were virtually no books relevant to black history in that library. Most of the books on the shelves date back to the 1950s and 1960s. A child's primer on work begins with a youngster learning to be a telegraph delivery boy!

It has taken constant litigation to bring to light this chronic neglect of basic learning in poor communities. Just seven years ago (1999) the Department of Education said that \$127 billion was needed to bring "the nation's school facilities into good overall condition." The National Education Association put the figure at \$268 billion—that's just to make sure our kids are physically safe, 28 or 30 or even 32 or more to a classroom. Now the New York State Court of Appeals has ruled that the New York City school system alone is due approximately \$15 billion "to provide students with their constitutional right to the opportunity to receive a sound basic education."

Surely this inexcusable under-investment is one significant reason why, despite our national wealth and GDP which are higher than virtually all of Europe combined, American students as a whole fare are so poorly compared to their counterparts in other advanced countries. In 2003, the United States ranked 24<sup>th</sup> out of 29 advanced countries in combined mathematical literacy, according to the Program for International Student Assessment. A better ranking in combined reading literacy—15<sup>th</sup> out of 27 Organization for Economic Cooperation and Development countries in 2000—might be counted a success when compared to our abysmal math performance, but this can hardly be comforting if we consider that students are performing significantly better in countries without America's vast wealth.

The neglect of urban education – a capital moral offense in its own right – is but a symptom of what is happening in America. We are retreating from our social compact all down the line.

Our country is falling apart. Literally. Last year (2005) the American Society of Civil Engineers issued a report on our crumbling infrastructure. The engineers said we are "failing to maintain even substandard conditions" in our highway system – with significant economic effects. Poor road conditions cost motorists \$54 billion a year in repairs and operating costs, and the 3.5 billion hours per year Americans spend stuck in traffic, costs the economy more than \$67 billion annually in lost productivity and wasted fuel.

The report said the country's power grid is likewise "in urgent need of modernization" as maintenance spending on transmission facilities has declined one percent annually since 1992, while growth in demand has risen 2.4% annually over the same period. In 2002, the Department of Energy warned that system "bottlenecks" due to

transmission constraints were adding to consumer costs and threatening blackouts. The next August (2003) a blackout blanketed the Midwest and Northeast (and parts of Canada), leaving 50 million people in the dark, some for days, costing billions of dollars in lost commerce and production.

Even our much-touted technological superiority is in doubt. As my colleagues and I reported on my most recent PBS special – *The Net at Risk* – Asian and European countries have raced ahead of us in broadband speed – pushing America from 4<sup>th</sup> to 12<sup>th</sup> place on the information superhighway. The Japanese, for example, have near-universal access to high-speed broadband connections, averaging 16 times faster than U.S. connections at a much lower cost.

Connect the dots: Neglected schools, crumbling roads, permanent environmental “dead zones,” inadequate emergency systems, understaffed hospitals, library cutbacks, the lack of affordable housing, incompetent government agencies, whether it is FEMA or state bureaucracies charged with protecting helpless children – these are characteristic features of our public sector today. Partly it’s about money; little noticed amid all the concern about growing deficits and entitlement spending is this fact – non-defense discretionary spending declined 38% between 1980 and 1999 as a share of Gross Domestic Product. According to economists Barry Bluestone and Bennett Harrison, federal investment in non-defense capacities, including research and education, plummeted in the 1980s – from over 2.5% of GDP to only 1.5% in the late 1990s.

The scariest thing is that this is only the beginning. America’s ship of state is floating in a sea of red ink. In an important but largely neglected report in 2002, Kent Smetters and Jagadeesh Gokhale found that our fiscal gap – the difference (in present value) between the government’s future receipts and expenditures – assuming the same net tax rates going forward, was a staggering \$45 trillion dollars. This is \$4 trillion more than the entire capital stock of industry (\$25.9 trillion) and total market capitalization (\$14.3 trillion) in 2003.

I said the report was “largely neglected.” Ironically, it was originally commissioned by then-Secretary of the Treasury Paul O’Neill, but the government never released it, and O’Neill was fired shortly after it was completed. Later it was made public by a conservative Washington think tank on the condition that all visible traces to the Treasury Department be expunged. Is it possible the suppression had anything to do with the third round of major tax cuts the White House had on tap for 2003?

In their study Smetters and Gokhale provide a “menu of pain” we can choose from to close the fiscal gap. If we start today, we could raise federal income taxes by 69%, or increase payroll taxes (our most repressive tax) by 95%. On the other hand, we could cut federal discretionary spending by 106%, or permanently cut Social Security and Medicare benefits by 45%. Or we could do a combination of both at more “moderate” levels.

The “menu of delayed pain,” if we wait even three years to begin significant changes, is far worse. By 2008, to close the fiscal gap we would need to raise payroll taxes 103% or cut benefits by 47%. If we wait 15 years, compound interest will raise our fiscal gap to \$76 trillion. These figures underestimate the problem because the underlying fiscal gap was dramatically increased, by \$6 trillion, when Congress, in one of the biggest giveaways to corporations in recent years, passed that new Medicare drug benefit in 2003. At \$51 trillion, government liabilities outstrip the current net worth of our population by nearly \$10 trillion. Put another way, as Matt Crenson recently did for *The Associated Press*, if the United States government conducts business as usual over the next few decades, a national debt that is already \$8.5 trillion could reach \$46 trillion or more, adjusted for inflation. “That’s almost as much as the total net worth of every person in America—Bill Gates, Warren Buffett and those Google guys included,” says Crenson.

This is the picture as 77 million longer-living baby boomers are on the way to retirement, confronting America with a “coming generational storm” (Laurence Kotlikoff and Scott Burns) that threatens to swamp the U.S. government if not our entire financial system. Gokhale and Smetters calculate that by 2030 Medicare will be about \$5 trillion in the hole, measured in 2004 dollars. By 2080, the fiscal imbalance will have risen to \$25 trillion.

It’s not that the public at large doesn’t care about the looming catastrophe. In a survey of 807 Americans last year by the Pew Center for the People and the Press, 42% of respondents said reducing the deficit should be a top priority; another 38% said it was important although a lower priority.

Nonetheless, President Bush acts as if he has a divine mandate to make the fiscal gap even worse. When he took office in 2001, his top priority was to give the richest of the rich hundreds of billions of dollars in tax cuts (Richard Cheney said they deserved it). The President prevailed, even pushing through a second and third round of tax cuts despite increased spending on homeland security and fighting terrorists abroad. Bush’s 2001 tax cut alone gave the richest 1% of Americans \$ 479 billion over ten years. His first two tax cuts account for a hefty 15% of the total fiscal gap going forward. At the same time, creditors and employers are now blatantly using government to cushion themselves against future losses, in what is certain to be a broadening trend. Last year the President signed a bill some of his richest contributors had been pushing for eight years. The new law imposes a stringent means test designed to force ordinary people in bankruptcy to continue paying a portion of their debt. Yet the bill does nothing about homestead exemptions used by the privileged to shield their money in real estate. Furthermore, after the new bankruptcy law was passed, a federal judge rules that United Airlines, reorganizing under bankruptcy, could dump \$6.6 billion worth of pension obligations onto the government’s Pension Benefit Guaranty Corporation, essentially making taxpayers pay its pension costs and leaving many of its workers with diminished benefits. The pension agency, it should be noted, is itself already \$23 billion in the red.

All this comes at a point when American workers are losing ground in the marketplace as cheaper labor overseas becomes increasingly available through globalization, trade agreements, foreign investment, and technological outsourcing.

Rub the crystal ball: In the next few decades, when the huge liabilities start coming in due to Social Security and Medicare, there may be nothing left – less than nothing left – for public needs like education, highways, disaster relief, and social services, let alone national healthcare.

Small wonder that the Wall Street investor, Pete Peterson, a life-long Republican who served as President Nixon's Commerce Secretary, says our children's future is being ruined by a reckless fiscal "theology."

Theology asserts propositions that are believed whether or not they meet the test of reality. Not only do our governing elites act as if there's no tomorrow, they behave as if there is no reality. Alas, they won't be around to feel our grandchildren's pain.

In his recent book *Collapse: How Societies Choose to Fail or Succeed*, the Pulitzer-prize winning anthropologist Jared Diamond writes about how governing elites throughout history isolate and delude themselves until it is too late. He reminds us that the change people inflict on their environment was one of the main factors in the decline of earlier societies. For example: the Mayan natives on the Yucatan peninsula who suffered as their forests disappeared, their soil eroded, and their water supply deteriorated. Chronic warfare made matters worse as they exhausted dwindling resources. Although Mayan kings could see their forests vanishing and their hills eroding, they were able to insulate themselves from the rest of society. By extracting wealth from commoners, they could remain well fed while everyone else was slowly starving. Realizing too late that they could not reverse their deteriorating environment, they became casualties of their own privilege.

Any society contains a built-in blueprint for failure, Diamond warns, if elites insulate themselves from the consequences of their decisions. Then he describes an America in which elites have cocooned themselves in gated communities, guarded by private security patrols and filled with people who drink bottled water, depend on private pensions, and send their children to private schools. Gradually they lose their motivation to support the police force, the municipal water supply, social security, and public schools.

The isolation of our schools, the crumbling of our infrastructure, and the reckless disregard of our fiscal affairs signal a retreat from the social compact that made America unique among nations. Our culture of democracy derived from the rooted experience of shared values, common dreams, and mutual aspirations that are proclaimed in the most disregarded section in the Constitution – the prologue – which announces a moral contract among "We, the People of the United States." Yes, I know: When those words were written "We, the People" didn't include slaves, or women, or exploited workers, or unwelcome immigrants. To our everlasting shame America nurtured slavery in the cradle

of liberty. But, oh, the very idea of it, the vision of it, the potential power of “We, the People” let loose in that brief astonishing span of history was to change the consciousness of the world. How radical it was – the notion that “life, liberty, and the pursuit of happiness” is every human being’s birthright – that all of us are equal in the scheme of Providence that every citizen shares equally in the consent required for self-government in the grand adventure of independence.

There was a time some years ago when in my head I carried on an argument with Thomas Jefferson about this. I quarreled with his assertion about “equality being self-evident.” Where I lived talent, opportunity, and outcomes were not equal. Then, one day, while I was filming a series at Independence Hall for a documentary on the anniversary of the Constitution, it hit me full force: Jefferson had an intimate understanding of the contradiction in his assertion which would give it even greater force down through the years. The hands that wrote “All men are created equal” also stroked the breasts and caressed the thighs of a black woman named Sally Hemings. It’s true: The man whose noble words fired the revolutionary spirit in his generation had a long-term sexual relationship with this slave, and the children she bore him – his children – were slaves themselves. One guest at Monticello was startled to look up from dinner to see a young servant who was the spitting image of the master at the head of the table. Jefferson never acknowledged these children as his own, and as he grew older, he relied more and more on slavery to keep him financially afloat. When he died his slaves were sold to satisfy his creditors – with this exception: Through an obscure passage in Jefferson’s will – one she must have negotiated with him – Sally Hemings was the only slave at Monticello to secure the freedom of her children.

Think about it: Thomas Jefferson knew the truth even as he was living the lie. He had to know the flesh-and-blood woman in his arms was his equal in her desire for life, her longing for liberty, her passion for happiness. In a PBS series about the Declaration of Independence, the late philosopher Mortimer Adler said that whatever things are really good for any human beings are really good for all human beings – that what the richest parents in the country want for their children – the goods essential for life, liberty, and happiness – is what the poorest parents want for their children. The happy or good life is essentially the same for all: a satisfaction of the same needs inherent in human nature. So Sally Hemings’ heart burned with the pain of an inaudible cry: *Let my children go!*

I believe this is the agitating nucleus of the American experience – the relentless dynamo of desire that drives the American Dream. We want a better life for our children. That dream was made possible by the Revolution, for Jefferson’s Declaration proclaimed an end to arbitrary rule and ultimately produced a form of government that meant kings and their courtiers – the people at the top – the powerful and the privileged – the master class – couldn’t keep it all to themselves. Once let loose the notion “We, the People” – the sentiment of equal rights and equal opportunity and equal citizenship – could never again be caged. In time even slaves would invoke those ideas to claim their freedom. Yes, I know: It took a bloody civil war to end slavery and yet another century before we confronted slavery’s bastard son, segregation. Oppression is stubborn and

privilege resistant, and the promise of America has long been ripening. But it's in our DNA and you can't kill it – no matter how hard some people keep trying.

Abraham Lincoln understood this. He was the first American president to recognize fully that democracy requires an economic system in which individuals can enjoy the fruits of their labor, and that the job of government was to keep the playing field level. Lincoln fought to preserve the Union because he knew government “of the people, by the people, and for the people” rested on economic opportunity, social mobility, and shared prosperity. American's great strength, in his eyes, derived from a unique and balanced blend of democracy and capitalism, and as the president of the Rockefeller Brothers Fund, Stephen Heinz, recently put it, “It is hard to imagine either democracy or capitalism functioning at peak performance without the other.”

But look around: Democracy has been made subservient to capitalism, and the great ideals of the American Revolution as articulated in the Preamble to the Constitution are being sacrificed to the Gospel of Wealth (for a brilliant exegesis of this development, read *The American Dream vs. The Gospel of Wealth* by Norton Garfinkle, Yale University Press, 2006.)

I could recite all the evidence, but I am sure you've heard it; you see it every day, all around you. Despite continued growth in the economy, real median household income declined between 2000 and 2004. Between 1980 and 2004, real wages in manufacturing fell 1% while the real income of the richest 1% rose – by 135%. In 1976 the top 1% of Americans owned 22% of our total wealth. Today, the top 1% controls 38% of our total wealth. In 1960, the gap in terms of wealth between the top 20% and the bottom 20% was 30 fold. Now it is more than 75 fold.

Such concentrations of wealth would be far less of an issue if the rest of society were benefiting proportionately. But that's not the case. According to Census Bureau data, Americans have become progressively less likely to advance up the socio-economic ladder. One study cited by Stephen Heinz concludes, “The rich are likely to remain rich and the poor are likely to remain poor.”

Aristotle thought injustice resulted from *pleonexia*, literally, “having more.” A class of people having more than their share of the common wealth was the characteristic feature of an unjust society. Plato thought that the common good required a ratio of only 5 to 1 between the richest and poorest members of a society. Even J.P. Morgan thought bosses should only get twenty times more than their workers, at most. How quaint: in 2005 the average CEO earned 262 times what the average worker got.

As hard as it is to believe, the average real weekly wage for blue-collar workers, adjusted for rising costs of living, was about \$278 a week in 2004 (in constant 1982 dollars). In 1972, it was \$332 a week. That's not a slight downward trend – it's a significant and steady decline. So what of the panacea, economic growth – remember the rising tide that lifts all boats? What we are seeing today is closer to the old view of class struggle. A recent Goldman Sachs report says it outright: “the most important contributor

to higher profit margins over the past five years has been a decline in labor's share of national income.”

Yet in a country where the press now represents the dominant class through an unprecedented concentration of media ownership, instead of this remarkable divergence of profits and wages making news, what grabs the headlines is the triumphal surge of the stock market to old highs. At the same time, the share of Gross Domestic Product going to wages is now at the lowest point since 1947, when the government started measuring things. Those who look fondly on “market discipline” that's been keeping wages down, ignore the deep distortions built into a system in which capital is highly organized and workers are not.

So it is that to make ends meet in the face of stagnant or declining incomes, regular Americans have gone deeper and deeper in debt – with credit card debt nearly tripling since 1989. Poor kids are dropping out of high school and college at alarming rates, the middle class and working poor have been hit hard by a housing squeeze, 45 million or more Americans – eight out of ten of them in working families – are without health insurance. “The strain on working people,” says the economist Jeffrey Madrick, “has become significant. Working families and the poor are losing ground under economic pressures that deeply affect household stability, family dynamics, social mobility, political participation, and civic life.”

The American Dream has had its heart cut out, and is on life support.

This wasn't meant to be. America was not meant to be a country where the winner takes all. Our system of checks and balances – read the Federalist papers -- was going to keep an equilibrium in how power works, and for whom. Because equitable access to public resources is the lifeblood of democracy, Americans made primary schooling free to all. Because everyone deserves a second chance, debtors – especially the relatively poor – were protected by state law against rich creditors. Charters to establish corporations were not restricted to elites. Government encouraged Americans to own their own piece of land, and even supported squatters' rights. Equal access to opportunity began to materialize for millions of us.

When I was born my father was making \$2 a day working on the highway. He and my mother were knocked down and almost out by the Great Depression and were poor all their lives. But I had access to good public schools. My brother went to college on the GI Bill. When I borrowed \$450 to buy my first car, I drove to a public university on public highways and rested in public parks. I discovered America as a shared project, the central engine of our national experience.

I don't need to tell you that a profound transformation is occurring in America. And it's man-made. Over the last 30 years a disciplined, well-funded and closely-coordinated coalition of corporate elites, power-hungry religious conservatives, and hard-line right-wing operatives has mounted an aggressive drive to dismantle the public foundations and philosophy of shared prosperity and fairness in America.

It's all right there in bold letters in the early manifestos of the Reagan Revolution – essential reading like William Simon's *A Time for Truth*. He argued that “funds generated by business” would have to “rush by multimillions” into conservative causes to uproot the institutions and the “heretical” morality of the New Deal. An “alliance” between right-wing leaders and “men of action in the capitalist world” must mount a “veritable crusade” against everything brought forth by the Progressive era. Reading right out of the new reactionary playbook, the business press somberly concluded that “some people will obviously have to do with less...It will be a bitter pill for many Americans to swallow the idea of doing with less so that big business can have more,” *Business Week* sermonized.

They succeeded beyond expectations. Instead of trying to keep a level playing field, government now favors the rich, powerful, and privileged. The public institutions, the laws and regulations, the ideas, norms, and beliefs which aimed to protect the common good and helped to create America's iconic middle class, are now gone, greatly weakened, or increasingly vulnerable to attack. The Nobel Laureate economist Robert Solow sums it up succinctly: What it's all about, he says, “is the redistribution of wealth in favor of the wealthy and of power in favor of the powerful.”

Walking out of Union Station in Washington the other day, I saw the huge dome of the Capitol and was immediately struck by the realization that there's not a stone in that building that isn't owned by the people who make the big contributions. They own both ends of Pennsylvania Avenue lock, stock, and barrel. The simple proposition of the common good that might balance the influence of organized wealth with the interests of ordinary people – the most basic assumption of all political teaching since ancient Greece – is written out of Washington life.

Here's an example of the difference it makes. I learned of this parable from the maverick tax journalist David Cay Johnston:

Maritza Reyes cleans houses in East Los Angeles. She scrubs toilets and mops floors for about \$7,000 a year. She is also a liar and a fraud, if you believe the IRS after agents audited her tax returns. They didn't find unreported income or mysterious deductions on her returns; no, they found an address they thought made her ineligible to claim an Earned Income Tax Credit. She was ordered to return several years' credits, equal to nearly a year's worth of her wages.

The Earned Income Tax Credit is for the working poor, mainly those with children. First enacted in 1975, praised by Ronald Reagan, and significantly expanded under President Clinton, it helps lift working-poor families out of poverty by reducing their income taxes below zero and thus supplying a refund. It is essentially a type of wage support. Without it we would have many millions more in poverty today.

But after Clinton expanded the credit, the self-styled conservative revolutionaries who took over Congress in 1994 started to attack it as “backdoor welfare,” or, as Oklahoma Senator Don Nickles put it, as an “income redistribution program.” To save it,

Clinton cut a deal with the Republicans that gave them more than \$100 million a year for IRS audits of people who file for the credit. It was hard for the radicals to repeal a tax policy that rewarded work when they were trying to abolish welfare for rewarding indolence. So they changed their drumbeat to fraud and deceit, making a cottage industry of attacking the credit as a haven for tax cheats.

The IRS said Reyes was cheating because she had an address that made it appear she lived with her husband. In fact, they were separated and she lived in a cottage at the back of his lot with their younger son—probably one step away from being homeless. Under the law, she is eligible for the Earned Income Tax Credit as a single “head of household” with children, but the IRS set out to prove that she was really living high-off-the-hog under her husband’s roof and her head-of-household filing was a charade designed to bilk the government.

But when the Tax Court judges came to Los Angeles in 2000, IRS lawyers had no evidence to disprove Reyes’ claims that she was head of a separate household on her husband’s lot. A student from Chapman Law School helped her prevail before the tax judge, noting that “if just one person had taken the time to listen to her they would have seen what the judge did.” To Frank Doti, head of Chapman’s legal clinic for poor people, Reyes’s case is typical of what he’s seen in recent years: government comes down hardest on the easiest targets—those without resources and power to defend themselves.

How does this measure-up in the scales of justice?

In 2001, 397,000 people who applied for the Earn Income Tax Credit were audited, one out of every 47 returns. That’s a rate eight times higher than the rate for people earning \$100,000 or more. Only one out of every 366 returns of wealthy households was audited. Over the previous 11 years, in fact, audit rates for the poor increased by a third, while the wealthiest enjoyed a 90% decline in IRS scrutiny. Of all the 744,000 tax returns audited by the IRS in 2002, more than half, David Cay Johnston finds, were filed by the working poor. More than half of IRS audits targeted people who account for less than 20% of taxpayers, the poorest 20%.

Now take a look at the 1998 tax return of President George W. Bush, when he was part-owner of the Texas Rangers baseball team. Never mind that he was also Governor of Texas at the time, he reported income of \$18.4 million that year, \$15 million of which was a capital gain from his Rangers’ stake when the team was sold. In fact, based on his investment, he was only entitled to a \$2.2 million capital gain, but he was given a performance bonus for his work as a team executive. This was considered part of his capital gain and not counted as income, however, and so it was taxed at the then-20% rate for capital gains (now lowered to 15%) instead of at the then-top income tax rate of 39.6%. A perfectly legal sleight-of-hand that netted him an extra \$3 million dollars in foregone taxes on top of the eight-figure gift conferred by his partners.

It doesn’t add up, does it? Spend \$100 million a year of taxpayer money to audit the working poor, while actively foregoing billions in revenue from the wealthy who hide

or defer their income as capital gains. But of course the government piles much, much more onto the rich man's side of the scale: every year, as much as \$70 billion is legally sheltered from taxation in off-shore trusts and other financial devices. Big accounting firms like Ernst & Young actually sell tax shelters for a good share of their own huge profits. One of their "products" costs \$5 million and, in exchange, the client gets up to \$20 million in tax obligations wiped out.

It's stunning. All told, we have a "tax gap"—the difference between taxes owed and taxes paid—of more than \$345 billion a year, more than nine times our entire homeland security budget. There's an entire new cottage industry devoted to making tax obligations disappear. In other words, helping the rich get richer at the expense of those who have no choice but to pay their fair share—and mostly feel obligated to do so anyway. And make no mistake; every foregone dollar the rich owe is one you ultimately pay for in either higher taxes or fewer services down the road. When our tax code permits such public larceny, you know who writes the laws in this country.

And even those who break the law have less and less to fear: last summer the IRS quietly moved to eliminate the jobs of nearly half of its estate tax auditors, a move that one IRS lawyer described as a "backdoor way for the Bush administration to achieve what it cannot get from Congress, which is repeal of the estate tax."

William Henry Harrison, our ill-fated ninth president and unlikely Whig populist, once said that it's "true Democratic feeling that all the measures of the Government are directed to the purpose of making the rich richer and the poor poorer." I'd say it's more than a feeling. It's the God's honest truth, and we need to see it for what it is – the betrayal of the American Revolution.

The journalist of the revolution, Thomas Paine, described the United States of his day as the Archimedean point of democratic liberty. He quoted the Greek proverb, "Had we a place to stand upon, we might raise the world." To Paine, that place was the United States of America in 1792. But that promise has been blunted by the counter-revolution of the last 30 years celebrating ostentatious wealth, inequality, and social Darwinism. The egalitarian creed of our Declaration of Independence is mocked in all but name, and the bar of tolerance for inequality is now brought so low that genetic sorting in the human population is once again respectfully debated as a leading cause. The wealthy governing elites in America today – corporate executives, wealthy contributors, and the officials they have bankrolled into office – possess a degree of power and separation befitting a true ruling class. They are the Mayan kings and priests of the 21st century.

We know now that "a new nation, conceived in Liberty, and dedicated to the proposition that all men are created equal," can, indeed, perish. And perish not under fallen battlements and bombs raining down and the sneak attack of some fanatical distant foe, but by the deliberate plunder of an organized minority – for our governing elites do not represent the majority of Americans – that methodically imposes its will on the laws and institutions of a people until the whole foundation has become their very throne.

What these 30 years of redistributing wealth upward have done to America is documented in a growing literature on inequality and its social consequences. But the spiritual costs – lost moral confidence in democracy, failing empathy, growing distrust and division – may be greater.

Yet history tells us that concentrated wealth and political power can be challenged. The Jeffersonian “second revolution” of the 1790s; the populist revolt of the 1890s that led to the Progressive era of reform; the powerful electoral ratification of the New Deal; the equally powerful rejection of race and gender discrimination in the 1960s - - all manifested the ordinary beliefs and values, collectively revived, to confront the domination by wealthy elites that had debased the American Promise inherent in our revolutionary beginnings.

So I have a practical suggestion for those of you who are principals, superintendents, school board members, and teachers: Go home from here and revise your core curriculum. Yes, teach the three Rs; teach the ABCs; make sure your kids learn algebra, biology, and calculus. But teach them about the American Revolution – that it isn’t just about white men in powdered wigs carrying muskets in a time long gone. It’s about slaves who rose up and women who wouldn’t be denied and unwelcome immigrants and exploited workers who against great odds claimed the Revolution as their own and breathed life into it. Teach your kids they don’t have to accept what they have been handed. Teach them they are not only equal citizens under the law, but equal sons and daughters – heirs, everyone – of that revolution, and that it is their right to claim it as their own. Teach them to shake the torpor that has been prescribed for them by calculating elders and ideologues. Teach them there is only one force strong enough to counter the power of organized money today, and that is the power of organized people. They are waiting for this message; the kids in your schools have been made to feel as victims, powerless, ashamed, inferior, and disenfranchised. Tell them it’s a great big lie – despite their poverty, circumstance, and the long odds they’ve been handed, they have the power to make the world over again, in their image.

I was at the Presidio in San Francisco yesterday. That former military enclave beneath the Golden Gate Bridge is now a marvelous and beautiful center of vital commerce and civic purpose – saved from exploitation and despoliation by citizens who rose up on its behalf. On the wall of one of the main buildings I came upon a painting of an enormous deep blue wave with white caps against an equally blue sky. The artist’s inscription beneath the painting reads: “This human wave expresses the concept of people at the bottom rungs of society waking up to using their united strength to claim their universal rights to economic, social, and environmental justice.”

Put that in your core curriculum. It’s America 101.

*(Bill Moyers is grateful to Lew Daly, Senior Fellow of the Schumann Center for Media and Democracy, for his contributions to this speech.)*

