Stratification

I. Today

A. Look at sociological stratification: definition, types, explanation.

B. Examine conventional wisdom about upward mobility

(American dream)

C. Next quiz: Schlosser 6,7,8.

II. Stratification

A. Definition

1. structural inequality

2. system: rankinghierarchical

3. resources and benefits distributed

4. Life chances: Titanic

B. Two types

1. caste

a. examples

i. religion: India

ii. race: formerly South Africa

iii. gender: Saudi Arabia

iv. nobility: formerly England

v. ethnicity: Rwanda

b. characteristics

i. rigid hierarchy

ii. ascribed status

iii. no upward mobility

iv. complex set of norms: marriage, space etc

2. class

a. example: U.S.

b. characteristics

i. hierarchy

ii. upward mobility

iii. achieved status

iv. meritocracy

v. achievement norms

work ethic

education

attitude

c. conventional wisdom: upward mobility is reality

for most Americans

3. Sociological explanations

a. structural functionalism: social order

b. conflict: power (system of domination/subordination)

II. American Class System: the Promise

A. American Dream

1. equality of opportunity

a. hard work and talent will equal the

American dream

b.upward mobility

2. society as meritocracy

a. education

b. work

B. Inequality in America

1. do American institutions ameliorate inequality

or exacerbate it

2. do consistant and significant patterns of inequality

exist in American society

a. inequality growing greater or worse

b. how compared to other countries

3. how is this inequality institutionalized? is it part of the

American system

a. economy and the nature of work

b. education

4. Consequences

a. life chances or opportunities

i. access to social resources

ii. American dream

b. power

c. poverty

I. Inequality

A. Concentration of wealth

1. Wealth: two types

a. income producing

b. non-income producing

2. top 1% own

a. EZ 38.1%,

b. 50% (when not including residences)

c. 60% of business assets

3. Pattern or trend

a. increasing concentration of wealth

b. 1970s top 1% only 22% of all wealth

4. Comparison

a. historically: greatest concentration since Depression (Geni Index .82)

b. industrial countries

c. Concentration within top 1% (richest 400 $3b each)

5. Top 20% wealth

a. 84% (2001) of financial wealth

b. 91% of total wealth

c. received 90% of gains from 1983- 2000

d. comparative:

20% and bottom 20% of any industrial nation

C. Middle classes

1.wealth?

a. house and cars

b. some stocks

i. 43% of households own stock, a third have less than $2000

ii. bottom 80% own 6% of stock

iii. retirement and 401 Ks

2. middle class debt

a. home equity

b. 2/3rds of households say they are in significant debt

c. household debt: $7.5 trillion

E. Lower working class and poor

1. bottom 20% have no wealth

2. bottom 40% 0.2% and that is a change of -76.3%

F. Inequality by Income

1. Two types:

a. income from wealth

b. income from labor

2. The trend in income is the same as that of wealth,

becoming more and more concentrated in fewer

3. Income distribution after tax adjusted for inflation

77 99 77 99

lowest 20 5.7% 4.2% 10,000 8,800 -12%

11.5 9.7 22,100 20,000 -9.5%

16.4 14.7 32,400 31,400 -3.1%

22.8 21.3 42,600 45,100 +5.9%

Highest 20 44.2 50.4 74,000 102,300+38%

Top 1% 7.3 12.9 234,700 515,600+119%

5. pattern

a. top 1% largest share since Great Depression

b. 2000-2003: median real family income -$1500

c. mid-70s to present: 80% stagnant or declining

real wages

d. CEO 1980 42x to 2000 approx 400x

e. 2003 top 1% only segment to keep up with I nflation

G. Inequality by Race

1. Comparative wealth

a. Net worth wealth

i. white $81,700

ii. black $10,000

iii. Latino $3,000

b. Pattern: difference continues to increase

2. Comparative income

a. per capita income

i. Blacks and Hispanics approx 60%

ii. not improving

H. Inequality by gender

1. income women

a. income75% of male,

b. Bf 88%, Hf 74%,

2. comparison and pattern

c. 15Th compare to other countries

d. pattern

I. Consequences: health care system as the Titanic

1. Conventional wisdom: best health care in world

2. cost and comparison

a. WHO: ranks 37th

b. highest cost per capita and per country

c. 45 million without any health care

d. 50 million undercare

3. reflects system of stratification

a. wealthy: best health care in world

b. middle class: managed care

i. understaffed

ii. gaps in coverage

iii. no coverage of preconditons

iv. expensive

v. less treatment for medicaid

c. at the bottom

i. ER

ii. patient dumping

iii. black market

d. poor, minority, and women

i. fewer doctors

ii. pay more

iii. faulty or late diagnosis

iv. less high level treatment

II. Increasing inequality wealth and income: reasons

A. Lower tax rates

1. overall

2. capital gains

3. estate tax

B. Tax havens

C. Privileged investment opportunities

1. IPO: Initial public offerings

2. Insider knowledge

D. Externalization: public funds to private corporations

1. nuclear industry

2. fossil fuel industry: coal, oil, natural gas

3. bailouts

E. Corporate profits: Cutting jobs, benefits, retirement

III. Concentration of corporate ownership

A. Size

B. 500 corporations

1. account for 70 % of sales and profits

2. own 70% of business assets

C. Shared monopolies

D. Cause: deregulation

1. mergers: banks, oil companies, media, department stores

2. acquisitions

E. Are corporations people too?

1. historically: limits?

2. present: legal decisions?

3. interlocking board of directors

3. children -

a. Poverty - 21%, 1 out of 4,

b.1 out 2 minorities under 3

B. Taxation patterns and comparison

1. Heavy taxation on the wealthy redistributes the wealth and provides revenue for a safety net for the most

disadvantaged

2. Taxing the wealthy

1. Top 1%

a. Since 70s top tax rate has declined 70% to 39% (only 28% under Reagan)

b. pay a smaller and smaller share despite

their increase

c. 45% of $1 trillion + tax cut goes to top

1%

d. repeal of the estate tax only effects 2400

estates with assets exceeding $5 million

2. top 20% of income earners avg 25%

3. Social Security

a. capped around $85,000

b. wealthy don't pay beyond that

3. IRS and the wealthy 2x as much chance to be

audited if you make below $25,00

2. middle and lower tax groups have relatively high

tax rate relative to other industrialized countries

B. Taxing corporations

1. corporate taxes as per cent of revenue declining

a. 27% in 50s

b. 13% now

c. lowest rate in industrial nation most less than

20%

2. loopholes, tax credits, tax incenives

a. Enron paid no income tax in four out of five

last years will get rebate of

b. 1999 Microsoft and Cisco paid no income tax

c. Goodyear, Texaco, Colgate-Palmolive, MCIWorldCom + 8 made 1996-98 $12,5 billion

and paid no income tax, got $535 million back

d. tax rate for Texaco -8.8%(304 million), Goodyear

-9.9%($65m), Pfizer made $3+ billion, paid 3%

e. GE made $25billion paid 8%

3. IRS and the wealthy

a. decline in audits of hose making $100 thousand

or more

b. most chance of cheating

c. capital gains, rents, partnerships not subject

to same reporting rules

d. sale of stock is reported to IRS but purchase

price is self-reporting

e. audits of corporations fell again

f. seizures still down 254 from 10,000 prior to

1998

4. taxing the middle class and poor

a. audits for working poor rose 48.6%

b. accounting for 55% of all audits

c. more audits of small businesses

I. Transformation of the Economy: the changing nature of work

M. Moore in Stupid White Men: starting pay for American

Eagle pilot is $16,000, Delta's Commuter $15,000, and

Contitnental Express + must pay for first year of flight

school and own uniforms =$9,000. $40,000 to experienced

A. Pre- Civil War

1. economy was based on agricultural production

2. most work was done on farms, either

a. people worked for themselves growing

what they needed and trading in local and

regional markets

b. or worked for others, hired farm labor, contract

labor, tenant farmers

c. sustinence labor

B. Post-Civil War and the Industrial Revolution

1. economy was based on industrial production and

done in factory

2. most jobs were industrial sector or building

infrastructure for newly emerging industrial society

i. e., railroads

3. dependent wage labor

C. Second Phase to Industrialization

1. Fordism mass production of consumer goods

2. global expansion

3. most jobs white and blue collar, either administering

the corporation or manufactoring

D. Deindustrialization or structural transformation of the economy information and service

1. majority of jobs are in sales and service sector 80%

a. most jobs produced

b. information sector under 10%

c. manufacturing 15%

2. reasons for change, forces at work technological

development

a. jobs lost to automation through

b. globalization of the economy industrial production moved to other countries for cheap labor, no unions, no OSHA, no EPA

a. Nike America 8,000 branding and selling

75,000 sweatshop

b. GE almost as many workers outside US, cut

1/2 workforce since 1980

i. withdrew contract to SD based firm

ii. gave it to GE China

iii. SD firm since 2001 40% cut in

workforce, mostly blue collar jobs

that provide possibility of "drem"

c. downsizing of white collar jobs even when

companies are profitable (one way of making

a company look profitable

a. GE cut its workforce by one-half while

making the biggest corp profit in history

d. loss of jobs through mergers and acquisitions

e. capital flight

i. 1500 US plants engaged in manufacturing

have closed since 1975

ii. 1100 US on border calledMaquiladoras

2. lost between 1980 and present 50 million jobs

white and blue collar

E. Nature of the sales and service economy

1. Two tiered

a. BLS 4 out 5 jobs of approx 20 million jobs created by 2005 sales and service

b. top tier

i. 1 out 5 support a family of four

ii. investment bankers, stock traders, biotech,

computer, internet, lawyers, pr

c. bottom tier or 4 out of 5

i. retail sales, cashiers, domestic workers, maids, janitors, computer assembly

d. Walmart is biggest private employer

i. avg worker $7.50 28 hrs is full time

$10,920

e. Fast Food

i.Burger King, McD, Tricon (Pizza Hut, Taco Bell, and KFC) 3.7 million

ii. pays min wage to larger proportion of

its workers

f. Borders $6.67

g. over 1/2 of jobs created in 80s and 90s

below poverty level

2. McJobs: minimum wage, part-time or temporary, no benefits, and no chance to move up"low skill, pay, his stress, exhausting, unstable

3. Temps

a. use of temps increased over 400% since 1982

b. Manpower almost as big as Wal-Mart

c. US temp agencies way of outsourcing

i. saves on taxes

ii. saves on benefits

iii. American Airlines outsourced ticket agent

jobs $40,000 to temp $13,000

4. Bill Gates will save us?

a. Silicon Valley 27-40% contingency

b. temp use 3x national average

c. Microsoft two-tier

i. top tier $220,000 not counting top billionaires

ii. 4-6000 temporary workers

iii. some call themselves "permatemps"

iv. lost law suit, not really "private

contractors

v. now MS uses agencies who writes paychecks to temps

vi. outsources its "campus"

d. temps are permanently temporary

e. San Diego

i. San Diego has 60% working in this tier

with 31% hshlds below $25,000

ii. San Diego booming temp businesses over

100

f. total job gain and low unemployment

5.CEOs are doing fine if they lay off people

a. making over 500x the avg worker

b. 30 cos with largest layoffs saw compensation

increase 67.%

c. Eastman Kodak 20,100 jobs $60 million

compensation

d. GM John Smith 1997 82,000 layoffs bonus

6. CEOs are doing fine even if the co isn't making profit

a. Occidental Petroleum lost $390 million CEO

$101 million in compensation 1997

B. Other effects

1. main point

a. work was supposed to be way up to American

dream

b. changing nature of work is main reason for

inequality in wealth, income, and power

c. two-thirds of downsized workers had been

reemployed but half were making less

2. McEmployee is relatively powerless because of contingent status and easily replace, increasing

job insecurity

3. more women in the workforce to stop the downward

fall

4. Despite the stagnant and declining wages and more women working avg worker putting in 163 more hours per year, almost one month,

a. due toOT but also

b. multiple jobs, 8 million 1997

c. more hours per week than any other industrialized country

5. Leisure time has fallen by 40% since 1973, from

26 hours a week to 17

3. Less vacation time, sick leave, and other paid

abscences

a. vacation US 17 days, 6 weeks in Europe

b.

4. Second Shift - 27 hours a week

5. Child care

b. Because more women are working, the need for

child care increases -- $3000-8000 per year, other

countries provide child care for free

6. more working teens,

7. one million children in sweatshops and children as

migrant labor

6. Household debt

a. record $6.5 trillion

b. mortgage debt gown 60% faster than income since 1992

c. 1/5 of income goes to servicing debt

7. credit card debt

a. balance up by middle 20% 1989-95 is 71%

b. 1990-96 more than doubled

c. fees and penalties $18.9 billion per year

60 billion in interest

8. quality time

9. changed nature of work and the managed heart

10. destruction of communities

a. urban America

b. rural America

I. Poverty in America

A. Poverty

1. Def: standard of living below what is necessary for

maintenance of adequate diet, health, and shelter

a. Poverty line or threshold

b. Mary Orshanky 1963

c. 3x the minimal subsistence diet (Thrifty Food Pland

d. SSA and the poverty line 2004

i. single $9827

ii. fmaily of 3 $15,000

iii. family of 4 $19,400

iv. before tax

2. Extent and nature of poverty

a. 2004 35.9 million (+3.6 million since 2000)

b. more than one in ten Americans is poor or

about 12%

c. race African American, Latino, Native Americans

d. age

e. gender

f. place

i. highest south and west

ii. inner cities

iii. 3 million migrant workers 50% below

poverty

B. Measuring poverty

1. more reasonable standards for measurement

a. x5 because poor spend 1/5 on food not

one third

b. diet is only temporary Thrifty Food Plan x5

c. after tax

d. doesn't allow for things going wrong, different

areas

e. concl. should be 50% more, 52 million or 17.2%

2. compared to other industrialized nations

a. highest poverty rate

b. highest rate of childhood poverty

c. other countries: free child care, health care, housing, cash

3. Trend

a. near poor: within 125% of poverty line ^

b. working poor: 30%^

c. severeley poor

i. 12.7 million at one-half or under the

ii. 4.9 million are children

C. The poor in US really well off?

1. Welfare In America too good.

2. How good was too good?

a. cash through AFDC to 1/3 of poor

b. median payment is $370 per mo ($700 in1970s)

c. only 40% of poor get non-cash benefits

d. all benefits still: 3/4 poverty line

e. children 1.9

3. Welfare reform TANF (Personal Responsibility and Work Opportunity Conciliation Act)

a. millions off welfare: 90% women and children

b. Where did they go? What happened/

i. where are the children

ii. no mandate to follow up

4. Three studies: Wisconsin, NYTimes, and Nation

a. 70% below poverty

b. 36% no medical care

c. 50% can't afford enough food

II. Who benefits from poverty?

A. surplus of desperate workers that depresses wages.

B. someone to do the dirty and dangerous work in

society

C. creates jobs to maintain the social order ( power arrangements): police, social workers, prison guards

D. profit: “poverty surcharge” on food: +8%-18%

E. profit: rip off loans

1. homeowning(Nation 71502)

a. +$9 billion

b. 10%-13% (24%) interest +extra fees, unnecessary insurance, balloon payments, repayment penalties

F. scapegoats for wealthy, someone to blame

1. racial inferiority: characteristics of some races is

laziness

2. cultural inferiority: culture of poverty

III. Cycle of Poverty

A. No or little health care for poor mothers

1. Low birth weight

2. birth defect

3. infant mortality

B. Children

1. hunger

2. infectious diseases

3. death from accidents

4. poor schools

5. violence

6. poor housing

7. environmental hazards

C. Adults

1. McJobs

2. Little or no health care

3. lower life expectancy

4. psychological problems

A. Cycle of Poverty and vital needs

1. Poor children: Pre-natal care

a. birth defect (2x more likely to die)

b. neo-natal hospitalization

c. low birth weight (rate 36th in world)

2. Poor children: Infant mortality

a. comparative:

i.US is higher than other industrialized nations

ii. US is behind or merely on a par with

some Third world countries, in inner city

areas as high as worst third world countries

b. poor children have rate 2x than that of other

children

(meaning the poor child has twice the chance

of dying before one year of age)

3.. Immunization: guarantees that children will not

die of preventable disease

a. US is again behind other industrial nations

b. outperforms only Haiti and Bolivia in our

hemisphere

c. poor child has 5 x the chance of dying of an infectious disease and 6x dying from other diseases

4. Housing and homelessness

a. increasing decline in affordable housing, urban

renewal, gentrification, slumlording, 5 m families

50% of income

b. 4.4 million families unable to find affordable

housing, in 1995 alone 900,000 low rent apts lost

c. two million homeless during year(inthtimes6/12/00)

i. families are fastest growing segment

ii. two thirds suffer chronic and infectious

disease

iii. 39% mentally ill

iv. 30,000 homeless in NYC

d. urban renewal is really social cleansing, homeless removal

f. poor children more likely to die from 4x fires, space heaters, poor wiring: slumlording

5. environmental hazards

a. lead poisoning est 2 million: irreversible brain

damage and learning disorder

b. be exposed to environmental, air pollution = asthma children 20% per yr, some urban areas

50%

c. toxic and hazardous dumps

toxins

6. hunger and food insecurity

a. 1 in 10 families food insecure

b. LA county 45% of children food insecure

c. 27 m people and 11 million children

d. 5 million seniors, homebound elderly

a. 25% over 90

b. resources down 50% from 1973

c. 1 meal 5 days a week

d. Philip Morris 20 meals = Pr story

7. No health insurance

a. only indstrial nation without universal health care

b.44.7 million without, 11 million children

c. one million refused medical care

d. medi-caid inadequate, poor or limited care

e. reasons

i. welfare reform off medicaid

ii. low paying McJobs with no benefits

iii. cos cutting back employee benefits

8. adult diseases and life expectancy lower and

a. decreasing life expectancy

b. poor higher incidence of heart disease, stroke,

cancer and less care and less chance of recovery

9. poor education

a. class system

b. fewer opportunities

10. second tier jobs

11. psychological effects

a. constant worry about being able to pay the bills

b. feelings of hopelessness

c. more mental illness and more serious mental

illness

12. negative life events

a. divorces is more like (see 12a)

b. unemployment and job loss are more common esp with new economy

13. drugs violence and gangs

a. poverty associated with 85% of gun deaths

among children and youth

b. “Bowling for Columbine”

IV. Problem Solving

A. Nature of a corporation

1. corp is legal entity

a. existence is established by laws

b. by law it is "person"

c. courts have protected by Fourteenth Amendment

d. courts have established its First Amendment rights

e. guaranteed its "due process" rights

f. few citizenship obligations and responsibilties

2. Responsibility under corporate laws

a. make money for shareholders

b. duty imposed upon directors

c. failure can result in law suit by shareholders

d. no concern for public interest

3. Business Week/Harris poll

a. Corporations should have only one purpose - to

make the most profit for their shareholders -

and pursuit fo that goal well be best for America

in the long run.

or

b. Corporations should have more than one purpose. They also owe something to their workers and the

communities in which they operate and should

sometimes sacrifice some profit for the sake of

making things better for their workers and

communities 96%

B. Code for Corporate Citizenship

1. change the law: profit . .. . "but not at the expense of

the environment, human rights, the public health or

safety, the communities in which the corporation operates or the dignity of its employees'

2. public interest before profit includes third world

a. environment

b. human rights

c. public health and safety

d. welfare of communities

e. employee dignity

3. Environment

a. pollution free

b. sustainable

4. workers rights rights

a. living wage

b. right to organize and collectively bargain

5. safe products and mandatory recall

6. compensate communities for leaving

7. written into corporate laws

E. Enforcement

1.private lawsuits by any member of public, or

class action

2. Attorney General bring suit to obtain injunctions

3. criminal sanctions

4. Not that revolutionary 1980s 35 states, stakeholder

statutes

5. this will benefit shareholders

I. Solving the Problem: Downward Mobility and Poverty

A. Problem: loss of jobs

1. No government contracts to companies that send jobs overseas

a. govt $200 billion a year in corporate

contracts

b. 43 corps get almost 50%

c. GE and Boeing

2. No “wealthfare” to subsidize corp that send jobs overseas

a. R and D to GE

b. tax breaks to Nike

3. No government contracts or “wealthfare” to companies that move to Bermuda tax havens

4. Withdraw corporate state corporate charters for

any corporation that violates the above

B. Problem: low wage jobs and working poor

1. living wage

2. any corporation that gets a contract or funding

from municipality, state, or federal government (universities, schools) has to pay minimum wage

C. Education

1. eliminate property tax

2. fully and equally fund education federally

3. if states demand standards and assessments and

exit exams then they have to make sure student have

the resources

D. Health Care and Child Care

1. Universal health care

2. Universal child care

3. Fully fund public schools

E. Food and shelter

1. Accept food as a human right

2. Accept shelter as a human right: other industrial

countries have housing shortages for the wealthy

3. support for all those unable to work

a. mentally and physically handicapped

b. aged

c. children

F. Fund C. D. and E. by cutting military spending 25%

G. Jobs cut above can be made up in:

1. health care

2. infrastructure

I. Social problems

A. The changing nature of work

1. its causes

2. consequences for middle class and poor

B. Education in America

1. Funding and

2. function

C. Poverty in America

1. Demographics: Who and where

2. its consequences

D. Solving the Problem

I. The Changing Nature of Work

A. Industrial economy: post-Civil War - 1970s

1. Most jobs tied to manufacturing goods

2. White and blue collar jobs in manufacturing

3. 50s and 60s over 60% of Americans were

middle class

B. Deindustrialization or transformation to sales and

and service

1. most jobs economy produces is in this sector

2. manufacturing only approx 15%

C. Reasons for transformation

1. automation

2. job flight

3. downsizing

4. mergers and acquisitions

5. capital flight

B. Consequences

1. declining wages: 80% of workforce

2. increasing hours

a. + 200 per year

b. avg 47 (50 middle income)

3. moonlighting

4. women in the workforce (60%)

5. second shift 27 hrs

6. leisure time down

7. less paid time

8. need for child care

9. household debt up (\* trillion)

10. bankrupticies

11. destruction of communities

I. Education in America

A. Function for both individual and society

1. necessary knowledge and skills to get a job

a. society’s needs

b. individual’s vital interests

2. citizenship in our democracy

a. expectations and obligations of citizen

b. informed and knowledgeable citizenry

3. socialization: norms and values (“Americanize” immigrants)

a. normally funtioning individual

b. social order

B. Structure

1. universal system of education: access to all

2. free education K-12

3. accessible higher education

4. does not exclude system of private education

2. meritocracy: equals playing field; equal opportunity

3. essential preparation for good job and success

C. Structure/Function of education and the promise: upward obility

1. free public education levels the playing field

2. gives everyone a chance to succeed

3. success is based on merit

4. merit is on testing

B. Downward mobility: Gatekeeper

1. Gatekeeper: ideas and thoughts

a. keeps the “wrong” ideas and knowledge

out of education

i. see “Lies My Teacher Told Me”

ii. see “The Way We Never Were”

b. undermines critical thinking

i. emphasis on standardized tests

ii. identifying education and vocation

iii. emphasizing social order values:

unquestioning obedience and

respect for authority

see “Disobedience and Democracy

c. consequences

i. never see social arrangements as

a problem

ii. blame the victims

iii. collective action

2. Gatekeeper: keeps the rich rich and poor poor through its “unique system of funding”

a. Federal govt 7%

b. State 43%

c. property tax 50%

i. value of commercial and residential

property in an area

ii. wealth of area determines amount

of resources to education

but also

i. bake sales, car washes ($2100 vs $163)

ii. foundations

iii. contracts with soda companies

d. Funding differentials

i. Between states

ii. within states

e. 1973 Rodriguez vs San Antonio

f. Consequences for schools

i. Teacher salaries (poor $30,000 rich $70,000)

average $43,351

cost to get certified $60,000

ii. resources: digital divide, textbooks, supplies

iii. health and safety GAO $200 billion

iv. teacher dumping, teacher absenteeism and no substitutes

v. large classes

vi. less mental and physical health care

vii. less counseling

viii. less extracurricular activities

3. Gatekeeper: ability grouping

a. class and race

b. different skills and knowledge

4. Gatekeeper: Segregation

a. 1954 Brown v Board of Ed

b. + 2/3 of Black and Latino go to schools over

50% minority

c. 1/3 go to schools that are 90%

d. minorities are disproportionately poor

e. therefore schools are disproportionately underfunded

C. It works for the wealthy and powerful: dropouts, illiteracy,

Poor and criminals.

1. Dropouts for McJobs

2. Illiteracy creates ignorant citizenry

3. Poor and criminals =scapegoats for the media

D. (Evidently it could be working better for the wealthy): No Child Left Behind “Who benefits and who gets screwed”?

1. The problem: Lack of accountability for schools, principals, teachers, and students

2. Solution: standardized testing to measure performance of above

3. Solution: based on Houston miracle

a. 0 dropouts

b. higher test scores: Texas HS Exit Exam

3. Underperformance: schools, principals, teachers

students

a. underperforming administrators will be disciplined

b. students will not receive “social performance”

c. schools (after a perior 5 years) will be put under

private management or become charter schools

4. Present: 26,000 out of 93,000 public schools designated as failing

5. Contradictions:

a. The program is underfunded and has such restrictions on spending the money that it can’t be used.

b. “Houston miracle”

i. 0 dropouts but 5,000 missing who were in

junior high

ii. teaching to the test, Enron admininstration

iii. no higher scores on national tests

c. Secretary of Education

6. Real goal;

a. Vouchers for the wealthy

b. Private schools for the privileged

c. Even more greatly underfunded pubic education

system for the poor and minoriets

7. From National City and Encanto

a. Fired janitors 15 to 3

b. Fired part time administrative workers

c. Created leadership class of better students

d. Fired librarian

e. supplies, including toilet paper

III. Poverty

A. Definition

1. who is poor

2. measuring poverty and its problems

B. Extent

1. + 1 in 10, 12%, 32.3 million

2. higher in children and minorities

C. Location

D. Near Poor and Severely Poor

E. Solving Poverty: ending welfare

1. Poor in America have it too good

2. Welfare Reform Act

F. Cycle of Poverty

1. health: childhood

2. housing

3. hunger

4. environment

5. health: adulthood

6. education

7. jobs

8. violence

G. Children in America's Schools: Education

the great equalizaer

IV. Problem Solving

A. Nature of a corporation

1. corp is legal entity

a. existence is established by laws

b. by law it is "person"

c. courts have protected by Fourteenth Amendment

d. courts have established its First Amendment rights

e. guaranteed its "due process" rights

f. few citizenship obligations and responsibilities

2. Responsibility under corporate laws

a. make money for shareholders

b. duty imposed upon directors

c. failure can result in law suit by shareholders

d. no concern for public interest

3. Business Week/Harris poll

a. Corporations should have only one purpose - to make the most profit for their shareholders -and pursuit of that goal will be best for Americain the long run.

or

b. Corporations should have more than one purpose.

They also owe something to their workers and the communities in which they operate and should sometimes sacrifice some profit for the sake of making things better for their workers and commuties 96%

B. Code for Corporate Citizenship

1. change the law: profit . .. . "but not at the expense ofthe environment, human rights, the public health or

safety, the communities in which the corporation operates or the dignity of its employees'

2. public interest before profit includes third world

a. environment

b. human rights

c. public health and safety

d. welfare of communities

e. employee dignity

3. Environment

a. pollution free

b. sustainable

4. human rights

a. living wage

b. right to organize and collectively bargain

5. safe products and mandatory recall

6. compensate communities for leaving

7. written into corporate laws

E. Enforcement

1.private lawsuits by any member of public, or

class action

2. Attorney General bring suit to obtain injuncitions

3. criminal sanctions

4. Not that revolutionary 1980s 35 states, stakeholder statutes

5. this will benefit shareholders

1. No government contracts to companies

That send jobs overseas

a. govt $200 billion a year in corporate

contracts

b. 43 corps get almost 50%

c. GE and Boeing

2. No public revenue to subsidize corp that send jobs overseas

a. R and D to GE

b. tax breaks to Nike

G. Society can:

1. Universal health care

2. Universal child care

3. Fully fund public schools

4. Accept food as a human right

5. rebuild infrastructue

a. rebuild roads, sewers, bridges

b. build mass transit

6. support for all those unable to work

a. mentally and physically handicapped

b. aged

c. children