

FDE

Foundation for
Democratic
Education

#992465

December 30, 2000

Mr. Michael Joyce
President & Chief Executive Officer
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Joyce,

On behalf of FDE's board of directors, I want to thank you for the Lynde and Harry Bradley Foundation's generous grant of \$149,000 for our Labor Citizenship Project.

We will send you periodic reports to keep you apprised of our work. Again, thank you for your generous support of our program.

Sincerely,



Richard Wilson
Director

815 15th Street, NW,
Suite 506
Washington, DC 20005
Tel: 202-347-2348
Fax: 202-347-2531



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House • Post Office Box 510860 • Milwaukee, Wisconsin 53203-0153
(414) 291-9915 • Fax (414) 291-9991

Michael S. Joyce, President
& Chief Executive Officer

December 20, 2000

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
815 15th Street, NW
Suite 506
Washington, DC 20005

Dear Mr. Wilson:

Enclosed is the Foundation's check in the amount of \$149,000 which was awarded by our Board of Directors for the Labor Citizenship Project.

The Foundation directors are pleased to be able to support your work and wish you every success in your endeavors. Please provide periodic reports accounting for the funds which were expended for your activities.

Sincerely,

Michael S. Joyce /dme

Michael S. Joyce

MSJ/kt

Enclosure: Check #6325

Grant ID #992465



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House • Post Office Box 510860 • Milwaukee, Wisconsin 53203-0153
(414) 291-9915 • Fax (414) 291-9991

December 20, 2000

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
815 15th Street, NW
Suite 506
Washington, DC 20005

Dear Mr. Wilson:

Thank you for your cooperation with the Foundation's request for information to complete a stock transfer. This request was made in contemplation of transfers for grant payments made this month. Unfortunately, the volatility in the market has added complexity to that process and has caused us to reconsider stock transfers. The information sent will be maintained for possible future use.

Very truly yours,

Cynthia K. Friauf
Controller

CKF

ID #992465

THE LYNDE & HARRY BRADLEY FOUNDATION, INC.
1241 NORTH FRANKLIN PLACE
P.O. BOX 510860
MILWAUKEE, WI 53203-0153
Voice: 414-291-9915
Fax: 414-291-9991
GRANT AGREEMENT
ID# 992465

Entered in PCG

PLEASE READ CAREFULLY

Upon application by Foundation for Democratic Education, Inc. (hereinafter "Grantee") to The Lynde & Harry Bradley Foundation, (hereinafter "Grantor"), Grantor agrees to make the following Grant, and Grantee agrees to accept such Grant, in accordance with the terms below and subject to the additional conditions set forth in Paragraph 11:

DATE AUTHORIZED: November 14, 2000
AMOUNT OF GRANT: \$149,000
DURATION OF GRANT: One year from date of first payment
REPORT SCHEDULE: Semi-annual

SPECIFIC PURPOSES OF THE GRANT

The purpose of this grant of \$149,000 is to support the Labor Citizenship Project.

GENERAL CONDITIONS OF THE GRANT

1. PURPOSE: The Grantee agrees to use the funds solely for the described purposes and to so designate them in the Grantee's records as well as not to use any of the funds in violation of the provisions of the Internal Revenue Code governing grantees of private foundations. To alter disbursement of funds from an approved budget, permission is required from an officer of the Grantor. (See paragraph 9.)
2. FUNDRAISING: No funds awarded through this grant are to be shared with or used to pay fees or wages for the services of fundraising or consulting firms.
3. EVALUATION: The Grantor may, at its expense, conduct an evaluation of operations under this grant, which may include visits by representatives of the Grantor to observe the Grantee's program procedures and operations and discuss the program with the Grantee's personnel.
4. ACCOUNTING AND FINANCIAL REVIEW: A complete and accurate record of the funds received and expenses incurred under this grant must be maintained by the Grantee and submitted to the grantor at the end of the grant period. The Grantor may, at its expense and on reasonable notice to the Grantee, audit or have audited the records of the Grantee insofar as they relate to the activities funded by this grant.
5. TAX EXEMPTION AND FOUNDATION STATUS: The Grantee shall immediately give written notice to the Grantor if, prior to receipt of all or any portion of the grant, or before all or any portion of the funds are expended, the Grantee ceases to be exempt from Federal income taxes under the provisions of Section 501(c)(3) or Section 115 of the Internal Revenue Code or becomes a private foundation under Section 509(a) of the Code.

In particular, but not by way of limitation, the Grantee agrees that no portion of any grant by the Grantor shall be used to carry on propaganda, or otherwise to attempt to influence legislation, including any referendum, or to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. If the Grantee is authorized by the terms of the grant to use the funds for "nonpartisan analysis, study or research," which may legitimately be undertaken by the Grantee, the Grantee agrees to engage in such activities in strict compliance with all Treasury and IRS regulations which provide that such analysis, study or


research must be made available to the general public or a segment of members thereof (or to governmental bodies, officials or employees) and may advocate a viewpoint but (a) must reflect objectivity, a full and fair exposition of the facts (including presenting information about both sides and any factual support for contrary views) and lack of unsupported opinion and (b) may not encourage the recipient to take action with respect to legislation (including any referendum) or be directed solely to persons who are interested only in one side of an issue. Grantee also represents to the Grantor that, in addition to the above prohibitions on the use of grant funds hereunder, no substantial part of its activities is or will be attempting to influence legislation (including any referendum) within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended.

6. ADDITIONAL SUPPORT: By making this grant, the Grantor assumes no obligation to provide other or additional support for the Grantee. This grant is not to be construed as establishing a precedent for further support of the Grantee.
7. REPORTING: The Grantee shall furnish to the Grantor a written report on the use of the grant either semi-annually or on some other schedule as specified in Special Conditions (see Paragraph 11). This report should furnish an appraisal of the program results under the grant for the reporting period.
8. PUBLICITY: In the event that the Grantee wishes to issue a news release concerning the grant, the Grantee will inform the Grantor in a timely fashion prior to its release and clear it with an officer of the Grantor.
9. REVERSION OF GRANT: All or any portion of the amount granted shall be returned to the Grantor in the event that any or all of the grant is not expended or committed for the purposes authorized by the Grantor. The Grantor may upon request from the Grantee authorize a modification in the disbursement of funds.
10. PUBLICATIONS: In the event that a project funded by the Grantor would naturally issue in publications, the Grantee expects publication to occur. In the event of special requirements concerning publication, these will be enumerated under Paragraph 11 -- Special Conditions.
11. SPECIAL CONDITIONS: The Grantee accepts and agrees to comply with the following Special Conditions: None

Executed by or on behalf of Grantor and Grantee as follows:

GRANTOR: The Lynde and Harry Bradley Foundation, Inc.
1241 North Franklin Place
P.O. Box 510860
Milwaukee, WI 53203-0351

BY: Daniel P. Schmidt


Signature

TITLE: Executive Vice President


DATE: November 15, 2000

GRANTEE: Foundation for Democratic Education, Inc.
815 15th Street, NW
Suite 506
Washington, DC 20005

BY:

Richard C. Wilson

Name of Signatory


Signature

TITLE OF AUTHORIZED OFFICER:

Director

DATE:

11/21/00



The Lynde and Harry
BRADLEY FOUNDATION

The Lion House Post Office Box 510860 Milwaukee, Wisconsin 53203-0153
(414) 291-9915 Fax (414) 291-9991

November 17, 2000

Mr. Richard Wilson
President
Foundation for Democratic Education, Inc.
815 15th Street, NW
Suite 506
Washington, DC 20005

Dear Mr. Wilson:

I am pleased to inform you that the Board of Directors of the Lynde and Harry Bradley Foundation, Inc. (Foundation) has awarded a grant of \$149,000 to the Foundation for Democratic Education, Inc.

It is understood that these funds will support the Labor Citizenship Project.

The payment of this grant is subject to your agreement to the terms specified in the enclosed grant contract. Please sign and return one copy to the Foundation. The grant has been scheduled for payment, possibly using appreciated stock as follows:

<u>Date</u>	<u>Amount</u>
12/15/2000	\$149,000

The Foundation reserves the right to change the payment schedule. Changes, if any, would be communicated to you promptly.

We are happy to be able to support your work and look forward to keeping closely in touch with your progress.

With best wishes,

Daniel P. Schmidt
Executive Vice President

DPS/ye

Enclosure

Grant ID #992465

The Lynde and Harry Bradley Foundation, Inc.
Grant Tax Exempt Status Information

Organization Data:

Applicant Organization: Foundation for Democratic Education Employer ID #: 52-1175094
Payee Organization: _____ Employer ID #: _____
(if different)

I. Tax Exempt Status of PAYEE Organization (See reverse for explanation of Internal Revenue Code sections):

- A. Is payee organization tax exempt under:
- | | | | |
|---|-------------------------|-------------------|--------------------|
| Section 501(c)(3) <u>X</u> | Section 501(c)(1) _____ | Section 115 _____ | Yes _____ No _____ |
| IRS tax exempt determination letter attached | | | Yes _____ No _____ |
| Referring to your IRS determination letter, check all items that apply to your organization (See reverse for explanations): | | | |
- | | | | |
|----------------------------|--------------------------------------|---|-------|
| Section 509(a)(1) | Section 509(a)(2)-(See item B) _____ | Political subdivision | _____ |
| 170(b)(1)(A): | | Section 170(c)(1) | _____ |
| (i) Church _____ | Section 509(a)(3) _____ | Government Instrumentality | _____ |
| (ii) School _____ | Section 509(a)(4) _____ | Local Chapter or Religious Organization | _____ |
| (iii) Hospital _____ | "Not a 509(a)" _____ | under group ruling | _____ |
| (iv) College or University | | Private Foundation: | |
| Support Organization _____ | Non-U.S. Organization _____ | Grantmaking | _____ |
| (v) Governmental Unit | | Operating | _____ |
| (vi) Publicly Supported | | | |
| Organization | | | |
| (See Item B) <u>X</u> | | | |

Other (explain), and if uncertain, attach copy of Form 990, page 1, and Schedule A:

- If payee organization is covered under a group ruling, are the group ruling letter and letter from the umbrella organization indicating the organization's affiliation attached? NA X Yes _____ No _____

• Explain "No" answers: _____

B. Public Support Status [Please complete only if organization is classified as a 509(a)(1)-170(b)(1)(A)(vi) (Publicly Supported Organization), OR a 509(a)(2)]

- Does the tax exempt determination letter attached under item A above indicate public support status is granted for an advance ruling period? Yes X No X
Reid update 7/15/25
- If yes, advance ruling period expires: 12/31/24. And if the advance ruling period has expired, attach a copy of IRS letter granting public support status for periods after the expiration of the advance ruling period.
- Did your organization have a substantial and material change in sources of support in the current tax year and four immediately preceding taxable years that could result in the loss of your organization's public support status under Sections 170(b)(1)(A)(vi) or 509(a)(2)? Yes _____ No X
- Will the requested grant and any other grants received from the Bradley Foundation during the current taxable year exceed 25 percent of the aggregate support received by your organization from all sources other than the Bradley Foundation during the four taxable years immediately preceding the current taxable year? Yes X No _____

III. Conflict of Interest

Please list any names of the applicant and/or payee organization's board of directors, management or employees which hold similar positions or are affiliated with the Lynde and Harry Bradley Foundation.

IV. Purpose of Grant:

Bradley ID # 992465

- Will the proceeds of the requested grant be used exclusively for religious, charitable, scientific, literary or educational purposes? Yes X No _____
- Will any of the requested grant funds be used to carry out propaganda or attempt to influence legislation, to influence the outcome of any election, to carry on any voter registration drive or invest in a commercial venture? Yes _____ No X

X Gutierrez Thomas Victoria Thomas Treasurer 7-28-00
(Signature) (Print Name) (Title) (Date)



Foundation for
Democratic
Education

November 21, 2000

Mr. Daniel P. Schmidt
Executive Vice President
The Lynde and Harry Bradley Foundation
P.O. Box 510860
Milwaukee, WI 53202-0153

Dear Mr. Schmidt,

On behalf of the Board of Directors of the Foundation for Democratic Education I want to thank you and the Lynde and Harry Bradley Foundation for the generous grant to support our Labor Citizenship Project. We will keep you apprised of the progress of our work.

I have enclosed a signed copy of the grant agreement. Please let me know if you need anything else.

Sincerely,

A handwritten signature in black ink, reading "Richard Wilson", is written over a horizontal line.

Richard Wilson
Director

815 15th Street, NW,
Suite 506
Washington, DC 20005
Tel: 202-347-2348
Fax: 202-347-2531



Foundation for
Democratic
Education

Proposal for a
LABOR CITIZENSHIP PROJECT

Sponsored by:
FOUNDATION FOR
DEMOCRATIC EDUCATION

(in cooperation with Freedom House)

October 19, 2000

815 15th Street, NW,
Suite 506
Washington, DC 20005
Tel: 202-347-2348
Fax: 202-347-2531

LABOR CITIZENSHIP PROJECT

SUMMARY

Trends from within and without may cause the American labor movement to forego an opportunity to establish what is here called its "citizenship" in the New Economy. An effort is needed to create a network of linkages that can provide to interested trade unionists working relationships with others who can encourage and benefit from labor's efforts to develop a workforce that is ready for the technological and global future. A central theme of this undertaking will be the value that several different kinds of education (that in fact are closely related) have to workers: The development of workplace skills and professional qualifications, and the development of better a understanding of how American workers can benefit from, and contribute to, a strong and fair global economy. The project will be carried out as a joint project of the Freedom House and the Foundation for Democratic Education.

LABOR CITIZENSHIP IN A GLOBAL ERA

For most of its history, trade unionism in the United States has been torn between two concepts. One, often described as bread and butter unionism, shunned broader social and political purposes to focus narrowly on issues of immediate importance to employees: wages, hours, health and pension benefits, and the like. The other and more ideological unionism was usually influenced by the socialist or communist Left. It saw the labor movement as a vehicle for the transformation of an economic and political system which it regarded as both inherently unjust and, in the final analysis, incapable of being adequately reformed. Until "the final conflict," a worker would be a kind of social alien, not a citizen connected to democratic society by its web of rights and responsibilities.

In the perspective of the Left, union leaders might employ the tactics of bread and butter unionism to win and retain members, and might adopt the instruments of citizenship to accomplish short term goals. But the ultimate objective always remained one of transforming a system that, in the last analysis, could be no more than a deceitful, exploitative "bourgeoise" democracy.

Where are we today?

Despite changes in its leadership and in the world around it American labor is still suspended between these two divergent concepts when it comes to the ideas that animate it. In a curious way, the labor movement today appears to be trying to institutionalize the very antagonisms that in other times have torn it apart. Contemporary union leaders typically work hard at pragmatic collective bargaining strategies and membership services, strive for the election of moderate political candidates, and work to protect the jobs of their members. Yet from time to time they also employ rhetoric and tactics that recall the tradition of radical protest: denunciations of multi-national corporations (and even the global economy itself) as instruments of criminal greed, flamboyant flirtation with protest candidates such as Ralph Nader, endorsement of demonstrations against the IMF and World Bank, and traffic blockades on behalf of striking janitors. The solution to the old dilemma (business unionism versus radical protest) seems to be -- let's do both.

Fair enough: to have it both ways is the American Dream. But, the larger question remains: what is the ultimate goal?

The stresses that new technologies and globalized markets have unleashed upon the American economy (especially upon its less skilled workers), cannot be addressed by a business-as-usual unionism that takes an occasional day off to join radical demonstrations. Today's workers have real needs and real problems. Trade unions remain the only non-governmental institution in American life with a special vocation and ability to address these problems. If no leader with strategic vision steps forward to take up these problems in constructive ways, they will be taken up in ways that are unhealthy for our political and our economic life.

What is to be done?

It may be time to revive one of democratic society's worn but proven maxims: *labor and its friends need to engage in some honest dialogue*. There is a natural tendency for communities to become closed and testy in times of difficulty. Today's difficult environment is, to be sure, hardly one of labor's making. But it has become one in which those who question labor's chosen course are too often looked upon as traitors or adversaries. Anxieties about public relations are stifling open discourse. And the absence of open discourse engenders even worse public relations.

More important than dialogue itself, of course, is the agenda for this dialogue. *The real issues today are not whether working people and their unions can or should be participants in the system of democratic capitalism. They have to do with how unions and workers can more effectively exercise their citizenship*. To take it a step further: the truly radical challenges of our day are not about how workers can change the system, but rather how American unions can help our country's workers change themselves.

Many labor activists today would regard this statement as the most offensive heresy. Those schooled in the protest movements of the Baby Boom generation will shout, "That's blaming the victims!" The politically correct course, they always insist, is to put people first, and demand that global capitalism adapt itself to the needs of workers.

But such a simplistic reaction disregards some basic truths. First, many Americans -- and many workers -- are eager for the benefits of globalism and technological change. They don't want to derail the system, they want to get on the train. Their chief anxiety is that it will sweep past them because they lack both the employment skills and the political know-how to get on board and stay there.

Second, unions can play a major part in insuring that workers have the skills and the know-how to ride this train. It is the situation which calls for solidarity -- a virtue traditionally prized by unions.

Labor Citizenship in the New Economy: A New Class Consciousness?

One reason why business unionism and retro 1960s radicalism can co-exist so comfortably in today's labor movement is that both are fed by undercurrents of paternalism. Both see labor's role as that of an elite stewardship over the best interests of the workers. In the first instance, leadership seeks to protect the rank and file from shocks and uncertainties. In the second, leadership steers workers toward what are thought to be more high-minded, historically important purposes. Neither pays great attention to the potential of individual workers to develop themselves into competent, independent members of the economic and political community--or to the important role that unions can play in this development.

This was not always the case. Daniel Bell and Seymour Martin Lipset have noted that the labor movement of the pre-World War II era was strongly imbued with an ethic of self-improvement. Craft unions trained apprentices, and held contests to show off their

members' skills. Labor journals were replete with self-help advertising. Unions helped immigrants learn English, and the elementary skills of citizenship. Public education was one of the first political causes taken up by the workingmens' associations.

There is a strong case to be made that education – skills development, civic education and better understanding of the global New Economy – should be a central interest of labor and its friends, one that could provide a role for unions that will benefit both labor and the wider society.

Skills Development: Pathway to Prosperity in the Global Era

Neither machinations in the legislative committee rooms nor political theatre in the streets can protect low-skilled and low-paid workers in the United States from competition of even lower-paid workers abroad for very long. Our workers need the skills and tools to stay on the competitive edge with high and reliable levels of productivity in quality goods and services.

But although this has been a public policy cliché for almost a decade, nothing much has been done about it. Attention has focused, with some justification, on the problems that afflict elementary and secondary education in the U.S. But another area needs attention: vocational and technical education for young people and those already in the workforce who, while not likely to become the architects of the New Economy, desperately need the skills and attitudes to survive in it.

Unions can be an important resource in both of these areas, and in turn can prosper from such engagement. Employers will be more accepting of unions that share a concern about productivity and quality. Employees will see value in union membership when it opens the way to more secure jobs at better pay. The public will regard unions with greater sympathy when they are demonstratively contributing to the nation's economic strength.

Unions are already engaged in a surprisingly wide array of skills enhancement and workforce development projects. But these remain an auxiliary activities, relegated to a second level of bureaucracy and not apparent in the leadership's legislative and political agenda. For workforce development to gain a more central role, labor and its friends will not only need to give it far greater attention and resources. But change will also be needed in thinking and attitudes which means a break from both paternalistic business unionism and its faux-radical bedfellow.

Who can promote this change, and how can it be encouraged? This is the practical challenge the Labor Citizenship Project proposes to explore.

Building a Policy Network

The American Left, born in the earlier part of this century and infused with new energy during the protest movements of the 1960s, generated a wide and influential academic and public policy network. It reached into the labor movement at particular times in

some places, but never developed deep roots there. (The cultural traditionalism of George Meany and the unstinting anti-Communism of Lane Kirkland prevented that.)

In the 1980s this Left network was challenged by an impressive array of conservative and neo-conservative thinkers and institutes. The dramatic impact of this conservative counter-culture in the main arenas of public life obscured an important development taking place inside the liberal and labor milieu – one that, at the time, may have appeared to have only modest significance. Cultural, intellectual and civic traditions that once exerted primary influence in American labor were being displaced by a new network of forces and ideas.

Despite defeats in the broad arena of electoral politics, the radicalism of 1968 has established itself as an influential force in the embattled House of Labor. Just as it infused the universities and religious institutions in the 1980s, so in the 1990s it permeated the unions. Hardnosed, practical, and “realistic” public leaders often shrugged when the Left acquired influence in the supposedly “soft” institutions of culture and education. But the dramatic effects are evident today. Perhaps this will give pause to those who now shrug at the growing influence of the Left within the labor movement.

To be sure, faddish observers scoff that the labor movement is becoming “irrelevant.” But even with its membership at historically low levels, it still represents over 13 million men and women – a popular institution without parallel in any theatre of our public life. (The entire U.S. military establishment, by comparison, encompasses fewer than 3.5 million people, with all its civilian personnel included.) Labor has again demonstrated that it remains an organizational and financial powerhouse within the Democratic Party. Hard bargaining and successful strikes by employees at Boeing Corporation, Verizon, and the Los Angeles Transit Authority show an enduring economic clout. Conservatives who dismiss labor unions as a waning influence should be cautioned against wishful thinking.

While anxiety about the future course and impact of the labor movement is justified, it should not be exaggerated. This is a diverse and in many ways mainstream institution, with a history of repelling gangsters, communists, racists and other demagogues. There are many in and around the labor movement who contribute to the health of our society, and could contribute more. The purpose of this project is to offer them linkages, ideas, and cohesion that can help them strengthen this important institution.

In our view, the place to begin is with the array of programs, activities and discussions now taking place around issues of workforce development. These -- as polling shows -- reflect powerful impulses among rank and file workers to improve their skills, marketability, bargaining power, and social standing. Precisely because these are supposedly middle-class aspirations – representing what leftist guru C. Wright Mills used to call “bourgeoisification” – they are being neglected by the newly-influential Sixties Left. Workforce development is also a matter of great interest to employers, and by necessity involves unions in what many on the Left think of as “class collaboration.” It may only be a matter of time before tensions emerge between those in the labor movement who encourage workers to enhance their skills, and those who believe that this is unwarranted pandering to the corporate establishment.

LABOR INTERNATIONALISM VS. GLOBALPHOBIA

A corollary to a labor strategy of workforce development is a positive view of the globalization of the American Economy. Globalism does pose threats to established labor unions and practices, and it is not unreasonable for labor and its friends to look for ways to protect workers from its sometimes harsh effects. But it is not likely that globalization can be held back for long, and it is irresponsible to foster the impression that it can be. There are, moreover, many opportunities in the global economy. Strategies are needed to help workers contend with the harsh side of globalization, while encouraging them to join in seizing its potential benefits. This is not an attitude widely held among labor leaders today.

Globalization is another issue that brings together strange bedfellows in the labor field. Ardent critics of capitalism have made common cause with protectionist industries that have been among the most hardbitten opponents of trade unionism at home (for example, textile baron Roger Milliken helped fund the far left in its assault on the World Trade Organization in Seattle.) The AFL-CIO endorsed quixotic demonstrations against the World Bank and IMF held last spring in Washington. The image of unionists militantly defying global economic power titillates some journalists, but such futile posturing leads into a dead end.

As the difficult years of the Cold War demonstrated, American labor has the capacity to grasp an enlightened and democratic internationalism. Labor and its friends should be a part of the effort to fashion an open and humane international economic system – they should not cast their lot with the foot-draggers or bottle-throwers.

As globalization proceeds, so too will opportunities for labor to make contributions and win benefits. Freedom of information, freedom of assembly, and legal due process for trade unions should be as much a part of a sound agenda for the global economy as free trade and property rights. Predatory companies can be shamed in the eyes of world opinion. The benefits of good relations between employers and their employees are becoming clearer as multinational companies move away from extractive industries and into the information and services sectors of the New Economy. All this opens doors to unions giving them the opportunity to be cooperative partners in the expansion of global capitalism. It should encourage labor to stress skills development and professionalism in its international operations as well as at home.

Workforce development and a spirit of engagement with the global economy are closely linked components of a positive and forward-looking strategy for labor and its friends. Leadership for such a strategy will have to come from within the labor movement itself, but outsiders can help create an environment that will encourage and assist this leadership. The individuals who will be involved in this project have demonstrated in the past that they understand how to work effectively with the labor movement while respecting its autonomy and institutional pride. They have strong contacts and experience not only in the labor field, but also in the realm of international affairs. They can foster an atmosphere conducive to ferment and constructive change.

Labor should be encouraged to renew its links to the institutions around the globe working to further democracy. In recent years the labor movement has not been in the forefront of the effort to build up democratic institutions in countries struggling to make the transition to freedom. The emphasis has been instead on the wrong-doings, here and abroad, of international business and finance. Such wrong-doing does take place, and should be exposed and condemned. But cataloguing these failings is hardly a strategy that in itself will accomplish anything for working people.

The Labor Citizenship Project will work closely with the U.S. National Endowment for Democracy and the newly-founded international Community of Democracies to foster international ties between up-and-coming democracy activists in the ranks of labor and the wider pro-Democracy milieu. One goal should be a credible body of guidelines that reasonable people can agree upon, and which could be followed in dealing with matters that impact on labor in international relations. The goal should be to help create a realistic role for labor as a true citizen of the international community, and to help reduce the tendency of some in the labor community to lend support to the anti-globalist camp.

PROPOSAL

The Labor Citizenship Project is made up of two proposals: one from Freedom House, the other from the Foundation for Democratic Education (FDE). While each will have prime responsibility for their own proposal cooperation between the two groups will be necessary if either is to be successful.

The two organizations bring different but complementary ingredients to the project. Freedom House provides the necessary contacts in business, academia, think tanks, and government, while FDE has the necessary link to forward-looking unions and has developed an effective communications network through its New Economy Information Service. It will be the synergy flowing from this cooperative effort that promises success.

Therefore, we ask that the Lynde and Harry Bradley Foundation award a two-year grant in the amount of \$149,000 for each year for the following program:

WORKFORCE DEVELOPMENT

- 1) Survey the array of projects, institutions, and activities – government, business, labor or non-profit – that have programs in the area of workforce development.
- 2) Develop an electronic system of communicating readily with this group.
- 3) Produce a regular newsletter of information useful and interesting to this group.
- 4) Seek out energetic and forward-looking figures in labor's leadership to become part of a new network.

- 5) Bring them together for cooperative dialogue with other leaders in business, academia, and local government.

(Here Freedom House will be especially helpful with their contacts in the international business and financial community.)

About FDE

The Foundation for Democratic Education was established in 1980 with the aim of promoting greater understanding of the importance of democracy in national and international life. It has sponsored conferences, publications, web sites, and programs aimed at both U.S. and international audiences. Currently, the FDE is engaged in developing the New Economy Information Service (NEIS), a non-profit network of analysis of the effects of rapid economic change on work life, families, communities, and the wider world. NEIS undertakes research and organizes discussions--face-to-face, through e-mail, and on its web site-- on such topics as: "new economy" unionism, democracy and globalization, education and "social capital," and work-family balance. NEIS publications and discussions can be viewed on its web site at www.newecon.org. (See attached list of activities.)

Budget for FDE--Year One

Richard Wilson (2/3 time)	33,000	
Vicki Thomas (3/4)	30,000	
Taxes 7%	4,500	
Travel and expenses	3,000	
Rent	12,000	
Consultants (writers)	12,000	
Events (conferences, press conferences, meetings)	14,500	
Publications (printing, designing & postage)	14,000	
Equipment rental (xerox, postage meter)	5,000	
Computer Services	5,000	
Telephone	5,000	
Postage	3,000	
Supplies	3,000	
Accounting/Legal	5,000	
Total		\$149,000

FOUNDATION FOR A DEMOCRATIC EDUCATION

Activities September 1998 to October 2000

NEW ECONOMY INFORMATION SERVICE WEBSITE

www.newecon.org

Launched in April 1999, the New Economy Information Service's Web site has served as the focal point for dissemination of original articles, NEIS-hosted expert discussions, and ongoing efforts to reach out to opinion makers, union members, policy makers, and all others interested in the impact of economic restructuring and globalization on our lives.

The Web site is a mixture of news, opinion pieces, synopses, and documentation relating to our five major issue areas: Labor, Globalization, Work-Family, Education, and the Third Way. The results of our efforts this year demonstrate a high level of interest in issues related to the impact of the New Economy, and the continuing need for a central forum to discuss solutions to the problems that arise from its impact. Regular users of the site currently include government officials, unionists, think tanks, university professors, news services, students, and businessmen; the number of registered users has increased three-fold in the last six months alone. In addition, NEIS has conducted a number of important, groundbreaking discussions with policy experts, business leaders and academics in an attempt to build consensus on issues related to our Web site efforts.

In order to further extend the reach of the Web site, we have begun the process of revamping the site, removing the necessity of registering, and streamlining the content. To facilitate communication with interested readers, NEIS will be offering a weekly "What's in the News"—a look at the top stories, studies, and discussions for each issue area. We expect the modifications will bring even more participants to our discussions. NEIS will continue to produce timely articles and analysis, on-site reports from important conferences and events, as well as postings from other policy experts around the globe, all posted at www.newecon.org.

Work Family Balance and the New Economy

In the past year, NEIS has explored many issues related to the "time bind"—or the fact that in our 24/7 New Economy, American workers feel increasingly hard pressed in their attempts to balance work and family obligations.

Among other important pieces, NEIS has published original articles on work and family topics such as:

The Parental Time Deficit. As time spent at the workplace continues to increase, time for obligations at home (particularly for child care responsibilities) continues to diminish. Recent studies, such as that of the President's Council of Economic Advisors (CEA), seem to document this massive shift of time and attention from home to workplace. NEIS did a detailed analysis of the CEA report, and is currently preparing a report on a major

new study that calls into question the very existence of a parental time deficit experienced by children.

Family-Friendly Corporate Policy. David Blankenhorn's speech to the League for Industrial Democracy in January, 1999 on "Family-Friendly vs. Employer-Friendly" corporate practices sparked a high-level discussion on the issue that included top work-family experts such as Netsy Firestein, Director of the Labor Project for Working Families, and Maggie Gallagher, Scholar at the Institute for American Values.

Child Care Studies. NEIS has reviewed all the recent sociological studies on the effects of non-parental care on children, and has extensively documented the growing controversy over whether commercial day care or parental absence have detrimental effects on child development—a major concern for working parents

Work-Family Policy Proposals. As work and family balance has become a hot political topic, NEIS has surveyed the existing public policy proposals and recorded the statements and positions of our top policy-makers.

As NEIS has gained a reputation for expertise in the area of work-family studies, an increasing number of policy experts, commentators, and union negotiators have become regular users of our website and participants in our discussions. We hope to make use of our increased visibility on these issues to impact the public discussion in other ways in the near future, including opinion editorial pieces placed in nationally-renowned publications.

NEIS Study on Unions' Work-Family Policies

In April 2000, NEIS released a major new study on the negotiating strategies of unions with regard to the issue of work and family balance. Increasingly, labor unions are finding that more time for family and children ranks as one of the top concerns for members who are working parents. As a result, union negotiators and strategists are beginning to pay more attention to work-family issues in their collective bargaining agenda.

This original survey of major unions found that while the substantial majority of "family-friendly" policies are still oriented towards flexible scheduling, guards against mandatory overtime, and more liberal family leave policies, there is a marked trend in the direction of corporate-subsidized day care on the part of both companies and union negotiators. The clear majority of union members, however, do not place a high priority on new child care programs as a solution to the time bind, according to the study.

The report, entitled *Unions Working for Families?*, was based on an analysis of national survey data, samples of new contract language, and numerous interviews with national and local representatives of major unions. A full version of the report is posted on the NEIS Web site.

***There's No Place Like Work* by Brian Robertson**

NEIS Research Fellow Brian Robertson's new book on work and family balance, *There's No Place Like Work* (Spence Publishers, 2000) is getting coverage from media outlets across the nation and is having a measurable impact on the public debate.

The book has received favorable notices in such national publications as the *Weekly Standard* and the *Wall Street Journal*, and commentary from nationally syndicated radio shows including Charles Colson's *Breakpoint* and the *Dr. Laura Schlessinger Show*. In addition, Mr. Robertson has done dozens of local radio and newspaper interviews in the course of promoting the book.

Globalization Debate

In the past year, NEIS has been examining the backlash to globalization, with particular attention given to issues of democratization, trade, worker rights, and international institutions.

Among other important issues, NEIS published original articles on topics such as:

World Trade Organization Ministerial in Seattle. NEIS filed live, contemporaneous reports from Seattle during the World Trade Organization Ministerial last November. The roles of NGOs, developing democracies, and labor were considered in the articles, with various suggestions for democratizing the global economy offered. A number of notable policy advocates responded to the commentaries, including Tim Bissell, Campaign for Labor Rights, Tony Freedman, International Labor Organization, Robin Rosenberg, North-South Center, and David Korten, People Centered Development Forum.

When the dust from the Seattle event had settled—and commentary on the next step for the globalization process had been gathered—NEIS analysts grappled with how to structure the future course of globalization in light of growing environmental, labor and consumer concerns. Our commentary and reporting raises important questions regarding how the creation of global market rules can be made more representative, transparent, and participatory, and how those emerging markets can strengthen developing democracies.

China. China has become the new flashpoint in the debate over the consequences of globalization, and in a number of recent articles NEIS examines the best way to engage China—exploring the benefits and drawbacks of granting permanent normal trade relations as well as proposed codes of conduct for American businesses operating in China. As the PNTR legislation is implemented, NEIS will continue its efforts to analyze the impact of the bilateral trade agreement and China's expected entry into the WTO.

IMF/World Bank Reform. The globalization debate heated up at the joint International Monetary Fund/World Bank meetings in April when the streets of Washington, D.C. teemed with protesters. NEIS covered the events, examining both the sustainability of the new coalitions being formed and the content of the reforms being advocated. Debt relief was a central component of the protests, and NEIS is continuing to document the ongoing debate on debt relief and its possible impact on both world financial markets and developing democracies.

Civil Society. As part of the ongoing globalization debate, NEIS has given careful consideration to the role of civil society in the trade debate. We have compiled opinions of civil society groups who participated in the Free Trade Area of the Americas' Committee of Government Representatives on the Participation of Civil Society. The submissions from civil society were compared to the final official report in a detailed NEIS article.

Domestic Activism and Independent Monitoring. Activism in the U.S. related to multinational corporate practices has been on the rise, and NEIS has examined the movement against sweatshop-made apparel on college campuses across the nation in various news articles. In a series of articles, we have analyzed proposed options such as divestment and restricting access to U.S. capital markets, as exemplified by the recent controversy surrounding the initial public investment of PetroChina. Socially responsible investing is a topic currently being explored.

Various studies were conducted throughout the last year pertaining to globalization and democracy. The two most prominent include "Dollars and Democracy," and "Toy Dollars Going to Dictators."

"Dollars and Democracy" Study

On November 10, 1999, the New Economy Information Service (NEIS) released its groundbreaking study "Dollars and Democracy: The Post-Cold War Decline in Developing Democracies' Share of Trade and Investment Markets" at a press conference held at the National Press Club in Washington, D.C. Marking the tenth anniversary of the fall of the Berlin Wall—a victory for democracy which led to the global explosion in trade and investment—the report found that the democratic countries in the developing world are losing ground to more authoritarian countries in terms of competing for U.S. trade and investment dollars. The report raises the question of whether developing democracies might be better served by global trade rules that take democracy into account. It suggests that linking trade and criteria that measure the vitality of democratic institutions would do far more to help developing democracies gain market share for their exports than it would to protect industries in the developed North.

The commentators at the press event were: David Jessup, Executive Director, New Economy Information Service; Seymour Martin Lipset, Professor of Public Policy, George Mason University; Adrian Karatnycky, President, Freedom House; Tom Palley, Public Policy Department, AFL-CIO; and Richard Messick, Senior Public Sector Specialist, World Bank. The event was attended by a crowd of some 50 people, including top journalists and policy-makers.

Several of the panelists termed the "Dollars and Democracy" report a landmark study which would lay the groundwork for future scholarship on the issue of the effects of trade and investment on the developing world. One immediate result of the panel discussion was the genesis of a project to undertake an annual "worker rights survey" which would rank countries according to their conformity to universally-acknowledged measurements of worker rights. The project would be jointly undertaken by the Foundation for Democratic Education and Freedom House, the prestigious human rights

organization whose annual *Freedom in the World* survey is an indispensable source for information on human rights in countries around the world.

The "Dollars and Democracy" report was featured on National Public Radio and in the *Chicago Tribune*. A copy of the report was distributed to over 1500 members of the media, trade union activists, and policymakers. A complete copy of the report and a transcript from the news conference is posted on the NEIS website.

"Toy Dollars Going to Dictators" Study

In a corollary study to *Dollars and Democracy*, NEIS examined where the money spent on toys in the U.S. is flowing and why. As indicated in the *Dollars and Democracy* study, we documented the statistics showing that developing democracies are losing out on market share in the toy industry to more authoritarian nations. Included in the study was a list of "largest toy importers." As the toy industry has sharply increased its imports over the last ten years, it is unclear why these companies prefer to purchase toys from authoritarian countries. Codes of conduct and consumer choices were among the topics examined.

EVENTS

American Labor in the New Economy

In January, 1999, a diverse group of over 100 trade unionists, political thinkers, and education leaders convened in Washington, D.C. for a day of discussion and dialogue on "American Labor in the New Economy." Recent financial crises in the various parts of the world have cast doubt on traditional economic and social institutions and sparked a search for alternative policies. The all-day conference explored proposals in three areas: 1) new rules and institutions for democratizing the global economy, 2) new approaches for broadening educational opportunity, and 3) new designs for improving worker representation. The specific sessions and speakers are as follows:

Session I, "Democratizing the Global Economy: After the Meltdown—Protectionism for the Rich or Opportunity for All?" focused on the debates over regulation of capital flows, fast track trade legislation, linkage of worker rights' and environmental issues with trade, as well as other "Third Way" alternatives. The featured speakers were: Elliott Abrams, Ethics and Public Policy Center; Jenny Bates, Progressive Policy Institute; Deiter Dettke, Friedrich Ebert Foundation; William Frymoyer, Office of Rep. Richard Gephardt; David Howell, New School University; Stephen Lande, Manchester Trade Ltd; and Thea Lee, AFL-CIO.

Session II, "New Approaches in American Education: Looking Beyond the Voucher Debate—Improving Public Education" dealt with how our nation's educational institutions can rise to meet the dual challenge of improving education and retraining workers to adapt to a changing economy. The speakers were: Sandra Feldman, President, American Federation of Teachers; Richard Kahlenberg, Twentieth Century Fund; and Joyce Ladner, The Brookings Institution.

Session III, "New Prospects for American Workers: Between Welfare and Laissez Fair: Empowering American Workers in the New Economy" explored the ability of trade unions to adapt to the changing needs of workers, including issues such as portable pensions and health insurance, teamwork skills, new job opportunities, constant upgrading of skills, an authentic voice in corporate decision-making, and balancing of work time with family, religious and community obligations. The discussion included an exploration of whether all corporate policies labeled "family-friendly" truly deserve the name. The speakers at this session were: Morton Bahr, President, Communication Workers of America; David Blankenhorn, Institute for American Values; Suzanne Granville, AFL-CIO; Stephen Herzenberg, Keystone Research Center; and John Schmidt, Economic Policy Institute.

A complete transcript of the conference is posted on the NEIS website (www.newecon.org).

Organizing in the New Economy

In July, three prominent and successful union organizers led a discussion on the issue of whether trade unions are adapting their structures and strategies to meet the needs of workers in the New Economy. The forum, held in Washington, D.C., was led by Larry Cohen of the Communication Workers of America; Phil Kugler of the American Federation of Teachers; and Jeff Hermanson of the Carpenters Union; and was moderated by David Jessup, Executive Director, New Economy Information Service. Panelists and participants discussed and debated such issues as the need for unions to build on human and social capital, expand worker choice, and create multi-employer representation.

Transcripts from the seminar are posted on the NEIS website.

Is There A Third Way?

A discussion on the "The Third Way," a concept popularized by British Prime Minister Tony Blair as an alternative to both free market capitalism and welfare state regulation, was held in November, 1998 in Washington, D.C. The focus of the discussion was the book, *Is There A Third Way?*, by British social democrat Anthony Giddens, one of the intellectual parents of the concept. Giddens traced the growth of state welfare policy to political forces hostile to the social democratic tradition, and put forward an alternative strategy based on investment in human capital. The leaders of the discussion were: Penn Kemble, Deputy Director of the United States Information Agency; Richard Kahlenberg, Fellow, Twentieth Century Fund; and Rachelle Horowitz, Consultant to the President, American Federation of Teachers. The event was attended by members of think tanks, policymakers, and the media.

Excerpts from the session are posted on the NEIS website.

Building Social Capital in Schools

In March 2000, NEIS sponsored an off-the-record luncheon discussion with Dr. William Nicoll, Chair and Associate Professor of the Department of Education at the College of Education, Florida Atlantic University. Dr. Nicoll, the source of many new ideas on how

to build social capital in schools, discussed how a school can assess its own "culture." He suggests that after this assessment of the school culture is carried out, a school can then begin to transform itself into a social capital-based culture capable of engaging educators, parents, and students in a cooperative quest for both standards-based economic achievement and character development aimed at successful participation in a democratic society. The format of the discussion provided an intimate setting for those involved with the issues to candidly share their ideas about educational strategies from differing perspectives. The luncheon was held in Washington, D.C. and attended by members of think tanks, NGOs, teachers' unions, and the media, as well as practitioners.

Understanding the Role of Communism in America

Sparked in part by the controversy over the Academy Award presentation to Elia Kazan, who publicly identified Hollywood communists before the house Un-American Activities Committee in 1952, a discussion was held in April 1999 with author John Haynes on his new book *Red Scare or Red Menace?* Based upon new archival sources made available in Russia after the end of the Cold War, the book contributes much to scholars' understanding of the role of communism in America.

UPCOMING PROJECTS

Book on The Next Generation of Leaders in Post-Soviet States

This two-year project, funded by the Smith Richardson Foundation, will identify and study the new generation of political leaders in three key post-Soviet states—Russia, Ukraine, and Azerbaijan. The study will explain how members of the next generation will define their national interests and how they are likely to act upon them in the future. The target age group for the study will be the generation of young people born around 1968 who came of age in the Gorbachev years. The study will also focus on the "transitional" generation of leaders—currently in their forties—to determine how far their activities will pave the way for the next generation. On the basis of conclusions from the research, the study will make recommendations to the policy-making community in the U.S. on how to engage the new generation of political leaders. The study will be published as a book.

The book will make a valuable contribution to deepening the policy community's understanding of the mechanism of generation and future political change in the post-Soviet states. It will be one of the few works that will ask questions on politics, national security, foreign policy, and the economy and seek to answer them from the point of view of the next generation of political leaders of three countries. The study will help identify the individuals and institutions that will be important in shaping relationships among the three states in the future. The book will provide policy makers with concrete examples of organizations and individuals who are positioned to be influential in the next two decades in politics, government, media, and security.

The Center for International Labor History

The Center for International Labor History will work to tell the story of the U.S. trade union movement's crucial role in the victory of democracy over both fascism and communism, and to remedy the omission of this topic in world and diplomatic history courses. The Center will make use of newly available archival material to sponsor two projects.

1) The Center had intended to develop two separate projects with Lane Kirkland, former President of the AFL-CIO: the first on the partnership between the U.S. labor movement and Poland's Solidarity Union; and the second to document the history of labor's involvement in international affairs. After Lane Kirkland's untimely death, the research materials gathered on both projects have now been turned over to a separate effort: a full biography of Lane Kirkland by Arch Puddington, Vice President for Research at Freedom House.

2) The second project of the Center will be a history of the American Institute for Free Labor Development (AIFLD) and its former Executive Director William C. Doherty, Jr. AIFLD's mission was to promote democracy in Latin America and assist democratic trade unionists from attacks by both the far Left and the far Right. The book would document an important slice of cold war history through the eyes of a key participant; Mr. Doherty and other principals have already pledged full cooperation to the project, which will include a professionally produced video documentary. The project will be undertaken in cooperation with the Global Work Ethic Fund.

International Survey of Worker Rights

The growing debate over the relationship between core worker rights and trade has increased the need for objective information about the degree to which governments respect the "core" labor rights as defined by the International Labor Organization (ILO)—freedom of association, collective bargaining, freedom from forced labor, freedom from child labor, and non-discrimination in the workplace. FDE proposes, with Freedom House, to undertake an initial study of these rights in the seventy-five major trading nations covering the ten-year period between 1990 and 1999. Following this baseline study, a joint Worker Rights Project would be established for the purpose of producing an annual survey of international worker rights which would rank countries in accordance with how well governments afford these rights in law and practice.

The survey will be the product of a rigorous process of research and analysis, with the goal of ensuring that the results are widely credible and useful to those favoring different perspectives on trade and economic policy. The survey will not itself offer policy prescriptions, but is rather meant as a tool for scholars and policy makers in the areas of trade and human rights policy.

Some of the individuals who have agreed to serve on the panel are: Seymour Martin Lipset, George Mason University; Richard Freeman, Harvard University; William Goetzmann, Yale University; Michael Gordon, Rutgers University; Robert Litan, The Brookings Institutions; Joan Nelson, Overseas Development Council; Michael Novak, American Enterprise Institute; Dani Rodrick, Harvard University; Joseph Stiglitz, Stanford University.

FOUNDATION FOR DEMOCRATIC EDUCATION FINANCES

SOURCES OF INCOME FROM 1995 to 2001

American Federation of Teachers
Communication Workers of America
J.A. Beirne Memorial Foundation
Lynde and Harry Bradley Foundation
National Endowment for Democracy
Smith Richardson Foundation
Shanker Institute
UNITE
William Usery Foundation
Westminster Foundation

BUDGET FOR FY2001
(Dec. 1, 2000 to Nov. 30, 2000)

\$571,000*

*FDE has outstanding grant proposals for another \$333,000



Foundation for
Democratic
Education

July 26, 2000

Mr. William Schambra
The Lynde and Harry Bradley Foundation
P.O. Box 510860
Milwaukee, WI 53203-0153

Dear Mr. Schambra,

Although the grant the Foundation for Democratic Education (FDE) has received from the Lynde and Harry Bradley Foundation does exceed 25 percent of FDE's aggregate income from other sources during the preceding four fiscal years, FDE has been supported over the last six years from a variety of different organizations including labor unions, publicly-supported foundations, and federal government agencies. Listed below are FDE's funders for the past five years.

FY 1999-2000 (As of July 18, 2000)

The Lynde and Harry Bradley Foundation
The Smith Richardson Foundation (two year grant)
American Federation of Teachers
Communication Workers of America

FY 1998-99

The Lynde and Bradley Foundation
The Albert Shanker Institute (publicly-supported organization)
UNITE
The Joseph A Beirne Memorial Foundation
The Bill Usery Foundation

FYS 1994 to 1997

The National Endowment for Democracy (government)
The Westminster Foundation (Great Britain)

Please let me know if you need any further information.

Sincerely,

A handwritten signature in cursive script that reads "Victoria Thomas".

Victoria Thomas
Treasurer

815 15th Street, NW,
Suite 506
Washington, DC 20005
Tel: 202-347-2348
Fax: 202-347-2531

Foundation for Democratic Education

Staff Bios

Richard Wilson replaced David Jessup as Executive Director of the New Economy Information Service. He is former Director of Central and East European Affairs for the Free Trade Union Institute. Prior to that he was National Director of Organizing and Field Service for the AFL-CIO. He also served as Associate Director of the National Committee on Political Education (COPE), the political arm of the AFL-CIO.

Brian C. Robertson is a Research Fellow at the New Economy Information Service and has done extensive writing and research over the last ten years on family and social policy. A graduate of George Mason University, he has written for *National Review*, *Insight*, *The Washington Times*, *World*, *The Wall Street Journal*, *Chronicles*, *Crisis*, and *Human Life Review*, among other publications, and been chief editor of books published by Regnery and Spence Publishing. Mr. Robertson's new book, *There's No Place Like Work: How Business, Government, and Our Obsession with Work Have Driven Parents from Home* has been featured in the *Wall Street Journal* and *The Weekly Standard* among other publications, and as well as on Charles Colson's *Breakpoint* program.

Kristin Jenkins is a Research Analyst at the New Economy Information Service. A recent graduate of George Washington University, she previously worked as a writer and researcher for Policy.com and for Senator John Kerry (D-MA) before turning her attention to globalization and labor issues at NEIS. Committed to community outreach, she utilizes her fluency in Spanish to teach English to recent immigrants .

Victoria Thomas is Director of Administration, Publications, and Events. A graduate of William and Mary College and George Washington University, she previously served for ten years as Special Events Coordinator and Office Manager at Freedom House, a public policy, human rights organization. She has been Dinner Coordinator and Production Manager at the Coalition for a Democratic Majority, and Assistant to the President of the Citizen's Committee for the Pro-Democratic Coalition in Central America.

FOUNDATION FOR A DEMOCRATIC EDUCATION

Activities September 1998 to June 2000

NEW ECONOMY INFORMATION SERVICE WEBSITE

Launched in April 1999, the New Economy Information Service's Web site has served as the focal point for dissemination of original articles, NEIS-hosted expert discussions, and ongoing efforts to reach out to opinion makers, union members, policy makers, and all others interested in the impact of economic restructuring and globalization on our lives.

The Web site is a mixture of news, opinion pieces, synopses, and documentation relating to our five major issue areas: Labor, Globalization, Work-Family, Education, and the Third Way. The results of our efforts this year demonstrate a high level of interest in issues related to the impact of the New Economy, and the continuing need for a central forum to discuss solutions to the problems that arise from its impact. Regular users of the site currently include government officials, unionists, think tanks, university professors, news services, students, and businessmen; the number of registered users has increased three-fold in the last six months alone. In addition, NEIS has conducted a number of important, groundbreaking discussions with policy experts, business leaders and academics in an attempt to build consensus on issues related to our Web site efforts.

In order to further extend the reach of the Web site, we have begun the process of revamping the site, removing the necessity of registering, and streamlining the content. To facilitate communication with interested readers, NEIS will be offering a weekly "What's in the News"—a look at the top stories, studies, and discussions for each issue area. We expect the modifications will bring even more participants to our discussions. NEIS will continue to produce timely articles and analysis, on-site reports from important conferences and events, as well as postings from other policy experts around the globe, all posted at www.newecon.org.

Work Family Balance and the New Economy

In the past year, NEIS has explored many issues related to the "time bind"—or the fact that in our 24/7 New Economy, American workers feel increasingly hard pressed in their attempts to balance work and family obligations.

Among other important pieces, NEIS has published original articles on work and family topics such as:

The Parental Time Deficit. As time spent at the workplace continues to increase, time for obligations at home (particularly for child care responsibilities) continues to diminish. Recent studies, such as that of the President's Council of Economic Advisors (CEA), seem to document this massive shift of time and attention from home to workplace. NEIS did a detailed analysis of the CEA report, and is currently preparing a report on a major new study that calls into question the very existence of a parental time deficit experienced by children.

Family-Friendly Corporate Policy. David Blankenhorn's speech to the League for Industrial Democracy in January, 1999 on "Family-Friendly vs. Employer-Friendly" corporate practices sparked a high-level discussion on the issue that included top work-family experts such as Netsy Firestein, Director of the Labor Project for Working Families, and Maggie Gallagher, Scholar at the Institute for American Values.

Child Care Studies. NEIS has reviewed all the recent sociological studies on the effects of non-parental care on children, and has extensively documented the growing controversy over whether commercial day care or parental absence have detrimental effects on child development—a major concern for working parents

Work-Family Policy Proposals. As work and family balance has become a hot political topic, NEIS has surveyed the existing public policy proposals and recorded the statements and positions of our top policy-makers.

As NEIS has gained a reputation for expertise in the area of work-family studies, an increasing number of policy experts, commentators, and union negotiators have become regular users of our website and participants in our discussions. We hope to make use of our increased visibility on these issues to impact the public discussion in other ways in the near future, including opinion editorial pieces placed in nationally-renowned publications.

NEIS Study on Unions' Work-Family Policies

In April 2000, NEIS released a major new study on the negotiating strategies of unions with regard to the issue of work and family balance. Increasingly, labor unions are finding that more time for family and children ranks as one of the top concerns for members who are working parents. As a result, union negotiators and strategists are beginning to pay more attention to work-family issues in their collective bargaining agenda.

This original survey of major unions found that while the substantial majority of "family-friendly" policies are still oriented towards flexible scheduling, guards against mandatory overtime, and more liberal family leave policies, there is a marked trend in the direction of corporate-subsidized day care on the part of both companies and union negotiators. The clear majority of union members, however, do not place a high priority on new child care programs as a solution to the time bind, according to the study.

The report, entitled *Unions Working for Families?*, was based on an analysis of national survey data, samples of new contract language, and numerous interviews with national and local representatives of major unions. A full version of the report is posted on the NEIS Web site.

***There's No Place Like Work* by Brian Robertson**

NEIS Research Fellow Brian Robertson's new book on work and family balance, *There's No Place Like Work* (Spence Publishers, 2000) is getting coverage from media outlets across the nation and is having a measurable impact on the public debate.

The book has received favorable notices in such national publications as the *Weekly Standard* and the *Wall Street Journal*, and commentary from nationally syndicated radio shows including Charles Colson's *Breakpoint* and the *Dr. Laura Schlessinger Show*. In addition, Mr. Robertson has done dozens of local radio and newspaper interviews in the course of promoting the book.

Globalization Debate

In the past year, NEIS has been examining the backlash to globalization, with particular attention given to issues of democratization, trade, worker rights, and international institutions.

Among other important issues, NEIS published original articles on topics such as:

World Trade Organization Ministerial in Seattle. NEIS filed live, contemporaneous reports from Seattle during the World Trade Organization Ministerial last November. The roles of NGOs, developing democracies, and labor were considered in the articles, with various suggestions for democratizing the global economy offered. A number of notable policy advocates responded to the commentaries, including Tim Bissell, Campaign for Labor Rights, Tony Freedman, International Labor Organization, Robin Rosenberg, North-South Center, and David Korten, People Centered Development Forum.

When the dust from the Seattle event had settled—and commentary on the next step for the globalization process had been gathered—NEIS analysts grappled with how to structure the future course of globalization in light of growing environmental, labor and consumer concerns. Our commentary and reporting raises important questions regarding how the creation of global market rules can be made more representative, transparent, and participatory, and how those emerging markets can strengthen developing democracies.

China. China has become the new flashpoint in the debate over the consequences of globalization, and in a number of recent articles NEIS examines the best way to engage China—exploring the benefits and drawbacks of granting permanent normal trade relations as well as proposed codes of conduct for American businesses operating in China. As the PNTR debate moves to Congress at the end of May, NEIS will continue its efforts to analyze the impact of the bilateral trade agreement.

IMF/World Bank Reform. The globalization debate heated up at the joint International Monetary Fund/World Bank meetings in April when the streets of Washington, D.C. teemed with protesters. NEIS covered the events, examining both the sustainability of the new coalitions being formed and the content of the reforms being advocated. Debt relief was a central component of the protests, and NEIS is continuing to document the ongoing debate on debt relief and its possible impact on both world financial markets and developing democracies.

Civil Society. As part of the ongoing globalization debate, NEIS has given careful consideration to the role of civil society in the trade debate. We have compiled opinions of civil society groups who participated in the Free Trade Area of the Americas'

Committee of Government Representatives on the Participation of Civil Society. The submissions from civil society were compared to the final official report in a detailed NEIS article.

Domestic Activism and Independent Monitoring. Activism in the U.S. related to multinational corporate practices has been on the rise, and NEIS has examined the movement against sweatshop-made apparel on college campuses across the nation in various news articles. In a series of articles, we have analyzed proposed options such as divestment and restricting access to U.S. capital markets, as exemplified by the recent controversy surrounding the initial public investment of PetroChina. Socially responsible investing is a topic currently being explored.

Various studies were conducted throughout the last year pertaining to globalization and democracy. The two most prominent include "Dollars and Democracy," and "Toy Dollars Going to Dictators."

"Dollars and Democracy" Study

On November 10, 1999, the New Economy Information Service (NEIS) released its groundbreaking study "Dollars and Democracy: The Post-Cold War Decline in Developing Democracies' Share of Trade and Investment Markets" at a press conference held at the National Press Club in Washington, D.C. Marking the tenth anniversary of the fall of the Berlin Wall—a victory for democracy which led to the global explosion in trade and investment—the report found that the democratic countries in the developing world are losing ground to more authoritarian countries in terms of competing for U.S. trade and investment dollars. The report raises the question of whether developing democracies might be better served by global trade rules that take democracy into account. It suggests that linking trade and criteria that measure the vitality of democratic institutions would do far more to help developing democracies gain market share for their exports than it would to protect industries in the developed North.

The commentators at the press event were: David Jessup, Executive Director, New Economy Information Service; Seymour Martin Lipset, Professor of Public Policy, George Mason University; Adrian Karatnycky, President, Freedom House; Tom Palley, Public Policy Department, AFL-CIO; and Richard Messick, Senior Public Sector Specialist, World Bank. The event was attended by a crowd of some 50 people, including top journalists and policy-makers.

Several of the panelists termed the "Dollars and Democracy" report a landmark study which would lay the groundwork for future scholarship on the issue of the effects of trade and investment on the developing world. One immediate result of the panel discussion was the genesis of a project to undertake an annual "worker rights survey" which would rank countries according to their conformity to universally-acknowledged measurements of worker rights. The project (see p. 5) would be jointly undertaken by the Foundation for Democratic Education and Freedom House, the prestigious human rights organization whose annual *Freedom in the World* survey is an indispensable source for information on human rights in countries around the world.

The "Dollars and Democracy" report was featured on National Public Radio and in the *Chicago Tribune*. A copy of the report was distributed to over 1500 members of the media, trade union activists, and policymakers. A complete copy of the report and a transcript from the news conference is posted on the NEIS website.

"Toy Dollars Going to Dictators" Study

In a corollary study to *Dollars and Democracy*, NEIS examined where the money spent on toys in the U.S. is flowing and why. As indicated in the *Dollars and Democracy* study, we documented the statistics showing that developing democracies are losing out on market share in the toy industry to more authoritarian nations. Included in the study was a list of "largest toy importers." As the toy industry has sharply increased its imports over the last ten years, it is unclear why these companies prefer to purchase toys from authoritarian countries. Codes of conduct and consumer choices were among the topics examined.

EVENTS

American Labor in the New Economy

In January, 1999, a diverse group of over 100 trade unionists, political thinkers, and education leaders convened in Washington, D.C. for a day of discussion and dialogue on "American Labor in the New Economy." Recent financial crises in the various parts of the world have cast doubt on traditional economic and social institutions and sparked a search for alternative policies. The all-day conference explored proposals in three areas: 1) new rules and institutions for democratizing the global economy, 2) new approaches for broadening educational opportunity, and 3) new designs for improving worker representation. The specific sessions and speakers are as follows:

Session I, "Democratizing the Global Economy: After the Meltdown—Protectionism for the Rich or Opportunity for All?" focused on the debates over regulation of capital flows, fast track trade legislation, linkage of worker rights' and environmental issues with trade, as well as other "Third Way" alternatives. The featured speakers were: Elliott Abrams, Ethics and Public Policy Center; Jenny Bates, Progressive Policy Institute; Deiter Dettke, Friedrich Ebert Foundation; William Frymoyer, Office of Rep. Richard Gephardt; David Howell, New School University; Stephen Lande, Manchester Trade Ltd; and Thea Lee, AFL-CIO.

Session II, "New Approaches in American Education: Looking Beyond the Voucher Debate—Improving Public Education" dealt with how our nation's educational institutions can rise to meet the dual challenge of improving education and retraining workers to adapt to a changing economy. The speakers were: Sandra Feldman, President, American Federation of Teachers; Richard Kahlenberg, Twentieth Century Fund; and Joyce Ladner, The Brookings Institution.

Session III, "New Prospects for American Workers: Between Welfare and Laissez Fair: Empowering American Workers in the New Economy" explored the ability of trade unions to adapt to the changing needs of workers, including issues such as portable

pensions and health insurance, teamwork skills, new job opportunities, constant upgrading of skills, an authentic voice in corporate decision-making, and balancing of work time with family, religious and community obligations. The discussion included an exploration of whether all corporate policies labeled "family-friendly" truly deserve the name. The speakers at this session were: Morton Bahr, President, Communication Workers of America; David Blankenhorn, Institute for American Values; Suzanne Granville, AFL-CIO; Stephen Herzenberg, Keystone Research Center; and John Schmidt, Economic Policy Institute.

A complete transcript of the conference is posted on the NEIS website (www.newecon.org).

Organizing in the New Economy

In July, three prominent and successful union organizers led a discussion on the issue of whether trade unions are adapting their structures and strategies to meet the needs of workers in the New Economy. The forum, held in Washington, D.C., was led by Larry Cohen of the Communication Workers of America; Phil Kugler of the American Federation of Teachers; and Jeff Hermanson of the Carpenters Union; and was moderated by David Jessup, Executive Director, New Economy Information Service. Panelists and participants discussed and debated such issues as the need for unions to build on human and social capital, expand worker choice, and create multi-employer representation.

Transcripts from the seminar are posted on the NEIS website.

Is There A Third Way?

A discussion on the "The Third Way," a concept popularized by British Prime Minister Tony Blair as an alternative to both free market capitalism and welfare state regulation, was held in November, 1998 in Washington, D.C. The focus of the discussion was the book, *Is There A Third Way?*, by British social democrat Anthony Giddens, one of the intellectual parents of the concept. Giddens traced the growth of state welfare policy to political forces hostile to the social democratic tradition, and put forward an alternative strategy based on investment in human capital. The leaders of the discussion were: Penn Kemble, Deputy Director of the United States Information Agency; Richard Kahlenberg, Fellow, Twentieth Century Fund; and Rachelle Horowitz, Consultant to the President, American Federation of Teachers. The event was attended by members of think tanks, policymakers, and the media.

Excerpts from the session are posted on the NEIS website.

Building Social Capital in Schools

In March 2000, NEIS sponsored an off-the-record luncheon discussion with Dr. William Nicoll, Chair and Associate Professor of the Department of Education at the College of Education, Florida Atlantic University. Dr. Nicoll, the source of many new ideas on how to build social capital in schools, discussed how a school can assess its own "culture." He suggests that after this assessment of the school culture is carried out, a school can then begin to transform itself into a social capital-based culture capable of engaging educators,

parents, and students in a cooperative quest for both standards-based economic achievement and character development aimed at successful participation in a democratic society. The format of the discussion provided an intimate setting for those involved with the issues to candidly share their ideas about educational strategies from differing perspectives. The luncheon was held in Washington, D.C. and attended by members of think tanks, NGOs, teachers' unions, and the media, as well as practitioners.

Understanding the Role of Communism in America

Sparked in part by the controversy over the Academy Award presentation to Elia Kazan, who publicly identified Hollywood communists before the house Un-American Activities Committee in 1952, a discussion was held in April 1999 with author John Haynes on his new book *Red Scare or Red Menace?* Based upon new archival sources made available in Russia after the end of the Cold War, the book contributes much to scholars' understanding of the role of communism in America.

UPCOMING PROJECTS

Book on The Next Generation of Leaders in Post-Soviet States

This two-year project, funded by the Smith Richardson Foundation, will identify and study the new generation of political leaders in three key post-Soviet states—Russia, Ukraine, and Azerbaijan. The study will explain how members of the next generation will define their national interests and how they are likely to act upon them in the future. The target age group for the study will be the generation of young people born around 1968 who came of age in the Gorbachev years. The study will also focus on the "transitional" generation of leaders—currently in their forties—to determine how far their activities will pave the way for the next generation. On the basis of conclusions from the research, the study will make recommendations to the policy-making community in the U.S. on how to engage the new generation of political leaders. The study will be published as a book.

The book will make a valuable contribution to deepening the policy community's understanding of the mechanism of generation and future political change in the post-Soviet states. It will be one of the few works that will ask questions on politics, national security, foreign policy, and the economy and seek to answer them from the point of view of the next generation of political leaders of three countries. The study will help identify the individuals and institutions that will be important in shaping relationships among the three states in the future. The book will provide policy makers with concrete examples of organizations and individuals who are positioned to be influential in the next two decades in politics, government, media, and security.

The Center for International Labor History

The Center for International Labor History will work to tell the story of the U.S. trade union movement's crucial role in the victory of democracy over both fascism and

communism, and to remedy the omission of this topic in world and diplomatic history courses. The Center will make use of newly available archival material to sponsor two projects.

1) The Center had intended to develop two separate projects with Lane Kirkland, former President of the AFL-CIO: the first on the partnership between the U.S. labor movement and Poland's Solidarity Union; and the second to document the history of labor's involvement in international affairs. After Lane Kirkland's untimely death, the research materials gathered on both projects have now been turned over to a separate effort: a full biography of Lane Kirkland by Arch Puddington, Vice President for Research at Freedom House.

2) The second project of the Center will be a history of the American Institute for Free Labor Development (AIFLD) and its former Executive Director William C. Doherty, Jr. AIFLD's mission was to promote democracy in Latin America and assist democratic trade unionists from attacks by both the far Left and the far Right. The book would document an important slice of cold war history through the eyes of a key participant; Mr. Doherty and other principals have already pledged full cooperation to the project, which will include a professionally produced video documentary. The project will be undertaken in cooperation with the Global Work Ethic Fund.

International Survey of Worker Rights

The growing debate over the relationship between core worker rights and trade has increased the need for objective information about the degree to which governments respect the "core" labor rights as defined by the International Labor Organization (ILO)—freedom of association, collective bargaining, freedom from forced labor, freedom from child labor, and non-discrimination in the workplace. FDE proposes, with Freedom House, to undertake an initial study of these rights in the seventy-five major trading nations covering the ten-year period between 1990 and 1999. Following this baseline study, a joint Worker Rights Project would be established for the purpose of producing an annual survey of international worker rights which would rank countries in accordance with how well governments afford these rights in law and practice.

The survey will be the product of a rigorous process of research and analysis, with the goal of ensuring that the results are widely credible and useful to those favoring different perspectives on trade and economic policy. The survey will not itself offer policy prescriptions, but is rather meant as a tool for scholars and policy makers in the areas of trade and human rights policy.

Some of the individuals who have agreed to serve on the panel are: Seymour Martin Lipset, George Mason University; Richard Freeman, Harvard University; William Goetzmann, Yale University; Michael Gordon, Rutgers University; Robert Litan, The Brookings Institutions; Joan Nelson, Overseas Development Council; Michael Novak, American Enterprise Institute; Dani Rodrick, Harvard University; Joseph Stiglitz, Stanford University.



Foundation for
Democratic
Education

October 20, 2000

Mr. William Schambra
The Lynde and Harry Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202

Dear Mr. Schambra,

Attached are two proposals -- one from the Foundation for Democratic Education, the other from Freedom House. They are separate proposals, each with its own activities, but representing a joint effort of the two organizations.

In addition to this fax copy, a separate hard copy is being sent overnight to you.

If you have any questions, I would be most happy to answer them.

Sincerely,

A handwritten signature in cursive script that reads "Richard Wilson".

Richard Wilson

F D E

Foundation for
Democratic
Education

815 15th Street, NW
Suite 506
Washington, DC 20005
Tel: 202.347.2348
Fax: 202.347.2531

June 21, 2000

MEMORANDUM

TO: William Schambra, The Lynde and Harry Bradley Foundation
FROM: Foundation for Democratic Education
RE: Program, 2000-20002

ENTD JUN 23 2000

Over the past two years, the Foundation for Democratic Education has laid groundwork in the American labor movement and the milieu around it which will make it possible for us to engage in constructive, forward-looking dialogue in the interesting era ahead.

During a Presidential election year, debate within the ranks of labor is constrained. But there are signs that a lively debate could begin when this election is over. During the past four years of high employment, substantial sums have been spent by unions on efforts to organize low-paid and low-skilled workers. During this same period, labor has made an impressive effort to impose conditions on trade between the U.S. and countries that deny core labor rights. These efforts have not fundamentally altered the difficult situation of American labor in discernable ways.

As a result, the next two years--regardless of who wins the Presidency--should generate serious and far-reaching debate in the labor movement. The veteran community activists, who over the past decade have filled many positions on union staffs, will have to temper their expectations that the most marginal of American workers can be the main engine of resurgence in union membership. Those who imagined that an anti-corporate coalition could be built around opposition to globalization have succeeded in raising important issues, but not in stemming the flow of lower-skilled jobs to low-wage countries. Few unions today have resources to spend on these kinds of efforts if they have no concrete effects on the export of traditional union jobs.

But despite the fact that the new leadership of the AFL-CIO finds itself at an impasse, there are some promising possibilities. There are significant groups of white collar and professional employees in the private sector who show interest in more effective representation. This was demonstrated recently when engineers at the Boeing Corporation in Seattle launched an unprecedented strike; another example was when doctors working for HMOs organized to resist what they held to be cost-cutting by management that compromised patient welfare. The socio-economic status of these workers is different from that of most new recruits to labor unions, who have often come from below the labor mainstream, not from above it.

Unions such as the Communications Workers and the Professional and Technical Engineers have found that new members are attracted by union programs that help them improve their technical skills. As twenty-something workers in the New Economy acquire families and other responsibilities, the churning insecurity of the high-tech workplace becomes too stressful, and the benefits of a collective-bargaining contract begin to look more appealing. Indeed, more unions are finding that bargaining for protections and benefits for family life are strong selling points to members.

In international affairs, labor may very well be drawn back to an approach not unlike that followed by the late Lane Kirkland: Unions can only retain strength at home by strengthening democratic institutions abroad. So long as foreign governments create circumstances in which their workers can be harshly exploited, it is difficult to maintain the protections and benefits that union membership provides for workers here.

One of the most immediate needs unions now face is the imperative of legitimating debate over these and other issues. The loss of membership and prestige that has come in the past two decades has tended to feed an impulse to close ranks and to treat questioning as a sort of treason. As a situation grows difficult—and the less committed leave the scene—militancy and suspicion can drive out reason and civility. This often compounds problems that engendered the difficulties in the first place. It can also have quite harmful effects in the wider society and in the economy.

We propose to find ways to establish a serious dialogue within the labor movement about how it can avoid a hostile isolation, and strengthen its links to the mainstream of American politics and culture. We will work to ensure that this dialogue is seen by significant sectors of the union leadership as loyal and constructive. We hope to develop a network of participants in this dialogue within the broader labor movement, which now only takes place at its periphery. In the present environment this may not be simple. But whatever success we have will help to revitalize what is still one of America's most important social and economic institutions.

Program of Activities

What will make this endeavor succeed is effective networking. We have seen how small circles of vocal but unrepresentative activists can dominate and damage broad-based institutions such as churches and universities. This will not happen in the labor movement if responsible leaders and members are well informed on the issues and are able to communicate with one another effectively. Many things can contribute to this, but one of the most effective is the existence of an informal network of individuals who share common values and interests.

The primary task of this project will be to identify individuals in and around the labor movement who share the outlook and objectives of the organizers and who have an interest in sharing information and ideas about a more effective trade unionism.

The New Economy Information Service will continue to provide source materials and information on relevant issues to a broad public—as it has done effectively in the past two years.

But from the fall of 2000 the Foundation for Democratic Education will begin to assemble a special list of individuals who can comprise a "community of outlook" on key challenges facing the labor movement. A private list serve will be put into service to enable these individuals to receive briefings on important subjects, to exchange information, and to participate in mediated communication among themselves.

These electronic communication links will be the sinews of a broader program of research, publication, information exchange, and small seminars designed to strengthen ties among those who share an interest in labor's future.

Touchstone Ideas

The central issues for this work will be those that the New Economy Information Service has been engaged with since its inception: Labor and Education, Labor and Family Values, and Labor and the Global Economy. There will be a shift in focus to speak more clearly to a smaller community of interested contacts, rather than to the public at large.

The three broad rubrics noted above encompass several topics that we anticipate will draw considerable attention when the election is past.

At present, international labor rights is considered by many to be an arena in which labor and the multi-national corporations are pitted in irreconcilable conflict. But ways should be explored to find common ground on which unions can cooperate with businesses—which are themselves seeking protection from intellectual property piracy and extortion abroad—and with others who would preserve and extend lawful, democratic governance in the world. As American corporations and financial institutions move more of their activities abroad into information, technology, and services, they will want to foster stable, open, and democratically-governed societies. Their interests and those of American labor may not be as sharply antagonistic as some would have us believe. Activities undertaken as follow-up to the June "Community of Democracies" meeting in Warsaw may provide appropriate venues for constructive labor-business dialogue.

A labor movement that makes democracy its touchstone can reach out to an interesting assortment of allies on issues relating to China. Many analysts anticipate a period of turbulence in China as a government that has shown small regard for the welfare of its people undertakes mass privatization of industry and the introduction of advanced technologies of production. Businesses that are heavily engaged in China may soon find that they need to encourage the regime to make meaningful democratic reforms in order to avoid a political melt-down and heavy financial losses. In responding to China, labor can find allies not only among the human rights and environmentalist groups on the left, but also among national security experts, religious freedom advocates, and even certain business interests on the right.

At an earlier point in labor history, unions played a central part in helping workers learn the skills of various construction and manufacturing crafts. In more recent times—with some impressive exceptions—unions have been satisfied to turn this role over to our educational system, or to employers. There is, however, an opportunity for unions to play strategic roles in

helping their members to find the appropriate support they need for both qualifying and in-service training. Both the federal and many state governments spend substantial sums on training and skills enhancement. Often these programs are backwaters of incompetence and make-work for political appointees. Active unions could seek reform of these programs, making them more relevant to today's job market and requiring real achievements from administrators and participants. Effective union involvement in reforming these programs will win respect and support from union members, who are mindful of the need for skills in today's global job market.

Another area where unions are beginning to demonstrate a heightened awareness is on the whole issue of making it easier for workers to take care of their obligations at home. With the number of dual-income families with children at an all time high, there is increasing recognition that seeking creative solutions to the work-family "time-bind" is essential for both families and corporations interested in the welfare of their workers. The renewed interest on the part of unions in work-family issues and how corporate and government policy impacts on working parents (particularly working mothers) presents a unique opportunity which we are well positioned to exploit. Providing a forum for collaboration between unions and pro-family organizations—both concerned about the costs to families and to society of an economy where parents must work longer hours just to make ends meet—can lead to new thinking and, hopefully, the development of a new consensus. We feel confident that the rank and file of union membership are much more receptive to corporate and government policies that are truly "family-friendly" than is commonly assumed by many professional family advocates.

Unions need to overcome residual habits and prejudices to develop greater capacity to attract professional and higher-skilled service workers. This is the direction in which the American work force is going, and a romantic "prisoners of starvation" approach to organizing, taken by itself, is futile. In the 1930s labor had to break out of craft elitism to reach down to the industrial work force; today labor needs to break through to the economic strata above. This means keeping to the mainstream--and avoiding tactics that may gratify the youthful dreams of organizers, but turn off workers who never heard of Pete Seeger, and wouldn't have liked him. There is a significant group in the labor movement who are interested in organizing these upscale workers, but their efforts get scant recognition.

As always, the problems that confront America's working men and women are the problems that confront the country. Framing these issues in a way that attaches them to the nation's welfare rather than to one "side" or another is imperative: How do we create a high-wage economy? How do we prevent the workforce from being split between two extremes -- the very highly skilled and the very unskilled? How do we build the middle? How do we rescue mothers -- and their families -- from the tyranny of having women stretched to the breaking point between jobs and home? Many sides of the political spectrum can find common concern with these issues. We hope to provide a much-needed meeting place.

Staff and Budget

The Foundation for Democratic Education has assembled a capable and experienced staff for dealing with the issues to be addressed in this proposal, and for organizing the network it envisions. (Biographical information on all FDE staff is attached.)

The Internal Revenue Service has determined that the Foundation for Democratic Education is a 501(c)(3) publicly-supported tax-deductible organization.

The Foundation is requesting an annual grant of \$576,640 from the Lynde and Harry Bradley Foundation for this work and asks that, for our planning purposes, the grant be made now for two successive years. We offer below the outline of an annual budget for use of the grant we are requesting. We will supply all appropriate detail during further discussions with the Bradley Foundation. We will be most grateful for initial payment on any grant at the beginning of the third quarter of calendar year 2000, when our initial grant will expire.

(Under separate cover, we are sending you a report on our activities to date.)

Annual Budget

Staff

Policy and Direction (2)	200,000
Research, Internet, and Publications (3)	125,000
Administration and Events (1)	40,000
Taxes, FICA, Unemployment (7.3%)	26,640
Subtotal	\$391,640

Consultants	10,000
Web Design, Hosting	20,000
Computer Network Maintenance	15,000
Rent	15,000
Phone	10,000
Equipment and Supplies	10,000
Postage/Shipping/Messenger	12,000
Accounting	5,000
Insurance	5,000
Printing, Publications, Promotion	25,000
Subscriptions	6,000
Meetings, Conferences, Travel	52,000
TOTAL	\$576,640