

Interview

America's Future

An Interview with Arianna Huffington,
Co-Founder and Editor-in-Chief, The Huffington Post



Arianna Huffington

EDITORS' NOTE Arianna Huffington is a nationally syndicated columnist and author of 13 books, as well as co-host of public radio's program *Left, Right & Center*. In 2006, she was named to *Time* magazine's list of the world's 100 most influential people. Huffington has made guest appearances on numerous television shows, including *Charlie Rose*, *Real Time* with Bill Maher, *Good Morning America*, and *The O'Reilly Factor*. She serves on several boards, including *A Place Called Home*. She also serves on the Board of Trustees for the Archer School for Girls. Originally from Greece, she moved to England when she was 16 and graduated from Cambridge University with an M.A. in economics.

COMPANY BRIEF *The Huffington Post* (www.huffingtonpost.com), launched in May 2005, is a news and blog site that has become one of the most widely-read, linked to, and frequently-cited media brands on the Internet.

You recently published a book titled *Third World America: How Our Politicians Are Abandoning the Middle Class and Betraying the American Dream*. What made you feel it was important to write this book and would you provide an overview of its focus?

I wrote *Third World America* as a warning, a way of saying that if we don't change course soon, that could very well be our future. I grew up in Greece, where everyone associated

America with a better life. When I came to live here in 1980, I knew that there was no other place I'd rather live, and 30 years later, I still feel that way. But somewhere along the line, something in our country went awry and put us on a very dangerous path. The book explores all of the things that went wrong, but it's also filled with stories of resilience, creativity, and compassion of people who have gone beyond their own struggles to come up with innovative solutions to the economic crisis.

You refer to the United States as in danger of becoming a third world nation. What key factors create this possibility?

I wish it wasn't the case, but almost every day, the news is filled with headlines showing how bad things are getting. More and more Americans are living in poverty including one in five children; one in five Americans is unemployed or underemployed; one in eight mortgages is in default or foreclosure; and one in eight Americans is on food stamps.

The thing that became clear while writing this book is that the decline of the middle class was not an accident. It was the result of tricks in the ways we financed our homes and traps in the ways credit card companies used hidden fees, fine print, and skyrocketing interest rates to get their hands on our money, driving more and more people into debt. And all of it started in Washington, where special interests run the show and where lobbyists outnumber elected officials 26 to 1.

Our financial system is similarly rigged. We've gone from an economy where we make things to an economy where we make things up: Default credit swaps, derivatives, CDOs, and the like have turned Wall Street into a casino.

Perhaps most importantly, the promise of upward mobility – that if you work hard and play by the rules, you'll do well and your children will have the chance to do even better – has been broken. The U.S. now ranks 10th in social mobility, and people are starting to think that the American Dream is no longer possible: Two-thirds of Americans now think their children will be worse off than they are.

What steps need to be taken to strengthen America and to ensure it retains its global leadership position?

The last presidential election was all about "hope." But just hoping that our leaders in Washington will miraculously start doing the

right things – especially when they are locked inside a system with overwhelmingly powerful incentives to do the wrong things – simply won't cut it. What we need is the realization that change is going to have to come from outside Washington.

There are many things we can do now to take matters into our own hands. Moving your money out of the mega-banks that helped wreck our economy and into a smaller, more responsive community bank or credit union is a great place to start. The big banks may be "too big to fail," but they are not too big to feel the impact of hundreds of thousands of people taking action to change a broken financial and political system. We don't have to wait for Washington to act.

We can open our eyes and recognize that the companies offering us mortgages and easy credit are not on our side – in fact, they are looking to cash in on us. We need to learn to protect ourselves and our families from their tricks and traps. By taking control of our finances – and our financial literacy – we can, for the first time in a long time, put banks back to work for their customers.

It's becoming clearer by the day that we can't save the middle class and keep America a first world nation without each of us making a personal commitment and taking action. And that's what people are doing.

There seems to be a lack of trust in government today and a concern that partisan politics is deterring the opportunity for real change. Do you agree and what can be done to build confidence in our public officials?

We're faced with a classic catch-22: the most effective way of fixing the multitude of problems facing America is through the democratic process, but the democratic process itself is badly broken. That is why the first step toward restoring trust in government is breaking the choke hold that special interest money has on our politics. This has to start with a complete reboot of the way we finance our elections. The most effective means of restoring the integrity of our government, and the public's trust in it, is through the full public financing of political campaigns. It's the mother of all reforms – the one reform that makes all other reforms possible. If someone's going to own the politicians, it might as well be the American people. ●