

are you better off?

2004 year in review

**DRUM
MAJOR**
INSTITUTE FOR PUBLIC
POLICY

ARE YOU
BETTER OFF NOW
THAN YOU WERE
FOUR YEARS AGO?

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ARE YOU BETTER OFF NOW THAN YOU WERE FOUR YEARS AGO? That was the question the late former President Ronald Reagan put to the American people in his 1980 campaign against incumbent President Jimmy Carter. It is the same question millions of Americans asked themselves this election year as they reflected on President George W. Bush's first term in office.

When 2004 began, there were 35.8 million Americans living in poverty—1.3 million more than the year before—and more than 45 million Americans without health insurance—1.5 million more than the year before. More than three million out-of-work Americans had exhausted their federal unemployment insurance benefits and bankruptcy had claimed more American families the year before than had divorce.

For others, however, 2004 began with more than they could have ever hoped for.

The average American CEO made more than 400 times the average American worker; taxes collected from the nation's top one-percent income earners declined while those from the average middle-class family increased; and the incomes of the very rich had grown while the working class and middle class struggled to stay afloat.

Though our nation is rapidly dividing into one of the very wealthy and everyone else, Americans united as they converged upon their voting booths in record numbers. In 2004, more than 117 million votes were cast—the most since the presidential election of 1968.

This year was also a year of landmarks. In 2004, we celebrated the 50th anniversary of the *Brown v. Board of Education* decision which mandated the desegregation of U.S. schools. But at the same time, we saw graduation rates of less than 50 percent in many city schools, college tuition go up by an average of 14% nationally, and nearly half of all college-bound low-income students forgo a college education due to cost. We also celebrated the 40th anniversary of the passage of the Civil Rights Act of 1964, while resisting efforts to use the constitution—for the first time—to limit rights instead of expand them.

In this Year in Review, the Drum Major Institute offers our take on the year's best and worst legislation, a 2004 injustice index, the best of the Progblog, a reading list, an in-depth look at five of our states and a look at what many have called the most important election in our lifetime.

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**We hope that you
will join us in this
look back at 2004.**

2004 best of public policy

THE DREAM ACT College degree recipients earn nearly twice as much as high school graduates and hold the kind of middle-class jobs that are essential to the economic stability of American communities. Unfortunately, the undocumented children of immigrants are often shut out of the halls of academia, preventing them from carving out their piece of the American Dream. In 2004, Senator Orrin Hatch (R-UT) re-introduced a version of the Development, Relief, and Education for Alien Minors Act (DREAM), which failed to come to a vote in 2003, allowing undocumented resident minors “of good moral character” to enroll in a public university. While this yet unsigned version of the DREAM Act does not address the steep rise in public university tuition nationwide, it is a step in the right direction and a welcomed addition to our “Best of” list.

TRUTH IN TUITION LAWS The rising cost of a college education is a national problem. In 2003, Illinois Governor Rod R. Blagojevich signed a “truth-in-tuition” law that would allow first-year Illinois public university students to “lock-in” their tuition costs at a fixed rate for four continuous academic years. In 2004, Iowa, Indiana and Missouri followed suit with proposed “truth-in-tuition” bills of their own that are up for a vote in the coming months. Governors in other states are also requiring cooperation from their state university systems to refrain from annual tuition hikes. For speaking truth to power, this progressive legislation gets a place in this year’s “Best of.”

NEW PARTNERSHIP FOR AMERICA’S FUTURE

In September 2004, House Democratic Leader Nancy Pelosi (D-CA) and other House Democrats unveiled their response to the conservative “Contract with America” in the “New Partnership for America’s Future,” a platform of six core values for building a strong and secure middle class: national security, prosperity, fairness, opportunity, community and accountability. The timing could not be more perfect, as more and more middle-class families collapse under the burdens of rising costs and stagnant wages. For this forward looking commitment to the future of the American Dream, Rep. Pelosi and her colleagues in the House have earned a place on our “Best of” list.

DRUGS FROM ACROSS THE BORDER

Canada may be right across the border, but on prices for the most commonly used prescription drugs, it’s a world away. In 2004, the governors of four states (Minnesota, New Hampshire, North Dakota and Wisconsin) issued executive orders directing their respective departments of health to set up Web sites to help residents seek prescription drugs from Canada—at prices as much as 60 percent less than in the U.S. Federal legislation allowing Americans to purchase prescription drugs from vendors outside of the United States continues to be blocked by both congressional Republicans and the White House. While reimportation alone is no panacea for all of our healthcare woes, it’s one of this year’s “Best of.”

FLORIDA MINIMUM WAGE AMENDMENT

The Presidential election wasn’t the only contest that got Florida voters to the polls on Election Day. Amendment 5, which will increase the state minimum wage from \$5.15 an hour to \$6.15 an hour and annually index it to inflation, won with 71 percent of the vote—an even greater margin than the victory received by President Bush who has sworn off any increase of the minimum wage at the federal level. More than 300,000 workers earning up to \$6.15 an hour stand to benefit from the increase. For doing what their choice for President would not, this piece of legislation gets a raise from us.

FAIRNESS: THE CIVIL RIGHTS ACT OF 2004

In 2004, we celebrated the 40th anniversary of the Civil Rights Act (CRA). Forty years later, there is still much work to do. In February, members of Congress—Sen. Edward Kennedy (D-Mass), Rep. John Lewis (D-GA), Rep. George Miller (D-CA) and Rep. John Conyers (D-MI)—introduced FAIRNESS: The Civil Rights Act of 2004 into the House and Senate. “Fairness” is a multi-year initiative to pass sweeping updates to the nation’s civil rights laws, including the Equal Pay Act, The Uniformed Services Employment and Reemployment Rights Act, and protections for women, minorities, disabled Americans, consumers, children and undocumented workers, to name just a few. With likely changes to the composition of the Supreme Court on the horizon, it is essential that legislators do everything they can to continue the American practice of expanding rights instead of limiting them. For that reason, it’s only fair that “Fairness” earn a place in this year’s “Best of Public Policy.”

STEM CELL RESEARCH California’s newly-elected Republican Governor, Arnold Schwarzenegger, was one of the stars of the show at this year’s Republican National Convention. However, it was his endorsement of a \$3 billion California bond measure in 2004 that showcased his real political backbone. In October, Governor Schwarzenegger broke ranks with Republican Party leadership by endorsing Proposition 71, a bond measure to dedicate nearly \$300 million annually for 10 years to stem cell research. He declined to comment on the political implications of his endorsement but said: “California has always been a pioneer... We daringly led the way for the high-tech industry and now voters can help ensure we lead the way for the biotech industry.” While he may never earn an Academy Award, for his support of this vitally important legislation, Gov. Schwarzenegger receives a place on this year’s “Best of” list.

BUSH GIVES WORKING-CLASS NO CREDIT

A major theme of President Bush's re-election campaign was his "ownership society" agenda, a focus on policies to empower Americans to buy their own home, start their own business and carve out a place in the middle class. Key to achieving that goal is the Community Reinvestment Act (CRA), which requires banks with assets of more than \$250 million to provide banking services, loans and investments to low- and middle-income residents in the communities in which they are situated. In October, a set of proposals by Bush administration appointees threatened to raise the minimum asset level of banks before they are required to participate to \$1 billion, up from \$250 million, freeing nearly 90 percent of all banks from complying with the CRA. For leaving working-class Americans completely on their own, this proposal earns a place in this year's "Worst of Public Policy."

SAME SEX MARRIAGE BANS

Missouri is called "the show me state." But in 2004, all that Missouri voters showed us was how willing they are to change their state's founding document to limit rights instead of expand them. In September, Missouri passed a state constitutional amendment banning gay marriage by a wide 7-to-3 margin, joining four other states—Alaska, Hawaii, Nebraska and Nevada—in the passage of such amendments. Similar Election Day initiatives were voted on, and passed, in North Dakota, Georgia, Kentucky, Mississippi, Arkansas, Kentucky, Michigan, Montana, Ohio, Oklahoma and Utah. Lucky for them, we won't discriminate: They can all have a place in this year's "Worst of Public Policy."

OVERTIME RUNS OUT

Americans work longer hours than workers in any other industrialized nation. However, in August, a set of changes to the rules governing federal overtime compensation went into effect, limiting millions of U.S. workers' ability to qualify for overtime pay. In all, some 6 million white-collar workers earning between \$23,660 and \$100,000 a year were affected by the Department of Labor's changes. For many households, overtime pay accounts for nearly a quarter of their monthly earnings. For supporting these devastating changes to Americans' livelihoods, the Department of Labor has earned a place on this year's "Worst of."

MEDICARE 'UN' REALITY TV

In the months following the passage of the Prescription Drug Modernization Act of 2003, advertisements in the form of fake news broadcasts, featuring skewed facts about its cost and benefits to seniors, began to surface on local television stations across the country. The ads ended with the intentionally misleading tagline: "In Washington, I'm Karen Ryan reporting." Meanwhile, in Washington (for real), a report by the U.S. General Accounting Office revealed in May that the Bush administration had violated federal restrictions against using taxpayer money for propaganda by distributing the mock news videos. Later it was reported that the nation's top Medicare actuary, Richard Foster, was threatened with termination for exposing the true cost of the reform bill. The prognosis: a bad case of the "Worst of Public Policy."

THE ROADLESS RULE

Quite literally, the Bush administration can't see the forest for all the trees. To alleviate this problem, the White House reversed its pledge to adhere to the so-called "Roadless Rule," a conservation initiative passed in the '90s to protect 58.5 million acres of wild national forest land from commercial logging and road-building. In response, the Forest Service received more than 2.5 million letters from concerned citizens, but apparently to no avail. Perhaps a second term in office will give the President time to reconsider this irreversible direction in environmental policy (knock on wood). But for even suggesting it, he has earned a place in this year's "Worst of Public Policy."

2004 worst of public policy

OUTSOURCING, A GOOD THING?

By 2015, more than 3 million U.S. jobs are expected to be lost due to outsourcing—a prospect that concerns most Americans. But not President Bush's chief economic advisor, Greg Mankiw. In a February report, he wrote that the movement of U.S. jobs overseas due to cheaper labor costs—"outsourcing"—would prove "a plus for the economy in the long run" and was simply "a new way of doing international trade." Since he is such an optimist, perhaps he will see the silver lining in being added to this year's "Worst of" list.

ASSAULT WEAPONS BAN EXPIRES

It would make sense that the White House, which has pledged to do everything in its power to secure the homeland, would have demonstrated leadership in securing the extension of a vital piece of legislation to keep thousands of dangerous weapons off U.S. streets. However, in September, a clause in a ten-year old assault weapons ban outlawing 19 types of military-style assault weapons expired after congressional Republicans blocked its reauthorization. Some have described the move as a victory for the powerful gun manufacturing lobby, while others have called it a win for the Second Amendment. In either case, it's the American people who lose.

dmi 2004 injustice index

Last time current major league champions, the Boston Red Sox, won the World Series: **1918**

Last time the

Number of times Donald Trump uttered the words “you’re fired” during the first season of “The Apprentice”: **15**

Number of Americans that since January, 2001

Average take home pay for an American worker: **\$517 a week**

Average take home pay for an American CEO: **\$155,769 a week**

Share of the nation’s \$53 trillion debt shouldered

Number of President Bush’s daughters who graduated from four-year universities in June 2004: **2 in 2**

Number of college-qualified low- and middle-income African-American High School students who will not be able to go to college because of “financial barriers”: **2 in 5**

Ratio of marriages to divorces by pop star Britney Spears in 2004: **2:1**

Ratio of yes votes to no votes on a constitutional amendment to ban same sex marriage and “protect traditional families”: **227:186**

Amount earned by a woman for every dollar earned by a man: **76 cents**

Number of viewers of the premier episode of ABC’s hit show, “Desperate Housewives”: **21.5 million**

Likelihood that an African-bankruptcy compared

Percentage of students in “schools serving affluent families” who have teachers who majored in the subject they instruct and hold a teaching license in the topic: **70 percent**

Percentage of New York City public middle and high school students in being taught physical sciences by an “unqualified” teacher: **70**

Number of U.S. service jobs expected to be lost due to outsourcing each year over the next decade: **250,000**

Salary of Greg Mankiw, Chairman of White House Council of Economic Advisors, overseas through outsourcing would prove “a plus for the economy in the

Number of New York City’s 326,600 unemployed residents who exhausted their federal unemployment benefits in the first six months of 2004: **77,100**

Amount of federal anti-terror dollars received by Alaska per Alaskan: **\$92**

Sentence received by “Domestic Diva” Martha Stewart for lying to investigators about her sale of \$228,000 worth of ImClone Systems stock in late 2001: **5 months**

Number of

Number of jobs lost in Florida due to hurricanes in 2004: **10,000**

Number of manufacturing jobs lost in Florida since President Bush was sworn into office: **64,100**

minimum wage, currently at \$5.15 hour, was increased: **1997**

Number of Americans who joined the ranks of the impoverished in 2004: **1.3 million**

have heard the words “you’re fired”
1.6 million

Percentage of American households that “argue about money-related topics on a regular basis”: **95 percent**

by the average American household: **\$473,456**

Number of Americans who believe a college education will be “beyond the reach of most families in the future”: **8 in 10**

Average increase in the cost of tuition at a four-year public university during the 2003-04 academic year: **\$579 (14 percent)**

Number of college students who graduate with “unmanagable levels of debt”: **4 in 10**

Percentage of working women who provide half or more of the income for their families: **55**

Number of United States Senators who are women: **14 in 100**

American family that owns a home will file for bankruptcy during the next recession: **5:1**

Fifty years after the landmark Brown v. Board of Education decision, odds of a Black or Latino public high school student graduating in four years: **50/50**

“high poverty areas”
percent

Number of Americans born between 1942 and 1972 in the top quintile of the income distribution that stayed rich: **4 in 10**

Number of Americans born between 1942 and 1972 in the bottom quintile of the income distribution that stayed poor: **4 in 10**

who wrote that the movement of U.S. jobs overseas will cost the U.S. economy in the long run: **\$140,000**

Number of red, white and blue balloons dropped during the final day of the Republican National Convention held at Madison Square Garden in New York City: **120,000**

Amount of federal anti-terror dollars received by New York per New Yorker: **\$32**

Mandatory sentence received by a first time offender in New York for possession of \$20 worth of drugs: **1 to 3 years**

campaign stops made by President Bush to Florida in 2004: **18**

Number of hurricanes to hit Florida in 2004: **4**

Number of American households that possess zero or negative net financial assets: **1 in 3**

Number of Americans who “believe that they personally are living the ‘American Dream’”: **2 in 3**

best of the 2004 progblog

CAN'T BUY ME LOVE

Match.com / June 2004

Broken hearted in Brooklyn? The best things in life may be free, but according to MSN Dating and Personals, New York is the most expensive place in America to go out on a date. The CDI (cost of dating index) is a staggering 1.50, meaning that a night on the town here costs almost fifty percent more than the next closest city—Denver. The index measures 6 different types of dates, from a simple cup of coffee to a romantic dinner with theatre tickets and flowers, for a grand total of \$1,198.22. Consider that figure, then note that New York's rate of job creation for the first quarter of 2004 was the fifth-weakest of the country's major metropolitan areas, and you can bet that, for New Yorkers, the middle-class squeeze is causing a lot of heartache.

The Drum Major Institute ProgBlog serves as a one-stop source of predigested news for the busy progressive.

It's not enough for progressives to read our own publications. That's why the ProgBlog reviews media sources from the left to the right, from the *Wall Street Journal* to the *Nation* to the White House's press office. We find the most compelling news, offer our own commentary, link you to the original and give you a chance to tell us what you think.

ONE EGG-STRAVAGANT MEAL

Village Voice / April 20, 2004

"According to UNICEF calculations, \$1,000 is enough to feed 200 starving children a month." It's also the price of a "glorified omelet, made from six eggs, cream, and lobster, with an extravagant 10 ounces of sevruga caviar dolloped on top" at one of the Le Parker Meridien hotel's luxury eateries. But the price tag isn't what's turning the stomach of Joy Press of the *Village Voice*: "The latest figures show that the gap between the extremely rich and the very poor is at its widest in decades. In New York City itself, property prices soar... while almost a million New Yorkers subsist on food stamps. Despite these ever widening divisions, Bush pushed through his wealth-redistribution (from poor to rich) tax cuts." How does that saying go again? In order to make an omelet, you have to crack a few eggs.

BRINGING JOBS TO THE CITY THAT NEVER SLEEPS

New York Daily News / June 28, 2004

Former Mayor Ed Koch has appeared in ads for the Republican National Convention, saying it will give the New York economy a shot in the arm and, according to the *New York Daily News*, he's at least partly right. The paper reports that strippers, call girls and escorts are planning to descend on New York in droves for what one madam calls "the week everyone wants to work." How does this square with the Republican Family values platform? Well, *Daily News* asked a professional, Robin Few, a \$500 an hour call girl from California, who notes, "It doesn't matter what party you come from. When you want to buy sex, you will." Amazingly, the convention is helping to reverse the outsourcing trend, with workers being flown in from London. So, for all the Americans out there who are skeptical about the current administration's policies on the economy, don't be. Though you may want to consider a career change.

THE SIMPLE LIFE

CNN / January 7, 2004

In 2000, we learned that first-twins Jenna and Barbara Bush had a scrape with the law over a bottle of beer. But the similarities between them and their father don't end there. According to a new book by *Washington Post* reporter Ann Gerhardt, "The Perfect Wife: The Life and Choices of Laura Bush," the twins "don't show their faces at the White House often" and "have not appeared engaged in any of the pressing issues their generation will inherit"—charges also leveled against the President given his support of privatizing Social Security. But don't be so judgmental. Just because they travel to class with an armed escort doesn't mean the Bush twins can't relate to common folk. Says Gerhardt, the "Bush twins see themselves as victims of daddy's job"—and on that, we common folk feel their pain.

COLOR US CONFUSED

New York Times / July 13, 2004

Do you know what to do when the national terror threat level reaches an "elevated" yellow? Start stockpiling bottled water or make for the duct tape? If you're confused, you're not alone. According to a new report by the General Accounting Office, the Department of Homeland Security's color-coded threat system is "too vague and confusing to help many local and state law enforcement officials prepare for possible terrorist attacks." In fact, according to some state agencies, vague terror threats actually "hindered their ability to determine whether they were at risk" and proved "costly, confusing and potentially counterproductive," according to Rep. Jim Turner (D-TX). It's enough to make New York taxpayers, who receive fewer anti-terror dollars per capita than the folks in Wyoming, see red. But wait: What do we do then?

IT'S MY WAY, THEREFORE NO HIGHWAYS

Weekly Standard / February 19, 2004

While his Daytona 500 photo-op showed that the President “just can’t do 55,” apparently, as far as government spending is concerned, he just can’t do \$256 billion—his limit on all non-defense appropriations by Congress this year. The spending cap threatens a \$318 billion highway reauthorization project that would help pave the way to safer U.S. highways—much-needed since some 32 percent of major American roads are now in “poor or mediocre condition,” contributing to more than 42,000 deaths annually. But if those numbers don’t make the President want to put the pedal to the metal on passing the \$318 billion reauthorization bill, perhaps he will be inspired by the Department of Transportation’s finding that “every additional \$1 billion invested by the federal government in transportation creates 47,500 new jobs.” Or maybe if they just pave the streets in wealthy neighborhoods the job creation will trickle-down?

THE BUSH JOB GROWTH HOKEY POKEY

CBS News / February 18, 2004

You put one set of job growth prediction figures in (2.6 million new jobs in 2004), you take that same set of job growth prediction figures out, you send Treasury Secretary John Snow, Labor Secretary Elaine Chow and Commerce Secretary Don Evans in, and they shake it all about. When you’re doing George W. Bush’s job growth hokey pokey, everything gets turned around, including promises to create new jobs. However, insisted White House press secretary Scott McClellan about the administration’s surprising retreat from the White House Council of Economic Advisers’ claim that the economy will add 2.6 million new jobs before the end of this year, “We are interested in reality.” So are 8.3 million unemployed Americans—2 million of whom have been out of work for more than 6 months.

AMERICANS ANONYMOUS

New York Times / August 9, 2004

Average working-class and middle-class Americans are consumed by debt—more than \$8,940 in credit card debit per household alone—and *New York Times* columnist Bob Herbert thinks that the first step towards recovery is to “admit we have a problem.” “Personal bankruptcy filings in the U.S. are at an all-time high,” says Herbert. “Despite the rosy rhetoric that comes nonstop from the administration, millions upon millions of American families, including many that consider themselves solidly in the middle class, are in deep economic trouble,” and “there is no plan from the administration that I’ve heard of to brighten this bleak picture of the American economic landscape.” Too bad the second step is admitting that we are powerless to a higher power.

PURE LUNACY

Associated Press / January 9, 2004

And here we thought, with nearly every state experiencing budget shortfalls and the national deficit reaching upwards of half a trillion dollars, this was the only “red planet” the Bush administration was interested in. However, according to recent reports, the President is to announce his interests in funding a manned voyage to the moon, with “the establishment of a permanent base” on Mars on the not too distant horizon. According to Beltway insiders, “Bush has been expected to propose [this] bold new space mission in an effort to rally Americans around a unifying theme as he campaigns for re-election,” which tellingly could not be the improvements he has made to public education, job growth or the economic strength of the middle class. No, this time around the President is shooting for the stars—figuratively and, unfortunately, literally.

DIVORCED FROM REALITY

Christian Science Monitor / February 24, 2004

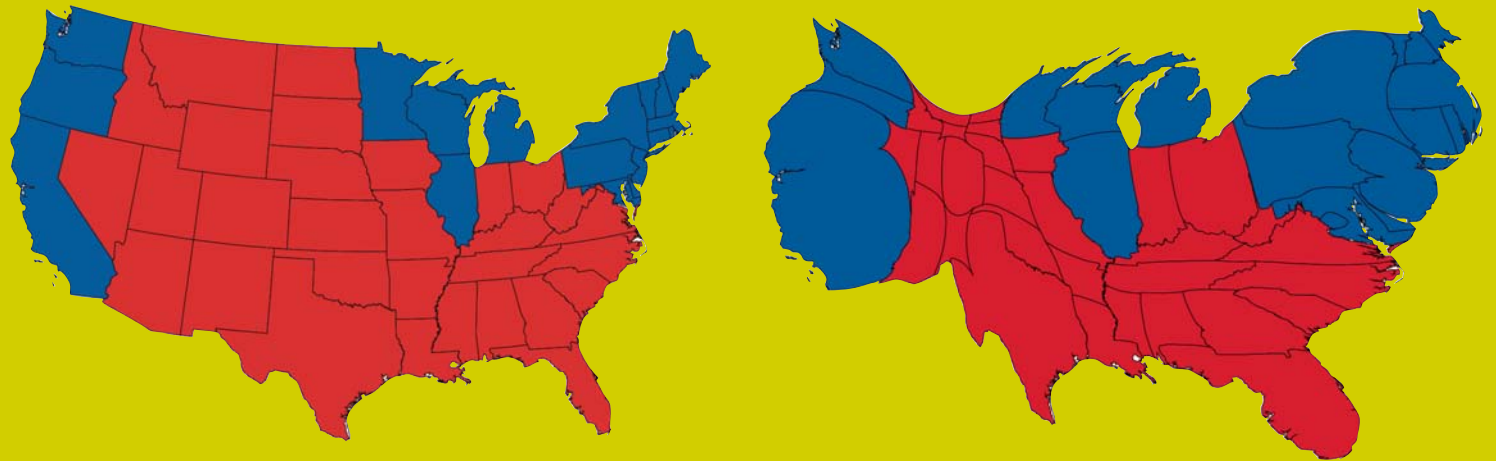
President Bush may not love the idea of same-sex marriages, but he sure is committed to the notion that a walk down the aisle is a path out of poverty for millions of working-poor American mothers. Not so, says Diana Spatz, executive director of LIFETIME: Low-Income Families’ Empowerment through Education: “The president’s proposal is deeply flawed... It will increase weekly work requirements for parents on welfare—requiring them to do 40 hours of ‘work activities’ each week in exchange for their welfare benefits. Yet, at the same time, Mr. Bush’s proposed budget for 2005 slashes child-care funding for 300,000 low-income kids.” Perhaps if he employed some of the “interpersonal skills” espoused by his \$1.5 billion “Healthy Marriages” initiative—“problem-solving, negotiation and listening skills”—he would realize that this piece of legislation won’t solve the problem of poverty in America and should probably be stood-up at the altar.

A NEW CONSERVATIVE UNDERCLASS

Manhattan Institute / July 25, 2004

The Manhattan Institute is at it again. This time it’s fellow Heather Mac Donald, author of such articles as “The Immigrant Gang Plague” and that old favorite, “What Looks Like Profiling Might Just Be Good Policing” (published in the *L.A. Times* no less!). “A New Latino Underclass” warns of rampant gang activity and other deviance in the Latino community. For support, Ms. Mac Donald relies on Samuel Huntington, author of “Who Are We? The Challenges to America’s National Identity,” reviewed as “Pat Buchanan with footnotes” in *Foreign Affairs*, which also accused Huntington of abandoning “the clear-eyed realism of his past work” and “whipping up nativist hysteria instead of offering real solutions.” Ms. Mac Donald also cites comments by an “unwed Salvadoran welfare mother” to make the generalization that Latino children don’t succeed because their parents don’t care. Apparently, what looks like racial profiling might just be good journalism.

2004 election recap



A NATION DIVIDED... BUT HOW BADLY?

By now it's engrained in everyone's memory: the map showing which states went red and which states went blue in the 2004 Presidential election. At a cursory glance, it looks like the reds have it by a landslide. But that would only make the United States seem more unified than we really are! Not to worry. Enter the cartogram, a map in which the sizes of states have been rescaled according to their population — not how much land they occupy. Now that's a photo finish.

Maps created by Michael Gastner, Cosma Shalizi, and Mark Newman at the University of Michigan

VOTE OR DIE?

In 2004, MTV's "Rock the Vote" vowed to change the course of American democracy by registering and mobilizing more than 20 million young voters to take part in the national election. Sean "P Diddy" Combs' "Citizen Change" pledged to empower the more than 42 million eligible voters aged 18 to 30 to come to the polls through his "Vote or Die" campaign.

So, did they vote or did they die?

21 million under-30 Americans voted in 2004, according to the Center for Information & Research on Civic Learning & Engagement (CIRCLE).

While it's "an increase of 4.6 million over 2000," it still means that almost one in two young Americans thought they were too sexy for Election Day.

WHAT DO YOU STAND FOR?

This year, both presidential candidates worked hard to frame their rival's campaign—"mis-leader," "flip-flopper," "deserter," "divider"—but what were the issues that the American voters really wanted to talk about?

"Indeed, many more voters said they wanted an election about the economy and health care rather than about how to keep America safe (52 to 41 percent)," according to a post-election national survey of 1,000 likely voters by Democracy Corps.

IT'S NEVER TOO LATE TO CHANGE THE WORLD.

While overall voter turnout this year was the highest it has been in nearly 30 years, in states with "Election-Day Registration," also known as "Same-Day Registration," the rates were much higher.

"Nationally, about 52 percent of the voting-age population went to the polls" on Election Day, according to the United States Elections Project. "In contrast, states allowing Election Day registration (Idaho, Maine, Minnesota, New Hampshire, Wisconsin and Wyoming) saw a 68 percent turnout."

REPRESENTATIVE DEMOCRACY?

We pride ourselves on the credo "no taxation without representation," but does everyone who pays taxes in America truly have a voice?

"Approximately 4.7 million people in the U.S. cannot vote because of a felony conviction. An estimated 13 percent of African American men are unable to vote because of a felony conviction," according to the Drug Policy Alliance.

"In the United States, about 3 percent of votes cast are voided—known as 'spoilage' in election jargon—because the ballots cast are inconclusive," says Greg Palast in "The Best Democracy Money Can Buy."

"In spite being denied any voting representation in Congress, there are 335,924 registered voters living in the nation's capital," according to the DC Board of Ethics and Elections.

"Nearly 21 million non-citizen residents and illegal alien residents are currently of voting age" but are not allowed to vote, according to the *Washington Dispatch*.

THE MORE THINGS CHANGE, THE MORE THEY STAY THE SAME.

Part of the purpose of regular local and national elections is to infuse new ideas and a sense of accountability into government. But are we ever really given a choice—or just the illusion of one?

"Out of 435 House races, incumbents lost only seven—an even more impressive survival rate than that of two years ago, when eight incumbents were defeated," according to the *Washington Post*.



2004

the state of the states

California
Nevada
Virginia
Washington, DC
New York

CALIFORNIA 2004: UP AGAINST THE WAL-MART

When Wal-Mart announced its interest in opening a massive 200,000 square foot mega-store on top of a small working-class California community in 2004, residents knew that its trademarked “low prices” weren’t the only thing in store—they would soon be followed by low-wage, low-skill, low-growth jobs.

Since the late 1980s, Wal-Mart discount super-stores have become a fixture in nearly every state except California. In small towns across the country, the retailer’s mega-centers have not only brought shoppers low prices, but sudden death to local retailers—the economic backbone of many working-class communities. According to one study released this year by the Bay Area Economic Forum, Wal-Mart’s annual wages and benefits are \$21,000 less per worker, on average, than those of local supermarket chains—the very businesses displaced when Wal-Mart comes into town.

In June 2004, Contra Costa County, a diverse working-class community of 1 million, became the focal point of a David and Goliath battle among community advocates — including the Association of Community Organizations for Reform Now (ACORN), California Congressman George Miller, Safeway—and Wal-Mart. The first round went to David when the County Board of Supervisors endorsed a proposal to effectively ban the building of a Wal-Mart superstore in the county.

The victory, however, was short lived. In response, in the summer of 2004, Wal-Mart spent more than \$1 million to defeat a ballot initiative—Measure L—upholding the Board of Supervisor’s ban.

In the end, the mega-store’s mega-bucks won the day, and “Measure L” was defeated. But Contra Costa and its residents joined a growing number of more than 200 communities nationally opposing the minimum-wagization of American jobs.

NEVADA 2004: GAMBLING WITH OUR FUTURE

If you’ve ever played Three Card Monty, then you have a pretty good idea of how taxes are collected in the gambling capital of the world. Things shift around from one place to the other.

In 1981, for example, the Nevada State Legislature enacted a massive tax shift that reduced property tax collections by 50 percent, forcing the state to adopt a greater reliance on sales taxes and tourism that has jeopardized consistent funding streams to schools, law enforcement and state programs.

This year, Reno’s Republican Assemblywoman Sharron Angle introduced a state constitutional amendment modeled after California’s 1978 Proposition 13 that would freeze Nevada’s property tax rate.

Critics charged that for poor and working class residents, the plan was a gamble. Rather than taxing property based on actual value, it would set up an unfair system under which the rich would pay less and the poor would pay more. Additionally, under Angle’s plan, property tax revenues could drop by more than \$120 million in the first year alone, leaving a huge funding gap to local schools and public services relied on by working-class and middle-class families.

Even the conservative Nevada Taxpayers Association thought it was a losing bet when they came out against the proposal.

While the bill failed to gain the necessary signatures to be placed on the ballot for a vote, it’s likely to come up again. Maybe next time the state’s Republican leadership can propose a fiscal policy with better odds than a craps table.

VIRGINIA 2004: ACADEMIC FREEDOM

Academic freedom is one thing, but in 2004, three of Virginia's top public universities—The College of William and Mary, the University of Virginia, and Virginia Tech—took that idea to a whole new level when they declared their financial independence from the state.

You can't really blame them. Since 1985, the portion of the University of Virginia's budget that comes from tax revenue has shrunk from 27.9 percent to 8.1 percent, one of the lowest rates in the nation. At William and Mary, an erratic pattern of up-and-down funding over the past decade has left the institution shortchanged by more than \$21 million a year. Meanwhile, across the country, public universities raised their tuition by an average of 14 percent—nearly \$600—during the 2003-2004 academic year to fill funding gaps not plugged by starved state governments.

As a condition of their receiving state funding, public universities are limited in the amount they are allowed to raise tuition every year. Frustrated by the state's convoluted funding system, in 2004, Virginia's public universities became the first major state institutions in the country to request their independence, forgoing future state funding increases in exchange for the freedom to set tuition increases above state mandated levels.

The Virginia state legislature has not taken seriously this request, while university administrators continue to insist that by being able to implement tuition increases they could offer their students better facilities, more experienced faculty and smaller class sizes. On the latter, they might just get their wish. After all, in 2004, more than 400,000 college-qualified low and middle-income high school seniors nationally could not attend even a public college due to cost. Just think how small classes can be when students can't afford to attend them!

WASHINGTON D.C.: THE HOME OF OUR DEMOCRACY

Washington D.C. is the home of the U.S. Capitol, the White House, the Supreme Court, the Lincoln Memorial. An embodiment of democracy? Not likely. For more than 560,000 residents, there is only one non-voting member of congress and not a single U.S. Senator to represent them.

To address this apparent contradiction, in 2004, the district's sole United States representative, Congresswoman Eleanor Holmes Norton, introduced a proposal to grant D.C. an additional house member and two U.S. Senators.

Virginia Republican Congressman Thomas M. Davis III introduced a more modest proposal, the Fairness in Representation Act of 2004.

"Fairness" would attempt to right two wrongs at once by temporarily expanding the House by two members to 437 seats, adding one seat for a representative from the District of Columbia and another to the state of Utah, which had been in an uphill court battle to gain an additional seat narrowly missed after falling 86 residents short during the 2000 Census reapportionment.

In the end, both Rep. Norton's proposal and the Fairness in Representation Act failed to gain the necessary political momentum to be signed into law. When Election Day finally rolled around, and Americans rushed to the polls to elect their representatives for the next few years, those in the nation's capital looked on with envy, not a single trace of "fairness" to be found.

NEW YORK 2004: THE EMPIRE STATE STRIKES BACK

New York City can be a pretty crazy town, but it's nothing compared to Albany.

In 2004, a Brennan Center for Social Justice report declared New York's legislative process to be the "most dysfunctional in the nation."

In March 2004, however, the Republican-led State Senate and Democrat-led State Assembly passed a bill increasing New York's minimum wage by \$2 above the federal level of \$5.15 an hour to \$7.15 by 2007, providing a much-needed raise to New Yorkers. The raise was supported by an unlikely coalition that ranged from labor leaders to the Partnership for New York City, the powerful Manhattan-based Chamber of Commerce.

All of that work, however, went down the drain in July, when the Republican Governor George Pataki vetoed the bill to the dismay of members of his own party.

First he said he vetoed the increase because it "would be particularly detrimental to upstate New York, which has been working hard to increase its competitiveness." But it hasn't hurt the more than one dozen states with a minimum wage set above the federal level.

Then he qualified his statement by saying "that the best way to help working men and women is to make it possible for New York employers to keep and create good jobs." But according to one estimate, more than 1.2 million statewide workers would benefit directly from the increase and countless more indirectly.

Then he said that he was waiting for an increase at the federal level. But, back at the ranch (so to speak), the President has made it abundantly clear that he isn't interested in increasing the minimum wage—which has not seen an increase in more than seven years—unless states could "opt out." In which case, the ball is back in your court, Mr. Governor.

Is it possible that we have found a political relationship more "dysfunctional" than Albany's?

2004 report reading recommendations

THE AMERICAN DREAM IN 2004: A SURVEY OF THE AMERICAN PEOPLE

National League of Cities September, 2004

Fairness. Opportunity. A quality education. An affordable home. Living in freedom. Having a family. This is the “American Dream” in 2004. But according to this National League of Cities report, the American Dream seems even more like a dream each day. In fact, more than two-thirds of Americans believe it is harder for the average person to achieve it, and a third of Americans believe they may never live it at all. Still, their recommendations to our nation’s leaders to help more Americans are interesting in light of the governing party’s rhetoric on the need to shrink government: More than 85 percent of Americans believe that “federal, state and local governments must work together in order to give people a fair shot at the ‘American Dream.’”

RAGS TO RICHES? THE AMERICAN DREAM IS LESS COMMON IN THE UNITED STATES THAN ELSEWHERE

Bernard Wasow / Century Foundation March, 2004

The American Dream has brought millions to our shores in search of upward economic mobility. And, over the decades, millions of children have climbed that ladder and prospered in our competitive economy. But how easy is it for the children of today’s poor parents to become prosperous? Recent evidence in this Century Foundation report shows that the American Dream is actually a lot less common in America than in many other parts of the world.

THE STATE OF THE DREAM: ENDURING DISPARITIES IN BLACK AND WHITE

Dedrick Muhammad, Attieno Davis, Meizhu Lui & Betsy Leondar-Wright / United for a Fair Economy January, 2004

Racial inequities in unemployment, family income, imprisonment, average wealth and infant mortality are actually worse than when Dr. Martin Luther King, Jr. was killed, concludes this United for a Fair Economy Report. In 1968, for example, while the typical African-American family had 60% as much income as a white family, in 2002 they had less—only 58% as much as the typical white family. Notwithstanding the progress made in the last forty years, it will take decades to close the current gaps in income, education and health between the races.

LOSING GROUND IN THE BEST OF TIMES: LOW INCOME RENTERS IN THE 1990S

Kathryn P. Nelson, Ph.D., Mark Treskon, MSc., & Danilo Pelletiere, Ph.D. / National Low Income Housing Coalition March, 2004

The '90s were supposed to be a time of widespread economic expansion, but according to the National Low Income Housing Coalition report, the rising tide did not lift all boats. Despite improved income and housing conditions for many Americans in the '90s, housing problems became more concentrated among the lowest income renter households while their access to affordable rental units also declined.

RETIRING IN THE RED: THE GROWTH OF DEBT AMONG OLDER AMERICANS

Tamara Draut & Heather C. McGhee / Demos March, 2004

So much for the “golden years.” This Demos report finds a dramatic rise in credit card debt among all seniors, particularly among those newly retired (age 65-69). Between 1992 and 2001, for example, the newly retired experienced a 217% increase in credit card debt due to rising health care costs, declining pension wealth and other assets, and deregulation of the credit card industry. The value of such research in framing the discussion of America’s responsibility to our nation’s seniors: priceless.

BEYOND BROWN V. BOARD

Annenberg Institute for School Reform August, 2004

This year we celebrated the 50th anniversary of the landmark Brown v. Board of Education decision, which mandated an end to legal segregation in public schools. Today, however, educating all of America’s children equitably continues to be a challenge. This report by the Annenberg Institute for School Reform looks at equity in public education today through the lens of the Brown decision and outlines promising new strategies to finally fulfill its promise.

A CRISIS OF BLACK MALE EMPLOYMENT: UNEMPLOYMENT AND JOBLESSNESS IN NEW YORK CITY, 2003

Mark Levitan / Community Service Society February, 2004

In 2003, a rebound on Wall Street, a revival of tourism and a robust housing market helped pull New York City out of a nearly three-year economic slump. However, in 2003, not everyone was in the same New York state of mind. This Community Service Society study shows that the “jobless recovery” of 2003 was precisely that for nearly half of the city’s working-age Black men. According to this report, nearly one in two African American men between the ages of 16 and 64 in New York were without jobs in 2003.

WOMEN’S ECONOMIC STATUS IN THE STATES: WIDE DISPARITIES BY RACE, ETHNICITY, AND REGION

Amy Caiazza, Ph.D., April Shaw, & Misha Werschkul / Institute for Women’s Policy Research April, 2004

We’ve come a long way, baby. But there is still a long way to go. This Institute for Women’s Policy Research report finds vast and persistent income inequalities between the sexes throughout the country. While today, the average white male earns \$44,200 a year, women of all races earn significantly less. Asian-American women, for example, earn an average of only \$33,100, a full 25% less than white men, and Hispanic women earn \$23,200, about half of what white men are paid. At this rate it will take more than 50 years to close the pay gap.

MIDDLE-CLASS 2003: HOW CONGRESS VOTED

The Drum Major Institute for Public Policy May, 2004

Did your representative make the grade? This report issues each member of Congress, as well as the House and Senate as a whole, a letter grade based on their 2003 votes on pieces of legislation of importance to the middle class. Middle-class Americans are feeling squeezed; with “Middle Class 2003,” they can put the squeeze on their representatives.

NEW YORK’S LEGISLATIVE PROCESS MOST DYSFUNCTIONAL IN NATION

Jeremy M. Creelan / Brennan Center for Justice July, 2004

New York City can be a crazy town at times, but it’s nothing compared to Albany. According to this Brennan Center for Justice report, New York State’s legislature is “the most dysfunctional in the nation.” Between 1997 and 2001, for example, fewer than 5% of the major bills passed by either house of the legislature were debated on the floors of their respective chambers, and not a single bill was ever voted down in the Senate. So much for saying New Yorkers are pushy.