

The Democrat

A roundup of events, ideas, and opportunities for area Democrats and their friends.

A Monthly Newsletter

Issue #8 — August 2011

Did you know?

Member Profile

Opinion

Coming Events

Test yourself! See how your knowledge of current news and politics compares to others'.

Joan Newton, licensed psychotherapist.

Contributions by Bill Hall, Tom Brooks, Richard Wood, and Warren Buffett.

Next Club meeting is August 25th, 7:15 pm, at the DeLand Police Dept. Community Room on W. Howry Ave.

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A Word from the President

Jeff Shepherd

“What issues do you care most about?” When a group of local Democrats come together twice a month to call our friends and neighbors, this is one of the half-dozen questions we ask them. The answers they give point toward the very heart of their concerns as citizens, and of ours as both citizens and political activists.



The answers our Democratic friends and neighbors are giving right now reflect the national polling. By a wide margin we care about jobs, unemployment, and the economy. A fourth issue, the national debt, wasn't among citizens' top priorities as

recently as a year ago. However, since the headline-grabbing national-debt-ceiling debate in July, that has changed significantly. According to a current CNN/NORC poll, the debt is second only to the economy as Americans' priority issue.

Many are concerned now about the mandatory redistricting that follows each national census. Locally, the *Volusia County Council* will adopt new boundaries by September 30th, determining the size and shape of the council's districts. By Dec. 31st the *Volusia County School Board* will adopt new zones. At

the state level, the *Florida Legislature* will redraw Florida's statewide *House* and *Senate* districts, and the state's 27 *Congressional* districts.

Identifying issues like these that citizens care about must come first. But then we must decide how we should respond, both individually and as a Club. One of the most difficult questions we must deal with is whether the Club should take an official, formal stand one way or another.

In 2010, 63 percent of Florida voters approved *Amendments 5* and *6*, requiring that the redistricting process be managed fairly, and that lawmakers draw compact, contiguous districts, not districts drawn to favor incumbents or political parties. Our *Democratic Club*, along with the *Volusia County Democratic Party* and the *Florida Democratic Party*, endorsed the passage of these amendments, and will work diligently to see that they are honored. This was an issue on which Democrats agreed.

However, our club also passed a resolution endorsing several state-wide ballot initiatives about which there **was** no general agreement. An example is *Amendment 4*, popularly known as *Hometown Democracy*. Proponents believed this amendment would give the people greater say in zoning

decisions, and would slow or stop costly and environmentally damaging sprawl development. **But a significant number of Democrats disagreed.**

These contrasting examples raise a serious practical concern as we approach the coming election season. When our *Democratic Club* takes sides on a potentially divisive issue like *Amendment 4*, we risk alienating those among us who are in the minority. And remember that the minority may be as much as 49 percent. So should we or should we not take stands on such matters?

In its official platform the national Party does take strong positions on such issues as preserving *Social Security*; supporting programs that help people out of poverty; providing quality education for all; adequately funding *Head Start* and *Early Start Programs*; bringing a responsible end to U.S. involvement in Iraq and Afghanistan; protecting America's natural resources; and ensuring the quality of our air, water, and land for future generations.

However, when the Party and individual candidates state their positions directly to the public, they take a different approach. They present the positions in ways flexible enough not to alienate significant numbers of voters. People care deeply about

issues important to them personally, and candidates risk turning off 10% on one issue, 20% on another, until eventually Party unity is shattered. Why should one take that risk if it isn't necessary?

In respect to our own *Democratic Club*, I think we should not. We should not allow any one or two issues to divide us. No matter how passionate we feel about such issues as individuals, as members of the Club we should focus instead on maintaining unity in pursuit of our common purpose.

We stand together in support of individual rights, compassion, and good government. This is what unites us. We should not allow our individual feelings about specific issues to threaten overall unity. After all, a particular issue might be forgotten before the next election. But our mutual commitment will last, and will enable the Democratic Club of Northwest Volusia County to realize our common dreams through electing Democrats.

Jeff Shepherd is President of the Democratic Club of Northwest Volusia County. He can be reached at [Jeff Shepherd](#).

Member Profile

Joan Newton



1. What is your current occupation(s)?

“I’m a licensed psychotherapist.”

2. Why are you a Democrat?

“Identifying myself as a Democrat coexists with valuing people and addressing the needs of those who lack the skills or energy to get others to focus on their right to expect decent housing, food, education and employment. These needs seem to same expressed by humans elsewhere in the world even in the most remote regions to be able to care for self and family.”

3. What are some things you have done to help elect Democrats and support our party?



“I have fundraised, regularly make phone calls to build our party, and volunteer at election polls.”

4. What is one issue you care a lot about and why?

“One issue which concerns me pertains to quality health care. Not unlike the right for everyone to have safe

water to drink and safe food to eat, quality health care needs to be available to all.”

5. If you could wave a magic wand, what are 1-2 government policy changes you would prioritize, locally, statewide, or nationally?

“One of the Native American commandments says: “Treat the Earth and all that dwell thereon with respect.” This quote expresses one government policy I would like to see prioritized – that is the environment. This would include far more attention to climate change and our energy sources since each affects the other as well as the quality of the earth and its inhabitants.”

Member's Opinions



Parsing American Exceptionalism

Bill Hall

Many Americans believe we should return to the “golden age” of small government.

In the 1880s there were no federal or state income taxes. Indeed there were few taxes of any kind. Building a house or joining a profession didn't require licenses or permits or the fees attached to them. Our city, county, state, and federal governments were small and benevolent. We didn't have regulatory agencies and the *War Department* was a small enterprise engaged primarily in the annihilation of the few Indians remaining in the West.

In 1880 government bureaucracy at all levels was minuscule by today's standards. Because there was no income tax, there was no *IRS* nor was there a *Department of Energy* or *Labor, Transportation* or *Education*; no *Environmental Protection Agency*; no *OSHA*; no *CIA* or *NSA*; no *Social Security*

Administration or *Department of Health and Human Services* and no *Veterans Administration* and no *FAA* or *Federal Reserve* or *FDIC*. Moreover, there was no *FBI* or *Homeland Security* or, locally, no *FDLE*, *Highway Patrol* or *Fish and Wildlife* police.



Government at all levels was small because our population was small and rural. There was little need for paved roads and none for airports or urban planning departments. Life was simpler but more lethal with death looming at age 40 for a Caucasian male and sooner for others. Of course there were just 50 million Americans

spread across a continent that today holds 310 million, mostly in cities.

In the 1890 census an additional 12 million Americans were counted. In that decade people began leaving the farm for the cities as agriculture was increasingly industrialized, requiring fewer people to farm and more people to make the machines that were replacing farm labor. That decade also marked the closing of the American frontier with the massacre at Wounded Knee, in December of 1890.

Industrial development led to an ever expanding economy and the demand for more labor was met by massive immigration. Thus, between 1880 and 1920 our population doubled from 50 million to 100 million and with it came electric lighting, the first automobiles, radio, telephones, movies, the phonograph, and the airplane. It was the greatest population growth and technological transformation of a society in the history of the world. The

period between 1890 and 1920 also saw the emergence of the United States as an imperial power. Alfred Thayer Mahan's 1890 book *The Influence of Sea Power upon History* anticipated the annexation of Hawaii, the *Spanish American War* of 1898 and the consequent American occupation of the Philippines along with the opening of the Panama Canal and the advent of *WWI*, in 1914.

A colossal expansion of government was inevitable as the United States burst on the global stage with its (seemingly) boundless natural resources, newly minted technologies and its vain and self-appointed role of global cop. Today, we have arrived at the overreach stage of imperial development as the "BRIC" nations (Brazil, Russia, India and China) emerge to challenge

the hegemony we can no longer sustain, burdened as we are by imperial wars, layers of taxes and vast bureaucracies.

[Bill Hall](#) is a DCNWVC member, and a columnist for the *West Volusia Beacon*. This article is a reprint of one of his *Beacon* columns.

Member's Opinions



Scott gets rebuked by the Florida Supreme Court

By Tom Brooks

In a 5-2 decision the *Florida Supreme Court* decided against Governor Scott, saying that he had exceeded his authority in requiring that all rules and regulations under the Governor's control be approved by a new executive office, created by the Governor and

known as the *Office of Fiscal Accountability and Regulatory Reform*. The court asserted that rule making authority belongs to the legislature, not the governor.

Effect of Scott's Executive Order

Scott's *Executive Order No. 11-01*, signed on January 4th, 2011, put a freeze on all new regulations until they could be approved by a new *Office of Fiscal Accountability and Regulatory Reform*. This office

would have to approve, not only all rules, but also all agency practices and contracts.

Section 2 of the order suggested this rule freeze be honored by other elected Cabinet officials, on a voluntary basis. None of the other officials, including the Attorney General, Chief Financial Officer, and Agricultural Commissioner, agreed to comply. Nevertheless, the end result was that 953 rules, including 53 poised to go into effect immediately, were delayed by the executive order.

Main plaintiff in the case

Rosalie Whiley, a blind woman from Opa-locka, charged that Scott took over the Legislature's constitutional authority to direct rule making when he signed the executive order just hours after his Jan. 4 inauguration. She had legal standing to file the case because one of the rules affected would have made it easier for her as a blind person to apply for food stamps online.

Reaction to the decision

Sen. Arthenia Joyner, D-Tampa, was quoted in the [St. Petersburg Times](#) on August 17th as claiming this new decision underscores the fact that Scott's executive office cannot simply ignore the other two co-equal branches of government

"He's the governor, he's not a king," she said. "The court is saying, that's it. You can't run state government like a business. . . . You are the governor of Florida and you don't have the authority to run every facet of state government."

What the order reveals about Rick Scott

Scott's contempt for and resentment of government regulation dates at least as far back as when he was CEO of the *Hospital Corporation of America* in the 1990s.

The company [admitted](#) in a court settlement that while under Scott's leadership it had been systematically overcharging the government through such practices as claiming marketing costs as reimbursable, striking illegal deals with home care agencies, filing false data about how hospital space was being used, and increasing billings by exaggerating the seriousness of the illnesses they were treating.



Sen. Arthenia Joyner

To settle the claims, penalties, and associated lawsuits cost the company over \$900,000,000. Scott was forced to resign at the time the initial fraud charges were filed in 1997. (But don't feel sorry for him. He floated down comfortably under a \$10,000,000 "golden parachute.")

In case anyone thinks that Governor Scott has had a change of heart and spirit on regulation from those dark days as CEO of *Hospital Corporation of America*, this is what he said to

the [Orlando Sentinel](#) editorial board this week.

One "particularly revealing exchange involved business regulation. In short: Scott hates it.

"Still, the ed board asked him if there aren't some professions — those with a sordid history of fleecing consumers... — that need regulating.

"...Scott couldn't bring himself to say yes. Instead, he offered a vignette about two businesses in the same profession where one followed the rules and the other did not. He said that was unfair... to the business that followed the rules.

"Think about that for a minute. Under Scott's scenario, one business is breaking the rules and potentially fleecing customers. And yet, instead of cracking down on that business, he wants to make it so the other business can do the same? That's telling ... and disturbing."

The more things change the more they stay the same with Governor Rick Scott.

Tom Brooks is a Land Use Planner with Volusia County, and he can be reached at rook01@cfl.rr.com.

Member's Opinions



Democrats, Trade, and Progress

Richard Wood

Considering our nasty economic situation, it is tempting to suggest that foreign trade exacerbates the problem and to propose policies to restrain this trade. However, international trade between two countries is generally beneficial for both countries; otherwise it would not take place.

For example, trade provides consumers with more choices. When U. S. automakers failed to make small, fuel-efficient cars, we were able to import them from Japan and elsewhere. As foreigners earn our dollars, they can buy some of the great variety of goods and services we offer – from visits to *Disney World* to the latest *Microsoft* products.

Many developing countries (India, China, Chile,) have benefited enormously from trade and others should be able to do so in the future. Yet the

United States remains the most productive nation in the world, and, as such, has much to sell and much to gain from the great variety of goods we are able to buy from these and other countries.



Trade also helps check inflationary pressures, as competition from abroad encourages U. S. producers to hold prices down, or allows consumers to buy foreign goods at lower prices. With less inflation, policy-makers can focus more on expanding output and employment.

But hasn't international trade resulted in more factories and jobs going abroad? Haven't additional jobs been lost from outsourcing work to India and elsewhere? Of course, both of these processes are occurring; but economic changes always require painful adjustments.

While trade promotes our general national interest, we should certainly complement that trade with specific support for our working neighbors. We should demand a strong, effective safety net at home. This might include targeted adjustment assistance for those workers adversely affected in industries declining because of trade.

What *Democrats* should really be fighting for are forward-looking policies to raise labor productivity in environmentally sustainable ways, and to reverse the growing income inequality in our country. Here unions have a major role to play, today as in the past. We need to support organized American labor.

We also need to demand adequate funding for investment in human capital. Every child should have a healthy diet, universally guaranteed health care, and a world class education, beginning with pre-school. The Obama health care plan is a critical start, but K-12 education in the United States lags behind that of most other high income countries.

We must also insist that the government in partnership with the private sector build a state-of-the-art infrastructure (roads, rail lines, broadband access ...),

creating many new jobs in the process.



How do we finance these expenditures? We should do so with appropriately targeted tax increases in combination with certain cuts in government spending, especially in the

military. More specifically, first, we must sunset the preposterous Bush tax cuts, especially for the very wealthy. Then we must cut many perverse tax loopholes—those for coal, oil, and gas exploration to name just a few.

These should be the “non-negotiable” demands of *Democrats*. But at the same time let’s continue to trade.

Richard Wood is a professor of economics at Stetson University. He can be reached at rwood@stetson.edu.

Guest Commentary

Warren Buffett



Editor’s Note:

We’ve heard a lot talk about “revenue enhancement” and restoring taxes on the wealthiest few to their Clinton-era levels. Among those who would be affected by that, one segment has been rather silent during this discussion: namely, the wealthiest few themselves.

There have been exceptions, of course, one of the more heartening being the so-called “Patriotic Millionaires.” These are a group of millionaires 45 of whom signed a letter to President Obama, urging him to allow the Bush tax cuts to lapse.

A leader among those 45, and the most active and consistent

advocate for their position, has been Warren Buffett, one of the wealthiest persons in our nation. He has spoken about these matters most recently in an op-ed article for the [New York Times](#) and in an interview on the Charlie Rose Show. The article begins below, and this link will take you to [the interview](#).

Stop Coddling the Super-Rich

OUR leaders have asked for “shared sacrifice.” But when they did the asking, they spared me. I checked with my mega-rich friends to learn what pain they were expecting. They, too, were left untouched.

While the poor and middle class fight for us in Afghanistan, and while most Americans struggle to make ends meet, we mega-rich continue to get our extraordinary tax breaks. Some of us are investment managers who earn billions from our daily labors but are allowed to classify our income as “carried interest,” thereby getting a bargain 15 percent tax rate. Others own stock index futures for 10 minutes and have 60 percent of their gain taxed at 15 percent, as if they’d been long-term investors.

These and other blessings are showered upon us by legislators in Washington who feel compelled to protect us, much as if we were spotted owls or some other endangered species. It’s nice to have friends in high places.

Last year my federal tax bill—the income tax I paid, as well as payroll taxes paid by me and on my behalf—was \$6,938,744. That sounds like a lot of money. But

what I paid was only 17.4 percent of my taxable income—and that’s actually a lower percentage than was paid by any of the other 20 people in our office. Their tax burdens ranged from 33 percent to 41 percent and averaged 36 percent.

If you make money with money, as some of my super-rich friends do, your percentage may be a bit lower than mine.



But if you earn money from a job, your percentage will surely exceed mine — most likely by a lot.

To understand why, you need to examine the sources of government revenue. Last year about 80 percent of these revenues came from personal income taxes and payroll taxes. The mega-rich pay income taxes at a rate of 15 percent on most of their earnings but pay practically nothing in payroll taxes. It’s a different story for the middle class: typically, they fall into the 15 percent and 25 percent income tax brackets, and then are hit with heavy

payroll taxes to boot.

Back in the 1980s and 1990s, tax rates for the rich were far higher, and my percentage rate was in the middle of the pack. According to a theory I sometimes hear, I should have thrown a fit and refused to invest because of the elevated tax rates on capital gains and dividends.

I didn’t refuse, nor did others. I have worked with investors for 60 years and I have yet to see anyone — not even when capital gains rates were 39.9 percent in 1976-77 — shy away from a sensible investment because of the tax rate on the potential gain. People invest to make money, and potential taxes have never scared them off. And to those who argue that higher rates hurt job creation, I would note that a net of nearly 40 million jobs were added between 1980 and 2000. You know what’s happened since then: lower tax rates and far lower job creation.

Editor’s Note:

Excellent essay from a man who knows what he’s talking about. Read the [remaining part of the essay here](#), then watch the [Charlie Rose interview](#).



Did you know?

According to the U.S. Centers for Disease Control, what percentage of Americans are obese?

- 15%
- 25%
- 35%
- 45%
- 55%

For the whole quiz, check [Pew Research Interactive](#).



Answer? Approximately 25%.

Coming Events

Next Club Meeting

Thursday, August 25th, 7:15pm, DeLand Police Dept. Community Room on W. Howry Ave.

Agenda

Guest speakers will be Michael Arth and Russ White.

Arth is a home, landscape, and urban designer; green builder, social activist, and public policy analyst; and advocate for the homeless. He will talk about *Tiger Bay Village*, his comprehensive plan for homelessness.

White is a retired firefighter and paramedic, and is a columnist and blogger for the West Volusia Beacon. He will discuss how important it is to write our elected officials, letters to the editor, and internet posts.

Democratic Women’s Club Gala

October 1st

For up-to-date info visit the [Gala’s website](#).

Links

[Northwest Volusia Democratic Club](#)

[National Democratic Party](#)

[Florida Democrats](#)

[Blog for informal Democratic conversation](#)