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## Political Notes

by **Jon Fuhrman**

Tuesday, February 7

President Biden just completed his second State of the Union speech, and he looked in pretty fine fettle. While he continues to promote bipartisanship, calling out 300 separate laws enacted in the last session with bipartisan support, he also flat out challenged the GOP, particularly on taking cuts to Social Security and Medicare off the bargaining table. Looking straight at the Ukrainian Ambassador, he pledged continued support for as long as it is needed. He tweaked GOP members who didn't vote in favor of the infrastructure bill, saying nonetheless he'd see them at the ground-breaking ceremonies for projects within their districts funded by that very legislation. And he made a strong case for our economic recovery, citing the 3.4% unemployment rate as a fifty-year low, falling inflation, falling gas prices, increasing investment in our economy and new buy-American rules for the coming infrastructure projects.

But most directly, after noting how Congress had three times approved increases to the debt limit during the Trump Administration, as the debt soared from the \$20 trillion range to the \$30 trillion range, he called out the GOP to present their fiscal plan next month when he presents the Administration's budget. Of course, he knows full well the GOP doesn't have one. All they have is a collection of half-baked ideas from various elements within the caucus, but there is no coherent plan with any specificity supported by even a thin majority within their caucus. Everyone says cut waste, fraud and abuse, by which they generally mean targeting programs (like Food Stamps) that primarily help poorer families, but there is no master plan that might save hundreds of billions of dollars.

The President also included calls for a raft of new legislation, on topics as varied as banning assault weapons to reforming immigration law and providing a path to citizenship for Dreamers, to tougher laws

on social media companies collecting personal data, to better treatment for veterans, to codifying protections for reproductive choice, to better police oversight and more resources to fight violent crime. It was pretty much a laundry list, but touched on nearly every issue dear to the hearts of progressive activists.

Needless to say, the President knows full well there is little to no chance any of that legislation will get enacted by this Congress.

But perhaps that really wasn't the purpose here. The President has essentially defined an expansive and explicit platform for the Democratic Party in 2024 – both what we want to accomplish, and what we will call out the GOP for not enacting. They will be the “do-nothing” Congress, much as Harry Truman called out his GOP-controlled Congress as he sought re-election. President Biden has deftly, in a non-partisan and non-political setting with some 30 million viewers, announced his re-election campaign and his platform, and woe betide those who stand in his way.

Meanwhile, as the President plans his re-election announcement, we're looking at a raft of candidates locally as virtually every legislative office is turning over. First off, our own Congressman Adam Schiff has formally announced his run for the Senate, joining Cong. Katie Porter and Barbara Lee, and not waiting for Senator Feinstein formally to announce her inevitable decision. There will probably be other Democrats as well, not to mention a few fringe Republicans, but one can already see the “establishment” coalescing behind Adam. Katie Porter, Barbara Lee, Ro Khanna are all perfectly good representatives who would be fine Senators, but they're just not Adam. Further, by starting the race with \$20 million in the bank (compared to \$8 million for

Cong. Porter and less than a half-million for Cong. Lee) and with former Speaker Pelosi's conditional (but not really conditional) endorsement, Adam will spend the rest of the year locking up additional endorsements from fellow Congressmembers, state-wide Dems and local editorial boards. He's pretty much a lock as our next U.S. Senator, and we can claim him, with some justification, as ours, having gotten his start right here in our backyard.

But who then will run for Adam's seat? We have a raft of candidates, from Sen. Anthony Portantino to Assemblywoman Laura Friedman, to former



LA City Attorney Mike Feuer (who has Mayor Karen Bass' endorsement, a powerful asset given that a good bit of the district is in Los Angeles City) to LAUSD member Nick Melvoin, and probably a half-dozen more Democrats with a few Republicans to boot. The filing period for the March 2024 primary is from mid-November to early December, so there is tons of time for new bodies to pop up for all these local races. But for

early handicapping, I'd have to give the edge to Assemblywoman Laura Friedman. She's likely to win endorsements from Emily's List and the NWPC; as the only woman of stature in the race, she may benefit from six guys splitting the vote with women coalescing around her. She's also been a leader in environmental and climate change efforts in the State Assembly, and her Assembly District covers much of the Congressional district.

Assemblymember Chris Holden will be running for the County Board of Supervisors against incumbent Kathryn Barger. Normally, running against an incumbent Board member is pretty much a lost cause. The districts are huge (over 1.1 million registered voters), contributions are

capped at \$1,500 per person per election, and there is a “voluntary” expenditure limit of just over \$1.5 million (which doesn’t really go very far in a district that size when running against an incumbent). Further, District 5 has always been seen as the one GOP district in the County.

Yet, the actual data are rather surprising. District 5 does have the largest number of Republican voters in the County, but Democrats, due to demographic changes and redistricting, have a 20% registration edge – 46% Democratic to 25% Republican. Especially in a year with a Joe Biden running for President in November, any substantive Democratic candidate will have a huge edge, even against a modestly well-liked GOP incumbent. Supervisor Barger has been on the wrong side of several 4-1 votes on the Board, most particularly against putting a County Charter Amendment on the ballot which allows the Board, by a 4-1 vote, to fire the Sheriff. But District 5 voters overwhelmingly supported that ballot measure (nearly 2-1) and, by a lesser but still substantial margin, voted for Robert Luna for Sheriff. So, Barger was decidedly on the wrong side of that issue for her district, which could come back to haunt her.

With Senator Portantino and Assemblymember Holden both termed out, the scramble for their seats in the Legislature will be wild. Already there are two major contenders for the Assembly seat – Pasadena City Councilmember Felicia Williams, and Phlunte Riddle, a Commissioner on the State Board of Juvenile Hearings and former District Director for Assemblyman Holden. Riddle starts the race with a strong endorsement from Assemblymember Holden and a campaign team with broad state-wide experience. There will be other Democratic candidates as well, with the District stretching out along the 210 Freeway well into San Bernardino County and up towards Wrightwood, as well as GOP sacrificial lambs (the District is heavily Democratic).

(In the interests of fair disclosure, I am supporting both Assemblymember Holden in his Supervisorial race and Commissioner Riddle in her Assembly race.)

In Pasadena, both the Mayor’s seat and five Council seats will be up. District 2, represented by Felicia Williams, will clearly be an open seat, but there may also be other members who either retire or try for other offices. So, stay tuned for updates on all our local races. It’s going to be a great year for political junkies, and don’t be surprised if you hear from a raft of candidates seeking your support.

~ Jon Fuhrman



## Next ACT and ADC Meeting

Thursday, March 2

7 p.m. via Zoom

ACT’s and the Arroyo Democratic Club’s March meeting is scheduled for March 2<sup>nd</sup> at 7 p.m., via Zoom.

The planned program had to be rescheduled, so the new program is TBD.

Everyone is welcome and urged to join in. Socializing on Zoom begins at 7 p.m., with the program and business meeting following at 7:30 p.m. If you do not receive an email giving you Zoom access to the meeting, please go to our website for information at <http://www.ACTpasadena.org>.

Cheryl Brickey will be the presiding Co-Chair for ACT; Tim Wendler for ADC.



## Special Thanks to Sustaining Members

Jim & Priscilla Gamb

Bobby Nelson & Peggy Renner

William Suter & Marsha Tylke

## Janice Laruccia

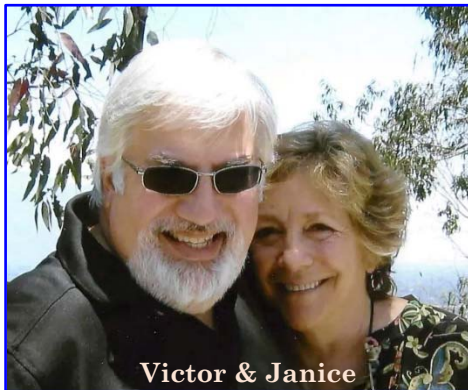
We are saddened by the death of our great friend, Janice Bredice Laruccia on January 16 at age 80. She was smart, funny and generous always and we missed her when she and her late husband Victor Laruccia and her daughter Jennifer moved to San Diego.

Janice was born in Newport, Rhode Island, the loved middle child in a warm extended Italian family. She was still a child when her family moved to Altadena. Janice graduated from Muir HS, attended PCC and earned her Bachelor's degree from Cal State, LA. She was attending Cal State LA, working two jobs and raising daughter Jennifer from her first marriage, when she met Victor.

Janice and Victor married in 1974 and moved to Providence, where Victor taught at Brown University. In the early 80s they were back in Pasadena and closer to family. Janice engaged in politics alongside her political consultant sister, Patty. Her specialty became absentee voter programs for various political campaigns. Always a political activist, Janice and Victor joined ACT and remained members for the rest of their lives.

In San Diego, when Victor founded the San Diego Italian Film Festival, Janice served on the board and was a behind-the-scenes presence, making sure of the success of SDIFF. She was preceded in death by her parents, sister Patty, and Victor, to whom she was married for 47 years, until his death in March 2022.

Our deepest sympathy goes to her survivors, daughter Jennifer Davies, Jen's husband Michael Stetz, granddaughter Dr. Gabrielle Williams and her husband Matt Williams, grandson Jack Stetz,



brother Richard Bredice and his wife Sue, and a huge circle of family and friends.

A celebration of life is planned for March 11. In lieu of flowers, the family suggests that memorial contributions may be made in Janice's name to the San Diego Italian Film Festival at [sandiegoitalianfilmfestival.com/get-involved/donate](https://sandiegoitalianfilmfestival.com/get-involved/donate).



## Playbill: Two Prominent Pasadena Dems Take Center Stage

**Scene:** stage at Parson's Nose Theater (PNT), Sunday, Feb. 5, Pasadena, One Hour, One Act, No intermission. No charge. Wine and cookies available.

**Characters:** Hoyt Hilsman and Jon Fuhrman. Both Pasadena longtime Dems steeped in local Politics.

"Conversation With", is a new PNT series that includes community interests: politics, the arts and science.

Hoyt and Jon presented their different perspectives to a packed audience. National level: Biden says he will run in 2024, he put forth a strong agenda and has many accomplishments. Hoyt mentioned *Real Clear Politics* states "he just can't get traction"; age a MAJOR factor. Discussion re How do we change that narrative?

Changes will have to occur as to how Dems get their message out. We must appeal to the younger voters, equality and diversity, or we could lose them. Stressed the need to improve our message as to who we are today. We do not

use opportune moments to attack the GOP. Biden is our spokesperson. We tend to not make use of other politicians to bring attention to imminent issues. GOP does this well.

CA politics: big news at that level is a new Senator. Jon spoke of Adam Schiff's accomplishments, other possible candidates, and how Pelosi's strong endorsement will play out. As a result, many prominent people across the state will support him. Discussion ensued re State and Local availability and who has expressed interest.

A big thank you to Lance Davis and Mary Chalon who hosted this series. Community is very important to them. Check their calendar for events knowing you will enjoy anything that they produce at PNT such as Classics Series - Lance-producer/actor puts his twist on the productions. A Women's Project will debut for one evening - Ladies Night. A special Irish presentation and PNT Podcasts available. Radio Theater is their passion. A true gem of a program!!!

~ Barbara Paul



## Book Review

by Jennifer Hall Lee

***American Public Education and the Responsibility of its Citizens: Supporting Democracy in the Age of Accountability***,

by Sarah M. Stitzlein.

It's a daunting title, and a captivating book.

The members of the Superintendent's Enrollment Committee for the Pasadena Unified School District (PUSD), tasked with increasing enrollment in the district, used this book as a starting point as we explored how to convey the fact that public schools provide a necessary foundation for democracy. The book inspired lively conversation and the author herself spoke with us virtually.

As the title indicates, we are in an age of *accountability*. And in these times we certainly hear that

word often. Webster defines *accountability* as "an obligation or willingness to accept responsibility or to account for one's actions."

Sara Stitzlein, a Professor of Education and Affiliate Professor of Philosophy at the University of Cincinnati challenges us to hold ourselves accountable to public schools and at the same time shows us why public schools, and public places, must be actively nurtured in order to maintain our democracy. The book, published in 2017, is currently available online.

From the first page Stitzlein lets us know that the topic of public schools and democracy is not a new one. As president of the John Dewey Society, Stitzlein often refers to the work of political philosophers and thinkers. We are greeted to the first chapter with a quote from the late political theorist Benjamin Barber, "*Public schools are not merely schools for the public, but schools of publicness: institutions where we learn what it means to be public and start down the road toward common national and civic identity.*"

Publicness. It's a concept that considers *the public* as a verb. Publicness is alive. We create our public spaces with our presence because they can't exist without us and public schools are public spaces.

Stitzlein carefully lays out a unique argument about accountability and suggests, in terms of public schools, we turn the idea of accountability on its head and set it squarely in front of us. In other words, what if we asked ourselves, "What am I doing for my public schools?"

That's a showstopper. It places power back upon us, but isn't that what democracy is all about?

In the chapter titled *Defining Public Schools* she describes the changes that have taken place in public schools. She even tackles school choice and "for profit education management."

Today our corporations are so big they traverse

**Book Review**, *continued on page twelve.*

## My Two Cents

By Ron Garber

Three of California's finest Congressional Representatives have already announced their runs for the Senate which means that we will be losing them in the House. I assume that Adam Schiff's and Barbara Lee's current house seats will be safely transitioned to Democrats, but Katie Porter's seat could very well be lost to a Republican. My friend State Senator Anthony Portantino has announced that he will attempt to succeed Congressman Schiff and has moved to Burbank. While I wish he had decided to move a few miles North and taken on Republican Congressman Mike Garcia, I understand and respect his decision to move West.

I've already received fundraising emails from both Adam and Anthony and naturally hope that both are successful in their respective campaigns. I'm also cognizant that the seats each are running for are ultimately going to be carried by Democrats and I'd much rather save my contributions for contested seats, especially when majorities in both Congressional houses are razor thin. Also, I never make contributions before the primaries because I believe funding one Democrat against another is a waste when said funds can and should go to defeating Republicans.

That brings us to Assemblyman Holden's seat, which is in play because he's termed out. Full disclosure: I do not live in that district but rather live in the district due east and I'm not thrilled with my Democratic Assemblywoman, but that's a story for another day. Several Democrats have already announced their intentions to run for Pasadena's Assembly seat and I'm disturbed by one in particular. Pasadena Councilwoman Felicia Williams, endorsed by ACT/ADC very early in



her tenure, went against a progressive Pasadena issue, 'The Hero Act' that would require employers in certain industries like supermarkets to pay their employees a higher minimum wage because they were risking their health during the early stages of the pandemic. She often sides with businesses against the interests of employees which is her right, but when I was actively seeking to secure her endorsement by our club, she had left the impression that she was a true Progressive. Her response is that the city council is a non-partisan position and while that's true, a Democratic club like ADC should expect their endorsed candidates to vote like Democrats. While not as serious as former Sheriff Alex Villanueva who literally hoodwinked us into believing he was a Democrat, I find Felicia's actions to be disappointing. She re-registered as an independent which was appropriate, but now that she's running for the Assembly in a safely Democratic district, she's a reborn Democrat. I find that to be opportunistic and would look for a true Democrat if I were you.

~ Ron out



### Special Thanks to Patrons

Mark & Sandra Esensten

### And Really Special Thanks to Benefactors

Bruce Wright & Marilee Marshall

### Thanks for Additional Contributions to ACT's Political Account

Edie Taylor





## Hoyt's Take on Our Political Future



It looks like the 2024 election cycle has begun already. The disgraced ex-president has already declared his campaign for re-election and President Biden is expected to declare in the next couple of months. In the meantime, candidates have announced, or are expected to announce soon, for Senate and Congressional seats, along with state offices.

As incredible as it may seem, Trump is still a major factor in both the Republican and Democratic national campaigns. On the Republican side, few potential candidates seem willing throw their hats into the ring and incur the wrath of Trump, with the exception of Nikki Haley. On the Democratic side, the fear of another battle with Trump has strengthened the position of President Biden who is the only one who has defeated the former president.

However, as Trump's star continues to fade with all but a portion of the Republican electorate, he is more likely to become a spoiler of Republican chances rather than the nominee. If he decides to attack the party's eventual nominee – or even run as an independent – he could virtually assure the election of a Democrat. But if Trump goes quiet or supports the eventual nominee, then the chances of any Democratic nominee lessen considerably.

President Biden is in a difficult position. His approval ratings are in the low 40s – roughly the same as Trump's. And roughly 60% of Democrats would like to see someone else run. While Democrats approve of Biden's performance and policies, they are not particularly enamored of him. More importantly, they are reluctant to support an over 80-year-old president, especially

against a much-younger Republican like Ron DeSantis. For all of Biden's strengths, it is difficult to see him engaging in either a vigorous campaign or a formidable debate.

Much of the Democrats' success in 2024 will depend on the strength of the Presidential nominee. The Senate map is seriously skewed in Republicans' favor. Democrats are defending twenty-three seats while Republicans are defending only ten. To make matters worse, at least eight of the Democratic seats are seriously threatened, while only a single Republican Senate seat appears vulnerable. The House picture is brighter, with a larger turnout expected and a number of Republican seats in California and New York up for grabs.

In California, the Senate seat currently held by Dianne Feinstein is being sought by Adam Schiff, Katie Porter and Barbara Lee. Schiff is the early favorite with endorsements from Nancy Pelosi and other leading Democrats. In our local area, both State Senator Anthony Portantino and Assembly Member Chris Holden are termed out. Portantino has announced that he is running for Schiff's congressional seat, along with Laura Friedman and likely several others. Pasadena City Council Member Felicia Williams and local activist Phlunte Riddle have announced for Holden's seat. As of this writing, no one has announced for the State Senate seat.

In Pasadena, five City Council seats and the Mayorship will be decided in 2024, as well as several local education officials, including three PCC Board seats and three PUSD seats. If the last election cycle is any indication, these will be hotly contested seats with a strong chance of turnovers as incumbents are viewed unfavorably by many voters.

Remember, politics is dynamic and ever-changing. Stay tuned!

~ Hoyt Hilsman, Chair UDH Steering Com.

**From  
25<sup>th</sup> District  
State Senator  
Anthony  
Portantino**



Dear ACT Members,

Nothing is actually going on or new with me this month.....Only kidding. Yes, I am off and running for the 30th Congressional District. We have been extremely lucky to have had Adam Schiff as our representative for the past 22 years. Frankly, I wish he would stay representing us as it's been a source of pride to see him fighting the good fight, holding Trump accountable, and standing up for transparency and common sense. Adam has decided to run for the Senate, and I am very pleased and proud to support him for this exciting opportunity and important position.

I am blessed to currently hold the Senate seat that Adam once represented and I would be extremely honored to follow him in Congress. The very first political meeting I had in my career was in 1997 at Shakers with Judy Boggs and Janice Laruccia where they introduced me to ACT. A lot has happened since then, and I have been grateful ever since for the support of ACT and the friendships that have come with it.

I have been pleased to have been a leader in the gun debate long before it became politically popular, and I look forward to continuing those efforts. Recently, I held a press conference with Governor Newsom and Attorney General Bonta on a sensible gun reform effort. California needs to comply with the recent Supreme Court decision, and this effort is an attempt to use the SCOTUS ruling as a roadmap to protect the safety of Californians and enact prudent gun reforms. The horrific mass shootings in California and across the country have communities and schools on

edge. Several parents have reached out to me expressing the trauma their families face as they try to make sense out of these far too often tragedies. In an effort to add empathy and support, I held a town hall focused on gun safety and the traumatic aftereffects of gun violence.

Though it's early in the legislative session, I'm not wasting any time. I am making another attempt at mental health first aid training for school employees and dyslexia screening for all first graders. Our student behavioral health challenges have never been this pressing, and we certainly should not be an outlier state when it comes to helping all our children read.

More coming and more to do.

Warmest Regards,

~ Anthony

*Senator Anthony Portantino represents California's 25th State Senate District, which stretches along the 210 Freeway from Sunland/Tujunga to Upland. He proudly represents the Rose Bowl, Jet Propulsion Laboratory, Griffith Park, Warner Brothers, Disney, Caltech and the Claremont Colleges.*



**Thanks for Additional Contributions to  
ACT's Operating Account**

Mark & Sandra Esensten

Janet Rose

Edie Taylor



**From  
41<sup>st</sup> District  
Assemblymember  
Chris Holden**



Dear ACT Friends,

The legislative session has officially commenced, and I am pleased to share that I introduced seven bills thus far!

I introduced AB 304, Domestic Violence Prevention because domestic violence is a silent issue, survivors do not necessarily know where to turn or even vocalize their traumatic experiences. The bill would help develop comprehensive statewide standards through regulations alongside the Department of Justice; it is crucial to understanding the nuances of domestic violence prevention.

Displacement in our communities has become more and more frequent, that is why I introduced, AB 323, The Owner Occupant Preference Bill, which would protect homeownership pathways for low-income families. AB 323 would prohibit developers from submitting a petition to change the deed or unit designation for a density bonus unit or local inclusionary zone developed unit unless the developer can prove that none of the applicants can qualify for the unit as is.

Next, as we continue to navigate the pandemic and educational institutions transition to in-person classes, it was important for me to ensure the safety of drinking water at schools. Lead consumption among youth and disenfranchised communities occurs at a higher rate. As a response, I introduced, AB 249, School-site Lead Testing, which requires water utilities to test water faucets and fixtures in Transitional Kindergarten (TK)-12 schools for lead concentrations greater than five parts per billion (5 ppb) over the next five years and replace fixtures that test above the

standard.

As you may have heard, the Gold Line has transformed the communities of the San Gabriel Valley and we hope those benefits will continue to be extended to more residents and visitors in our region as the Gold Line connects more communities from Azusa to San Bernardino County. Although plans have changed, I believe that together we will get this done. I look forward to working with my colleagues in the Legislature, the Governor, the California State Transportation Agency, Metro, the Gold Line Authority and other regional stakeholders to find a way to deliver on this promise of equitable transit throughout our foothill communities.

In the district, I marched alongside my Armenian American diaspora to condemn the Azeri blockade of the Lachin Corridor.

With our second phase of our Young Legislators Program underway, students have already visited the Pasadena Rose Bowl Stadium and head to Foothill Transit next to learn about transit infrastructure and how their communities connect. We have also launched our Woman of the Year and Woman of Distinction nominations. Nominees must live, volunteer, or work in the 41st Assembly District, which stretches from La Cañada Flintridge and Pasadena in the West to Upland in the East and includes the communities of Altadena, Bradbury, Claremont, La Verne, Monrovia, Rancho Cucamonga, San Dimas, Sierra Madre, and Wrightwood.

Lastly, I look forward to keeping you up to date in the next newsletter.

Sincerely,

~ Chris R. Holden



## Pasadena Affordable Housing Coalition UPDATE



The Pasadena Affordable Housing Coalition (PAHC) sent a letter to the California Department of Housing and Community Development (HCD) on January 30 calling for the HCD to continue withholding certification of the City's latest Housing Element that was submitted earlier in January.

The City submitted "technical" changes in its latest draft, in hopes of satisfying HCD's request for more information as called for by the State in its October 2022 letter to the City.

The Coalition has been clear about what substantive changes are needed in the Housing Element. It has repeatedly pointed out one such change is the need for an accurate site inventory if City plans will enable the building of over 9,000 new housing units in Pasadena as called for in the current Regional Housing Needs Assessment (RHNA).

Details about the site inventory are a critical requirement within a housing element. Once again, the City's current submission fails to include any evaluation of development trends which will expose whether or not current site uses will encourage or impede additional development of affordable housing.

According to the current RHNA, Pasadena must plan for building the 9,000 new units by the end 2029. The RHNA also states over 6,000 of the units must be affordable according to established area median income limits. Additionally, policy changes regarding zoning and land use need to be undertaken citywide if the City is to meet its mandated objectives.

Even if implemented faithfully, there is no

conceivable way the City will meet its RHNA goals by 2029 because the current version of the Housing Element fails to outline policy changes with detailed zoning changes and measurable deliverables to achieve the desired results.

With such short comings and lack of incentives to promote affordable housing beyond those imposed by State law (which the City continues to resist), Pasadena's target of affordable units will inevitably fail to materialize.

In its most recent letter to the HCD, the Coalition pointed out, again, that the City has consistently ducked specific commitments. The Housing Element, as drafted, continues to lack policies and programs to address the City's inequitable entitlement process. It contains a zoning map that continues to reflect historic patterns of segregation.

Despite HCD's insistence that the City commit to tangible reforms, the recently submitted Housing Element fails to significantly alter that reality.

Regarding the issue of the City meeting its statutory mandate to affirmatively further fair housing (AFFH), the Coalition recognizes the City has admitted historic patterns of racial and economic segregation. Still, we feel it has consistently failed to do anything meaningful about them. In the latest Housing Element submittal, it has failed to provide an in-depth analysis of past racial and economic segregation to include in its current housing element.

In fact, the HCD criticized the City's earlier submissions by stating "the element must be revised to add or modify goals based on outcomes of complete analysis. Additionally, programs and actions need to be significant, meaningful, and sufficient to overcome identified patterns of segregation."

The Coalition remains steadfast in its call that the



City do as directed by HCD and re-examine its restrictive zoning practices that freeze in place decades of racial discrimination and barriers to generational wealth.

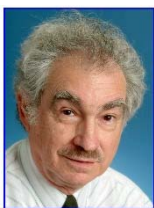
The City is expected to hear the status of its latest submitted Housing Element from the State Housing and Community Development Department by the end of February.

~ Ed Washatka



## Book Review

By Robert V. Frampton



### **“Davos Man: How the Billionaires Devoured the World”, by Peter S. Goodman, correspondent for the New York Times.**

The recent January 23 issue of the *New Yorker* has an article, “Trust Issues”, by Evan Osnos, that details the uses of trusts as tax avoidance strategies, and illustrates their use by the granddaughters of oil tycoon J Paul Getty, the daughters of opera composer Gordon Getty. These strategies (mostly legal, but some pushing the limits of illegality) are in common use by those from moderate to immense wealth as tax avoidance. The *New Yorker* article points out that while in 1979 the top 0.1% of Americans owned about 7% of the nation’s wealth, today that percentage has more than doubled to 18%, according to the World Inequality Database. The article cites examples: since 1983 the net worth of the Koch family has increased by 25-fold, to \$100 billion; the Mars family (candy heirs), by 36-fold to \$94 billion; the Waltons (Walmart) by 44-fold, to \$247 billion. These incredible increases in family fortune are made possible by our tax code, under changes in tax policy that started in the 1980s.

*Davos Man* is a study in how this increasing inequity has come about. The book follows several members of the billionaire class: Mark Benioff, CEO of Salesforce; Steve Schwarzman, CEO of Blackstone; Jack Ma, co-founder of Alibaba; Gianni Agnelli, CEO of Fiat; Larry Fink, CEO of Blackrock; Jeff Bezos, founder of Amazon; and Jamie Dimon, CEO at JP Morgan Chase.

The term “Davos Man” was coined in 2004 by the political scientist Samuel Huntington, director of Harvard’s Center for International Affairs, to describe those enriched by globalization (with enterprises stretching across continents), who regularly made the journey to Davos, Switzerland, to attend and speak at the World Economic Forum (WEF). The WEF was founded in January 1971 by German engineer and economist Klaus Schwab. The WEF is mostly known for its annual meeting at the end of January in Davos, a mountain resort in the eastern Alps region of Switzerland. The meetings bring together some 3,000 paying members and selected participants – among whom are investors, business leaders, political leaders, economists, celebrities and journalists – for up to five days, to discuss global issues across 500 sessions.

Klaus Schwab authored a book published in 2021 entitled *Stakeholder Capitalism: A Global Economy that Works for Progress, People and Planet*, in which he advocates that corporations should consider the impact on all their “stakeholders”, as well as their shareholders, in their policy decisions. In this book Schwab writes: “We need a new, better global system. In this system, the interests of all stakeholders in the economy and society are taken on board, companies optimize for more than the short-term profits, and governments are the guardians of equality and opportunity.” This includes, of course, the workers, worker safety, the environment, and local governments. While this theme has been an incessant topic at WEF sessions, praised and ex-

pounded on by many of the CEOs in attendance, the concept in reality has been pretty much ignored in the actual governance of these corporations. Lobbying for lower taxes, and enhancing share value through stock buy-backs (rather than investment) has been their recent strategy. To quote from the book: “The effort over the past four decades by Davos Man has been to use their wealth to buy political influence to cut their taxes and eliminate regulations. ... Reagan had begun to push to dismantle government [regulations] and distribute the savings via tax cuts. ... Successive administrations of both parties had denigrated social welfare spending and catered to the shareholder class.” This included Clinton’s deregulation of the banks. Antitrust enforcement was largely abandoned, allowing further consolidations.

A key example of the efforts to maximize profits (and ignore other stakeholders) is in the healthcare industry; and this was accentuated by the Covid pandemic. Hospital emergency rooms were impacted in several ways. As this book points out, there had been considerable consolidation of hospital chains; and a large fraction of emergency room doctors were actually not hospital employees, but supplied to the hospitals by TeamHealth, which Blackstone, under Steve Schwarzman, had acquired in a \$6.1 billion takeover in 2016, which then moved to maximize profits, including excess billings. TeamHealth was very slow to provide health gear to the doctors and nurses.

Apart from relieving Davos Man of his dominant influence over tax and antitrust policies, what can be done? The book cites some examples of local initiatives to provide a bulwark against the global corporate monopolies. In Preston, Lancashire County, England, the local business and city and county authorities organized their own regional common market, emphasizing local business transactions in contrast to dealing with the large

corporations -- a form of “buy local”. In the United States, there is a growing cooperative movement, such as the Democracy Collaborative in Ohio. In the larger picture, “worldwide, cooperatives already employed more than 280 million people, according to the International Cooperative Alliance. The United States alone held more than thirty thousand cooperatives [including credit unions and utilities co-ops]. They collectively controlled more than \$3 trillion in assets by one estimate.” Freed from the necessity to generate large profits, these cooperatives can compete effectively with the large conglomerates. And these cooperatives give their members more autonomy and local control.

~ Robert V. Frampton

Next Month: To follow up on the theme of *Davos Man*, I will review *People, Power, and Profits: Progressive Capitalism for the Age of Discontent*, by Prof. Joseph Stiglitz, of Columbia University, which provides an account of the dangers of unfettered markets and monied politics. Prof. Stiglitz served in the Clinton Administration, first as a member during 1993–1995, and then as Chairman, of the Council of Economic Advisers, in which capacity he also served as a member of the cabinet. Prof. Stiglitz was winner of the 2001 Nobel Prize in Economics. He was interviewed for the book *Davos Man*.



**Book Review**, *continued from page five.*

the globe and influence us daily through our personal phones. The private sphere targets the public sphere regularly in order to feed its gaping maw that frantically targets new markets. Public spaces are in the crosshairs, yet it is in the public space where people have their greatest power.

Historical facts are interwoven throughout the book. She writes, “*Dewey pointed out long ago in his essay “Creative Democracy” that we have*

often assumed democracy will simply continue. This is largely because we tend to think of democracy as something that exists somewhere else, typically in Washington DC, or the state capitol...We don't think of it as something that actively involves us or our daily lives."

Stitzlein believes in emphasizing the word public when referring to public schools, "the public of public goods reveal a political and moral relationship. Within that relationship schools are responsive to the citizens that compose its publics, rather than being merely responsive to an economic market of individual consumer satisfaction."

We are living in a hardened accountability movement, so to speak. And adversely we are also in a privatization movement. We often expect to be marketed, as consumers, even in public education. But here's the rub: public schools are not a business; they are necessary public institutions dependent upon our participation.

As enrollment drops nationally in our public schools so does our democracy. In January of 2016 the United States fell from a full democracy to a flawed democracy in the Economist Intelligence Unit rankings. And that is mostly due to a cascading lack of trust in our institutions.

Sara M. Stitzlein's book is a necessary part of the discussion on public schools, democracy and our future.

*Jennifer Hall Lee is an ACT member and a Pasadena Unified School District Trustee.*



## March Phoenix Deadline

The deadline for copy for the March *Phoenix* will be Monday, March 6. Send items for publication to Chuck Hains at [hains27@sbcglobal.net](mailto:hains27@sbcglobal.net) and Sally Beer at [sally.beer125@gmail.com](mailto:sally.beer125@gmail.com). (Chuck will continue to contact regular contributors with a deadline reminder.)



## Calendar

- |                               |  |
|-------------------------------|--|
| March 2<br>Thursday<br>7 p.m. | ACT and ADC Meeting via Zoom. Program: TBD<br>Socializing, 7 p.m.; meeting begins at 7:30 p.m. |
| March 6<br>Monday             | Phoenix deadline.  |
| March 13<br>Monday            | UDH Steering Meeting via Zoom. 5:30 p.m.   |



## ACTpasadena.org

Check out our website. The *Online Phoenix* is there and, even if you have already read the paper *Phoenix*, you will find the on-line version looks livelier in color and is in a different format. And we **may** have corrected a mistake or two we missed in the original *Phoenix*. Plus, a *Phoenix* archive is always available.

Count on Website Manager Bruce Wright to keep adding items of interest. If you have suggestions, reach him at: [brucewright@sbcglobal.net](mailto:brucewright@sbcglobal.net).



"It is fast approaching the point where I don't want to elect anyone stupid enough to want the job." ~ Erma Bombeck



## Your Photo in The Phoenix

Please share a photo (of you) at an interesting place with *Phoenix* readers. Send it to [hains27@sbcglobal.net](mailto:hains27@sbcglobal.net) for inclusion in an upcoming issue.



**ACT and ADC Membership Dues for 2023**

Hey, everybody, it's time to renew for 2023! Dues categories are listed below. Please note that you can join both ACT and ADC for bargain rates. So why not do so?? Please send your check with the form below or renew online at our website. (And thanks to those generous members who have already paid up. We love you!).



Please contact Executive Director Jon Fuhrman if you have any questions about your membership at [jon\\_fuhrman@outlook.com](mailto:jon_fuhrman@outlook.com) or 626 864-5255.

**I'd like to join both groups for one low price!** (Checks payable to ACT/ADC)

- |  |   |
|--|---|
| <input type="checkbox"/> \$40 Single                               | <input type="checkbox"/> \$70 Single Sustaining |
| <input type="checkbox"/> \$25 Each additional member per household | <input type="checkbox"/> \$90 Double Sustaining |
| <input type="checkbox"/> \$15 Student or limited income            | <input type="checkbox"/> \$150 Patron           |
|  | <input type="checkbox"/> \$275 Benefactor       |

**I'd like to join ACT** (Checks payable to ACT)

- |  |   |
|--|---|
| <input type="checkbox"/> \$35 Single                               | <input type="checkbox"/> \$60 Single Sustaining |
| <input type="checkbox"/> \$20 Each additional member per household | <input type="checkbox"/> \$85 Double Sustaining |
| <input type="checkbox"/> \$15 Student or limited income            | <input type="checkbox"/> \$125 Patron           |
| <input type="checkbox"/> \$20 Gift Membership (NEW!)               | <input type="checkbox"/> \$275 Benefactor       |

**I'd like to join the Arroyo Democratic Club** (Checks payable to ADC)

- |  |   |
|--|---|
| <input type="checkbox"/> \$35 Single                               | <input type="checkbox"/> \$60 Single Sustaining |
| <input type="checkbox"/> \$20 Each additional member per household | <input type="checkbox"/> \$85 Double Sustaining |
| <input type="checkbox"/> \$15 Student or limited income            | <input type="checkbox"/> \$125 Patron           |
|  | <input type="checkbox"/> \$275 Benefactor       |

**Extra Contribution**

- \$ \_\_\_\_\_ Political Account (for endorsed candidates and issues)
- \$ \_\_\_\_\_ Operating Account (for organizational costs)    \$ \_\_\_\_\_ **Total enclosed**

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**Mail to ACT, P. O. Box 40074, Pasadena, CA 91114-7074**

Information you provide will be available to other members and endorsed candidates upon request.