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January 2005

Dear GSPP Friend:

This eDigest includes upcoming events and recent examples of GSPP alumni, faculty and students in the news. Summaries of the articles follow a quick reference list. Each month, a tailored version of the eDigest goes out to a growing, hand-picked list of "Friends of the Goldman School." By receiving the eDigest, Friends stay up to date on activities and upcoming events along with how faculty and alumni weigh in on the issues day. We would be delighted to add to the Friends list the names of individuals who you would find it of interest. Please contact me at [doornbos@socrates.berkeley.edu](mailto:doornbos@socrates.berkeley.edu) with suggestions of new eDigest recipients. I am also happy to send a "trial subscription."

In addition to this digest, the Goldman School regularly compiles summaries of recent professional activities on the part of the faculty and posts them at <http://socrates.berkeley.edu/~gspp/news-events/facNews/facultyNews.htm>.

This semester, the Goldman School is honored once again to host a distinguished visiting faculty member, Robert Reich, Professor of Social and Economic Policy at Brandeis University and former US Secretary of Labor (1993-97).

#### eDIGEST FEATURES

- Upcoming Events
- Quick Reference List
- Alumni and Student Newsmakers
- Faculty & Board Member in the News
- Recent Faculty Speaking Engagements
- UCTV Listings & Archive

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#### UPCOMING EVENTS

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1. "LGBT rights in the US as a development of the Civil Rights movement " Assemblyman Mark Leno, author of "Religious Freedom and Civil Marriage Protection Act" (AB 19), will speak at GSPP on February 17, from 5:30-6:30 PM, in the Living Room. Sponsored by Queer Issues in Public Policy group.
2. Robert Kennedy Jr. will be the featured speaker at the annual Rhoda Goldman Distinguished Lecture in Health Policy on March 3, 2005, at 7PM, Wheeler Hall. The topic of his presentation will be "Environment, Health and Democracy."

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#### QUICK REFERENCE LIST

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In addition to the print media referenced below, broadcast media coverage includes numerous interviews with DEAN NACHT by KRON TV, KGO TV and KTVU, among others.

#### ALUMNI AND STUDENT NEWSMAKERS

1. "New year presents Schwarzenegger with many of the same challenges" (San Francisco Chronicle, January 2, 2005); story citing ELIZABETH HILL (1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/news/archive/2005/01/02/national1412EST0456.DTL>
2. "The Arnold Show" (Time Magazine, Dec 20, 2004.Vol. 164, Iss. 25; pg. 34), story citing ELIZABETH HILL (MPP 1975); [\*requires subscription] [www.time.com](http://www.time.com)
3. "Web sites aimed at disgruntled Democrats" (UPI, December 14, 2004); story citing website co-founded by MARTHA TURE (MPP 2004); [\*requires subscription] <http://about.upi.com/>
4. "Blue voters now urged to buy blue" (Chicago Tribune, December 14, 2004); story citing website co-founded by MARTHA TURE (MPP 2004); <http://www.chicagotribune.com/>
5. "Schwarzenegger Has Yet to Implement Many Financial Reforms" (The White House Bulletin, December 13, 2004); report citing ELIZABETH HILL (MPP 1975).
6. "Pensions could cost \$1 million more" (Contra Costa Times [\*requires registration], Dec. 12, 2004); story citing LEAH GRUNDY (MPP 1997); <http://www.contracostatimes.com/mld/cctimes/news/10399747.htm?template=contentModules/printstory.jsp>
7. "Transportation funding fight grows. A coalition opposes years of shifting money to help solve state's budget woes" (Sacramento Bee, December 12, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/news/traffic/story/11744117p-12630250c.html>
8. "Web site sees red over retailers' donations. Disgruntled group exposes companies that make big political contributions" (Cleveland Plain Dealer, December 11, 2004); story featuring MARTHA TURE (MPP 2004); <http://www.cleveland.com/search/index.ssf?/base/news/1102761107230870.xml?nnusa>
9. "U.S. Capitol Holiday Tree Lighting Ceremony" (broadcast live on C-Span TV, December 9, 2004); featuring Secretary of Agriculture ANN VENEMAN (MPP 1971); video available at [www.c-span.org](http://www.c-span.org)
10. "USDA Forest Service Provides 33rd Capitol Holiday Tree" (USDA Press Release No. 0515.04, Dec. 9, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0515.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0515.xml)
11. "Gov.'s Deal May Worsen Fund Crisis. Schwarzenegger vowed to not touch school finances after taking \$2billion to balance the budget but has been urged to break promise" (Los Angeles Times, December 8, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.latimes.com/news/local/la-me-budget8dec08,1,6712262.story>
12. "Education officials laying claim to share of increased state revenues" (Associated Press, December 7, 2004); story citing ELIZABETH HILL (MPP 1975).
13. "Legislature returns to same issues of 2004" (Oakland Tribune, December 6, 2004); article citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E2579702,00.html?search=filter>
14. "Jamaica Lifts Ban on U.S. Beef Products" (USDA Press Release No. 0513.04, Dec. 6, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0513.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0513.xml)
15. "School funding issue moves to fore. Educators await Schwarzenegger's decision and demand money deferred under Proposition 98" (Sacramento Bee, December 5, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/news/education/story/11667699p-12556676c.html>
16. "More Companies Intend to Boost Prices Next Year, CFOs Report" (Los Angeles Times, December 4, 2004); story citing MICKEY LEVY (MPP 1974); <http://www.latimes.com/business/la-fi-cfos4dec04,1,4218388.story>
17. "Bush Administration Makes Humanitarian Food Relief Available For Sudan" (USDA Press Release No. 0512.04, Dec. 3, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0512.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0512.xml)
18. "State's Budget Balancing Just an Act" (Los Angeles Times, December 2, 2004); column citing ELIZABETH HILL (MPP 1975); [\*requires registration] [www.latimes.com](http://www.latimes.com)

19. "Nebraska Governor Is Picked for Agriculture Post" (New York Times [\*requires registration], December 2, 2004); story featuring ANN VENEMAN (MPP 1971); <http://www.nytimes.com/aponline/national/AP-Bush-Cabinet.html?hp&ex=1102050000&en=a5a377e98c655add&ei=5094&partner=homepage>
20. "Johanns Nominated for Agriculture Secretary. Nebraska Governor Will Replace VENEMAN" (Washington Post, December 2, 2004); story featuring ANN VENEMAN (MPP 1971); <http://www.washingtonpost.com/wp-dyn/articles/A28011-2004Dec2.html?sub=AR>
21. "Abuse cases of foreign child sex present challenges for prosecutors" (San Jose Mercury News [\*requires registration], December 1, 2004); story co-authored by ALAN JOSE (MPP 2004, PhD cand.); <http://www.mercurynews.com/mld/mercurynews/news/world/10310419.htm?template=contentModules/printstory.jsp>
22. "Abusers' golden lure" (San Jose Mercury News [\*requires registration], December 1, 2004); story co-authored by ALAN JOSE (MPP 2004, PhD cand.); <http://www.mercurynews.com/mld/mercurynews/news/world/10310418.htm?template=contentModules/printstory.jsp>
23. "VENEMAN's departure raises questions about support" (Delta Farm Press, November 29, 2004); column about ANN VENEMAN (MPP 1971); <http://deltafarmpress.com/news/041129-column-veneman-departure/index.html>
24. "Governor's revenues falling short" (Sacramento Bee, November 28, 2004); story citing ELIZABETH HILL (MPP 1975) and MIKE GENEST (MPP 1980); <http://www.sacbee.com/content/politics/ca/story/11597641p-12490978c.html>
25. "Ag Chief Leaves Her Legacy. California's Mammoth Farm Sector Ponders Life After ANN VENEMAN" (The Californian, November 22, 2004); story about ANN VENEMAN (MPP 1971); <http://www.californianonline.com/news/stories/20041122/localbusiness/1631443.html>
26. "Third Test Is Ordered in Possible Mad Cow Case. Government Begins Tracing Animal's Origins" (Washington Post, November 19, 2004); article citing ANN VENEMAN (MPP 1971); <http://www.washingtonpost.com/wp-dyn/articles/A61472-2004Nov18.html>

#### FACULTY & BOARD MEMBER IN THE NEWS

1. "Sacramento: New finance chief is called a quick study. Ex-congressman praised as a smart solution-seeker" (San Francisco Chronicle, December 28, 2004); story citing DAVID VOGEL; <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/12/28/BAGT0AHU931.DTL&type=printable>
2. "Stolen laptop of governor's aide hunted" (Sacramento Bee, December 23, 2004); story citing HENRY BRADY; <http://www.sacbee.com/content/news/crime/v-print/story/11849174p-12736373c.html>
3. "Is the FDA doing a 'spectacular' job, like the White House says? Marketplace commentator ROBERT REICH has his own perspective" (NPR Marketplace, December 22, 2004); commentary by ROBERT REICH. Audio available at: <http://marketplace.publicradio.org/shows/2004/12/22/AM200412221.html>
4. "The View From Down Under. The talk is Social Security, but the topic should be China" (The American Prospect Online, Dec 17, 2004); op-ed by ROBERT REICH; <http://www.prospect.org/web/page.ww?section=root&name=ViewWeb&articleId=8946>
5. "Old-World Traditions Meet New-World Realities" (Wine Enthusiast, December 15, 2004); editorial citing ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://www.winemag.com/issues/dec04/corner15.htm>
6. "The 2004 Wine Enthusiast Wine Star Awards. LifeTime Achievement Award: JOHN DE LUCA, A Quiet but Effective Ambassador for Wine" (Wine Enthusiast, December 15, 2004); story about ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://www.winemag.com/issues/dec04/life.htm>
7. "Economy is growing, but so is state deficit. Legislators await governor's '05 budget" (San Francisco Chronicle, December 9, 2004); article citing JOHN ELLWOOD and ELIZABETH HILL (MPP 1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/12/09/MNGFFA91QD1.DTL&type=printable>
8. "Afta NAFTA Comes CAFTA. Labor may object to the Central American Free Trade Agreement -- but not nearly as

much as do the sugar and rice industries " (The American Prospect Online, Dec 8, 2004); op-ed by ROBERT REICH; <http://www.prospect.org/web/page.wv?section=root&name=ViewWeb&articleId=8918>

9. "Obituary: Brother Timothy Diener, 94; Pioneering California Winemaker (Los Angeles Times [\*requires registration], December 5, 2004); story cites ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://pqasb.pqarchiver.com/latimes/753287171.html?did=753287171&FMT=ABS&FMTS=FT&date=Dec+5%2C+2004&author=&desc=Obituaries%3B+Brother+Timothy+Diener%2C+94%3B+Pioneering+California+Winemaker>

10. "Red, blue, and shades of gray. Psyching out the electorate, or how we learned to keep worrying and love certainty, closure, and George W. Bush" (Berkeleyan, December 1, 2004); story about JACK GLASER; [http://www.berkeley.edu/news/berkeleyan/2004/12/01\\_glaser.shtml](http://www.berkeley.edu/news/berkeleyan/2004/12/01_glaser.shtml)

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## ALUMNI AND STUDENT NEWSMAKERS

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1. "New year presents Schwarzenegger with many of the same challenges" (San Francisco Chronicle, January 2, 2005); story citing ELIZABETH HILL (1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/news/archive/2005/01/02/national1412EST0456.DTL>

By Tom Chorneau, Associated Press Writer

(01-02) 11:12 PST SACRAMENTO, Calif. (AP) -- A year ago, newly elected Gov. Arnold Schwarzenegger faced a huge budget deficit, an unfriendly Legislature and uncertainty about his administration's direction.

Little has changed as the Republican governor prepares to deliver his second State of the State speech Wednesday.

California's budget shortfall is \$8 billion and climbing, Democrats are still bristling over Schwarzenegger calling them "losers" following the Nov. 2 election and many in the Capitol are questioning the governor's priorities.

Some political analysts say Schwarzenegger's speech will be critical to defining his agenda not just for this year, but for the rest of his term. ...

Buoyed by an improving economy, Schwarzenegger pushed a pro-business agenda and embarked on a trade mission to Japan to help change the state's image as unfriendly to commerce. Political gridlock at the Capitol has eased somewhat, thanks to his efforts to reach out to Democrats. And polls show that most voters believe the state is headed in the right direction.

Still, even Schwarzenegger's most ardent supporters acknowledge he faces tough decisions, including whether to raise taxes or cut programs to solve the state's economic crisis.

While he closed part of the state's budget gap, estimated at one point at \$17 billion, he did it with borrowed money, one-time fixes and accounting gimmicks that won't be available in 2005.

A report issued by state Legislative Analyst ELIZABETH HILL'S office in November found that the deficit will balloon to nearly \$10 billion in 2006-2007 without a tax hike, spending cuts -- or a combination of both.

Lawmakers can close some of the deficit by tapping the remaining \$3.5 billion from the \$15 billion in borrowing that voters approved in March. But HILL warned against any new borrowing; California already has \$26 billion in debt for ongoing budget needs....

2. "The Arnold Show" (Time Magazine, Dec 20, 2004.Vol. 164, Iss. 25; pg. 34), story citing ELIZABETH HILL (MPP 1975); [\*requires subscription] [www.time.com](http://www.time.com)

By Terry McCarthy

...Schwarzenegger's popularity frustrates the Democrats. "The guy is amazing. Stuff seems to bounce right off him," says Lance Olson, general counsel for the California Democratic Party. "Maybe someday some of it will stick, but so far he seems to be getting away with it." Others point out that the Governor's star appeal doesn't always translate into power. In

the November elections, Republicans didn't pick up a single seat in the legislature despite Schwarzenegger's appearance at Republican rallies across the state....

Nor has Schwarzenegger resolved California's core problem: the state habitually pays out more than it takes in, and what it takes in is restricted by Proposition 13, a 1978 ballot measure that tightly limits property taxes.... Some \$15 billion in bonds tided the state over for this year, but by early January, Schwarzenegger's administration must come up with a budget to plug what nonpartisan state legislative analyst ELIZABETH HILL estimates will be a \$6.7 billion deficit for 2005-06. For the 2006-07 fiscal year, HILL expects past borrowing to swell the shortfall to \$10 billion.

To be sure, the business climate in California has improved during Schwarzenegger's year in office....

But that new economic energy is not likely to solve California's fiscal crisis. Says analyst HILL: "It is very unlikely the state could grow its way out" of debt. She suggests that all options, including spending cuts and tax increases, be considered. Schwarzenegger has repeatedly said he won't hike taxes but has been unable to get Democrats to agree on new spending cuts. And he has not been the cost slasher he promised to be....

3. "Web sites aimed at disgruntled Democrats" (UPI, December 14, 2004); story citing website co-founded by MARTHA TURE (MPP 2004); [\*requires subscription] <http://about.upi.com/>

Two Internet Web sites called Choose the Blue and Buy Blue [co-founded by MARTHA TURE] are urging despondent Democrats to make purchases from companies supporting their party.

The sites urge supporters of the losing party in the recent presidential election to put their money where their politics is and buy from companies that gave money to Democratic candidates in 2004, the Chicago Tribune said.

Toyota, Costco and Donna Karan contributed more to Democrats, while Safeway, Wal-Mart and Fruit of the Loom gave more to Republicans. Most companies contributed to both parties.

"If each American who voted for John Kerry spends \$100 in 2005 on a blue company instead of a red company, we can move \$5 billion away from Republican companies and add \$5 billion to the income of companies who donate to Democrats," Ann and Bill Duvall, the site's creators, said in a posting.

The Choose the Blue site has been getting 100,000 to 200,000 hits a day for weeks. Buy Blue urges voters to have a "blue Christmas."

4. "Blue voters now urged to buy blue" (Chicago Tribune, December 14, 2004); story citing website co-founded by MARTHA TURE (MPP 2004); <http://www.chicagotribune.com/>

By Jennifer Skalka, Tribune staff reporter

For despondent Democrats there's a new treatment, if not a cure, for their lingering Election Day blues. Think retail therapy.

A Web site called Choose the Blue is offering shopping advice this holiday season, providing information about which companies' employees give to Democrats and which prefer Republicans. ...

For Ann and Bill Duvall, the site's creators, Nov. 3 brought great disappointment--and a call to action. "We woke up that morning just really devastated and depressed, and in some ways I'm grateful that we came up with this idea because that's where we've been able to put our energy," Ann Duvall, 56, said. So Choose the Blue is self-help meets activism meets consumerism. Its goal is to shift vast amounts of wealth to people who support the Democrats' cause.

Using information from the Federal Election Commission Web site and the Center for Responsive Politics site, [www.opensecrets.org](http://www.opensecrets.org), the Duvalls give their fellow Democrats a gift that could keep on giving. ...

In the few weeks since the Duvalls launched the site, it has gained growing notice in the blogosphere. Blogs with names like Angryfinger point to it for inspiration. The Duvalls have heard that their effort was mentioned on Air America, the liberal radio station. Within days of the election, the Duvalls asked 10 of their friends to review their Web site and tell them what worked and what didn't. Whether the friends spread the word or bloggers stumbled upon the unpublicized Choose the Blue site is unclear. But shortly thereafter the Duvalls, who split their time between Silicon Valley and Idaho, started getting e-mails from strangers thanking them for their work.

Choose the Blue is joined in cyberland by Buy Blue [co-founded by MARTHA TURE], a site with a similar mission. Its mantra is: "In today's America there's a more powerful act than voting blue, and that's buying blue." It also urges people to have a "blue Christmas" and says: "Find out which businesses have been naughty and which have been nice. Shop accordingly!" ...

Although innovative and purposeful, Choose the Blue illustrates something perhaps unintended about some of the people who voted for Sens. Kerry and John Edwards. As exhausting and frustrating as the loss was for them, they're not done fighting.

Curtis Gans, director of the Committee for the Study of the American Electorate, a Washington, D.C., non-profit, said Choose the Blue is ultimately a sign of that discontent.

Gans said the Democrats' future success, however, would not depend on the power of smaller movements.

He said the party must re-evaluate its purpose, and with temperatures still high after a close election, raising money won't be its main challenge. "I think the important thing is for the Democrats to define who they are and to develop a grass-roots organization that isn't dependent on other groups," Gans said. ...

5. "Schwarzenegger Has Yet to Implement Many Financial Reforms" (The White House Bulletin, December 13, 2004); report citing ELIZABETH HILL (MPP 1975).

Time (12/20, McCarthy) reports, "In his first year in office, [California Gov. Arnold] Schwarzenegger has proved to be a rousing political one-man show. ... The public loves the performance. Schwarzenegger enjoys a fairly stable 65% approval rating. What's more, California's economy has improved under his leadership. ... But despite the feel-good sentiments, Schwarzenegger, who came into office promising to balance the state's books, has yet to implement any major financial reforms, and the bills for past borrowings are coming due. He has tried to use his popularity to go around the Democrat-controlled legislature, but governing through ballot initiatives has its limits." Schwarzenegger has not "resolved California's core problem: the state habitually pays out more than it takes in, and what it takes in is restricted by Proposition 13, a 1978 ballot measure that tightly limits property taxes. Despite hopes that Schwarzenegger would take on Prop. 13, senior aide [Mike] Murphy says the Governor 'doesn't believe in changing' it. Some \$15 billion in bonds tided the state over for this year, but by early January, Schwarzenegger's administration must come up with a budget to plug what nonpartisan state legislative analyst ELIZABETH HILL estimates will be a \$6.7 billion deficit for 2005-06." Schwarzenegger "has repeatedly said he won't hike taxes but has been unable to get Democrats to agree on new spending cuts. And he has not been the cost slasher he promised to be." ...

6. "Pensions could cost \$1 million more" (Contra Costa Times [\*requires registration], Dec. 12, 2004); story citing LEAH GRUNDY (MPP 1997); <http://www.contracostatimes.com/mld/cctimes/news/10399747.htm?template=contentModules/printstory.jsp>

By Peter Felsenfeld

New questions have arisen over whether Contra Costa public safety workers will pay all future expenses of a lucrative retirement benefit as county supervisors had guaranteed.

The uncertainty involves a dispute over the current contract, as well as long-term doubts about employees' willingness to shoulder the entire cost.

For starters, unions have challenged how the county calculates employees' payments toward their pensions. If they are successful, the grievance would add \$1 million next year to Contra Costa's mushrooming retirement bill.

And pensions could get more expensive. Union leaders for county firefighters, deputy sheriffs and probation officers say they have made no cost-share commitments beyond the life of the current contracts.

The doubts surface as supervisors face spiraling retirement costs and a \$1.2 billion pension shortfall through 2006. That deficit resulted from a combination of market losses, retirement board policies and new benefits....

The Times showed the contract language to LEA GRUNDY, A LABOR SPECIALIST WITH UC BERKELEY'S LABOR CENTER, A RESEARCH INSTITUTE.

"I would have to read it (the deduction provision) as applying to base pay," she said. "It's certainly not explicitly stated that wages include other payments the workers may receive."...

7. "Transportation funding fight grows. A coalition opposes years of shifting money to help solve state's budget woes" (Sacramento Bee, December 12, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/news/traffic/story/11744117p-12630250c.html>

By Tony Bizjak -- Bee Staff Writer

Using the tagline "Running on Empty," a coalition of transportation advocates called on the governor this week not to divert highway funds for use in balancing the state budget.

It was the first volley in what Capitol transportation staffers say should be a year of serious debate over how to fix the broken funding system for the state's crumbling roadway infrastructure.

Governors and the Legislature have siphoned more than \$2 billion in transportation sales tax funds in the last two years to help plug huge deficits in the state general fund. Transportation watchers say the administration appears poised to do so again this coming fiscal year, taking an estimated \$1.4 billion away from state and local road and transit projects.

Such diversions are having a "snowball" effect on commerce and quality of life in California as more roads get more rutted and clogged, advocates said at a Capitol rally. ...

The coalition, including unions and transportation advocates, contends the recent raids on transportation funds break faith with California voters who passed Proposition 42 in 2002, stipulating that gas pump sales tax revenues be used solely for transportation.

However, that law allows the governor and Legislature to divert the money in the case of a fiscal emergency.

Administration officials said it is too early to know whether the governor has decided if he should propose another transfer of gas tax funds to help balance the budget....

The state general fund deficit has been estimated at \$6.7 billion by state Legislative Analyst ELIZABETH HILL. ...

Meanwhile this week, the Legislative Analyst's Office reissued its suggestion that Proposition 42 be eliminated entirely, given its instability. An analyst's report suggests replacing it with an increase in the state excise tax on gasoline, with annual increases tied to inflation.

8. "Web site sees red over retailers' donations. Disgruntled group exposes companies that make big political contributions" (Cleveland Plain Dealer, December 11, 2004); story featuring MARTHA TURE (MPP 2004); <http://www.cleveland.com/search/index.ssf?/base/news/1102761107230870.xml?nnusa>

By Sabrina Eaton and Leila Atassi, Plain Dealer Reporters

If you're ready to put your money where your mouth is this Christmas, a new Internet site is ready to tell you which stores have been politically naughty or nice.

A group of Democrats who were disgruntled after November's election set up a Web site at <http://www.buyblue.org/bluemas.html> that examines major retailers' political donations. Though the site clearly has a Democratic slant, it urges consumers, Republicans and Democrats alike, to frequent establishments with whom they politically agree.

"It is about corporate transparency, but it is also about bringing political power back to individuals," says Raven Brooks, a computer systems analyst in San Francisco who co-founded the site with acquaintances he met through a Web site called the Daily Kos. "Where you spend your money every day matters."

The group plans to create a ratings system that will scrutinize companies' environmental and labor practices, in addition to their politics. Web site visitors will be encouraged to e-mail companies to applaud policies they like and critique those they don't. Brooks hopes the site will persuade corporate America to behave more responsibly.

"Nine times out of 10, corporations act contrary to consumer interests, but we still patronize them and don't hold them accountable," he says.

Another Buy Blue co-founder, writer MARTHA TURE of Fairfax, Calif., says the site has been online for about two weeks

and gets about 13,000 hits daily. The pair say many visitors tell them the site has altered their shopping plans.

"They say things like I canceled my Sam's Club membership and switched to Costco," Brooks says....

Retailers say they doubt their politics will matter to customers, or that the new site will affect sales....

9. "U.S. Capitol Holiday Tree Lighting Ceremony" (broadcast live on C-Span TV, December 9, 2004); featuring Secretary of Agriculture ANN VENEMAN (MPP 1971); video available at [www.c-span.org](http://www.c-span.org)

For more than three decades the Department of Agriculture's Forest Service and the Office of the Architect of the Capitol have partnered to bring a holiday treat to the Capitol each year from one of our nation's 155 national forests. On behalf of the all the dedicated Forest Service staff who helped make the event possible Secretary of Agriculture ANN VENEMAN extended holiday greetings to the nation at the lighting of the U.S. Capitol holiday tree.

10. "USDA Forest Service Provides 33rd Capitol Holiday Tree" (USDA Press Release No. 0515.04, Dec. 9, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0515.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0515.xml)

Washington - The U.S. Department of Agriculture Forest Service today proudly presented the annual "Peoples' Tree" to the nation, which will grace the lawn of the U.S. Capitol throughout the holiday season. The tree is from the George Washington National Forest--the first time the holiday tree has come from Virginia.

"The USDA Forest Service is once again delighted to give the holiday tree that graces the lawn of the nation's Capitol from one of our national forests," said Agriculture Secretary ANN M. VENEMAN, who will make remarks at the tree lighting ceremony on Capitol Hill. "Thousands of people have already viewed this tree on its journey from Highland County, Va, to Washington, a 17-day trek that included stops in 33 communities. Thousands more will now have the opportunity to see it here on the Capitol lawn, as they come here to celebrate the joys of the holiday season. This year, Virginia's George Washington National Forest is honored to carry on the proud tradition." ...

School children and citizens across Virginia made nearly 5,000 ornaments to decorate the tree. ...

The custom of placing the nation's holiday tree on the front lawn of the U.S. Capitol dates back to 1964. Since 1970, the tree has come from a national forest. ...

To learn more about this year's Capitol Holiday Tree and its journey, visit [www.capitolholidaytree2004.org](http://www.capitolholidaytree2004.org).

11. "Gov.'s Deal May Worsen Fund Crisis. Schwarzenegger vowed to not touch school finances after taking \$2billion to balance the budget but has been urged to break promise" (Los Angeles Times, December 8, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.latimes.com/news/local/la-me-budget8dec08,1,6712262.story>

By Evan Halper, Times Staff Writer

Sacramento -- A deal Gov. Arnold Schwarzenegger made last year with one of the state's most powerful political groups may be coming back to haunt him as he copes with a projected \$6.7-billion budget gap.

The problem for the governor: He promised schools he would not cut their funding any more or block scheduled increases. But now those increases are projected to boost education funding by hundreds of millions of dollars, money that lawmakers are eyeing to narrow the shortfall.

With an end to the state's budget woes nowhere in sight, its credit maxed out and all of the easy budget fixes long gone, that education money offers lawmakers and the governor one of the few viable options for balancing the budget without raising taxes. ...

It is school funding, however, that is shaping up to be the most contentious issue of this budget cycle. Last month, nonpartisan Legislative Analyst ELIZABETH HILL, whom lawmakers of both parties look to for budget solutions, urged the Legislature to divert the unexpected \$1.4-billion annual increase for schools to paying off the shortfall for two years.

The increase is the result of complicated education funding formulas that set aside fixed amounts of state revenue for school spending, regardless of the state's financial health. The state is expecting an increase in revenue for the next fiscal year, but expenditures are projected to rise faster, resulting in another shortfall.

HILL said that even without the \$1.4-billion increase, schools would have enough to fund cost-of-living increases and program expansions.

Administration officials are now privately mulling over whether to follow that advice....

12. "Education officials laying claim to share of increased state revenues" (Associated Press, December 7, 2004); story citing ELIZABETH HILL (MPP 1975).

By Jennifer Coleman, Associated Press Writer

Sacramento -- Superintendent of Public Instruction Jack O'Connell and members of the state's education lobby laid claim Tuesday to a share of the state's increased revenue this year.

Educators agreed with Gov. Arnold Schwarzenegger last year to forego \$2 billion that public education was entitled to under Proposition 98, the voter-approved initiative that sets a minimum for state spending on schools.

In return, the education community was assured it would be spared bigger cuts and avoid a bitter fight as lawmakers tried to close a \$17 billion budget gap.

But the Legislative Analyst's Office said last month that the state has collected more tax revenue than predicted, which education officials say makes \$1.4 billion more available for schools this year.

Schools have given up well over \$9 billion in the past four years, O'Connell said Tuesday. If the state repaid that, schools could triple efforts to reduce the size of classes and extend it to all grades. It could also significantly increase spending on books and teacher training.

That includes the \$2 billion that schools gave up last year, which affects future budgets, said Gerry Shelton, director of the California Department of Education fiscal division.

The Proposition 98 formula is calculated using last year's budget, so a decrease in one year sets schools back in future years as well, he said.

Legislative Analyst ELIZABETH HILL said last month if the Legislature ignored education's claim on that additional \$1.4 billion, the state could use that money to reduce the size of next year's deficit. She estimated the gap to be \$6.7 billion in the 2005-06 budget.

Because the Legislature suspended Proposition 98 last year, HILL said, the schools aren't entitled to claim a portion of the new revenue.

But after volunteering the \$2 billion in cuts, "we think we gave at the office," said Sue Burr, director of governmental relations for the California County Superintendents Educational Services Association. ...

13. "Legislature returns to same issues of 2004" (Oakland Tribune, December 6, 2004); article citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E2579702,00.html?search=filter>

By Associated Press

Sacramento -- It may seem like deja vu when the California Legislature begins its 2005 session today.

Most of the old legislative hands will be gone -- victims of term limits -- and there'll be 21 first-time legislators when lawmakers meet to take their oaths, elect their leaders and begin introducing bills.

But some of the termed-out lawmakers will be replaced by former legislators and the partisan lineups will be exactly the same as they were in 2004 -- 25 Democrats and 15 Republicans in the Senate and 48 Democrats and 32 Republicans in the Assembly.

Many of the bills lawmakers will introduce will be legislation that didn't make it this year, including measures to allow gay marriages and enable illegal immigrants to get driver's licenses.

And lawmakers will be facing another multibillion-dollar deficit as they try to draft a state budget for the fiscal year that begins next July 1.

The Legislature's budget analyst, ELIZABETH HILL, predicted last month that the state would face a \$6.7 billion deficit in the coming fiscal year and nearly \$10 billion in red ink in 2006-07 without budget cuts, tax increases or a combination of the two. ...

14. "Jamaica Lifts Ban on U.S. Beef Products" (USDA Press Release No. 0513.04, Dec. 6, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0513.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0513.xml)

Washington - The U.S. Department of Agriculture announced today that the Jamaican Ministry of Agriculture has lifted its ban on U.S. beef products.

"We are very pleased with this agreement with Jamaica because it marks an important step forward in getting U.S. beef markets opened," Agriculture Secretary ANN M. VENEMAN said. "We are continuing our market-opening efforts in other countries. Our goal continues to be the resumption of normal beef trade throughout the world, and we are working tirelessly on that effort."

"This action demonstrates Jamaica's commitment to trade in beef and beef products based on internationally accepted scientific standards for human and animal health," VENEMAN said.

In response to a finding of BSE in December 2003, the United States has implemented several new regulatory measures to further strengthen the food safety system and assure consumers of wholesome meat products. These include immediately banning non-ambulatory animals for human consumption, prohibiting specified risk materials and strengthening meat-processing safeguards. ...

15. "School funding issue moves to fore. Educators await Schwarzenegger's decision and demand money deferred under Proposition 98" (Sacramento Bee, December 5, 2004); story citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/news/education/story/11667699p-12556676c.html>

By Aurelio Rojas -- Bee Capitol Bureau

In the movie "Kindergarten Cop," Arnold Schwarzenegger plays a police officer who is given his most difficult assignment: masquerading as a teacher to solve a crime.

In his second year as governor, Schwarzenegger faces a more daunting task - improving California's flagging schools while righting the state's projected \$6 billion deficit without raising taxes.

He demonstrated his political prowess this year by getting education leaders to defer \$2 billion due schools under Proposition 98, which guarantees a minimum level of K-12 spending.

Now, as the economy improves, school officials are demanding the money as the Republican governor prepares to announce his proposed 2005-06 budget next month.

School officials also believe they are entitled to an additional \$1.4 billion under Proposition 98's revenue-growth formula.

"The teachers and children of California gave the (general fund) \$2 billion, and now that there's more revenue, we think we should get our share," said Barbara Kerr, president of the California Teachers Association.

Education advocates say the governor's decision will signal whether he is serious about supporting schools after a first year in which he devoted little time to educational issues. ...

Legislative Analyst ELIZABETH HILL has recommended appropriations be kept at existing levels to help address the ongoing gap between state income and outgo. School officials have vowed to fight that approach. ...

16. "More Companies Intend to Boost Prices Next Year, CFOs Report" (Los Angeles Times, December 4, 2004); story citing MICKEY LEVY (MPP 1974); <http://www.latimes.com/business/la-fi-cfos4dec04,1,4218388.story>

From Bloomberg News

More U.S. manufacturers are planning to boost revenue by raising prices next year, a survey of chief financial officers

found Friday.

Sixty-three percent of 600 financial chiefs surveyed by Bank of America Business Capital said they planned to increase product prices in the next 12 months, compared with 37% a year ago. The prospect of higher prices helped prompt 81% of respondents to forecast higher revenue in 2005, compared with 72% who predicted greater sales in last year's survey.

The annual survey was performed in October and targeted manufacturers with annual sales of \$25 million to \$2 billion.

Product makers are being squeezed by rising energy and other costs that they have been unable to fully pass onto consumers. Producer prices rose at a 5.2% annual pace from January through October, while consumer prices rose at only a 3.9% rate over the same period, according to Labor Department figures.

"Manufacturers are preparing for rising interest rates and expect increases in the cost of energy and raw materials," said MICKEY LEVY, BANK OF AMERICA'S CHIEF ECONOMIST. "They clearly plan to pass these costs on through price increases, which explains their positive outlook on top-line growth." ...

17. "Bush Administration Makes Humanitarian Food Relief Available For Sudan" (USDA Press Release No. 0512.04, Dec. 3, 2004); announcement by ANN VENEMAN (MPP 1971); [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_1OB?contentidonly=true&contentid=2004/12/0512.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2004/12/0512.xml)

Washington - The Bush Administration today announced that it is further responding to the emergency food situation in Sudan by utilizing the Bill Emerson Humanitarian Trust. The United States will make available 200,000 metric tons of wheat from the Trust to relieve suffering and avert famine in this African country.

Agriculture Secretary ANN M. VENEMAN and U.S. Agency for International Development Administrator Andrew S. Natsios announced the release for emergency food assistance for Sudan. Conflict in the Darfur region threatens millions of people with starvation.

"We are pleased that we can use the abundance from our nation's farms to help alleviate suffering in Sudan," said VENEMAN. "These steps will provide relief to those in need. The United States is the largest donor addressing the serious food shortages in Africa. The President has made it clear that whatever other challenges and obligations the United States has at home and abroad, global hunger remains a U.S. priority." ...

18. "State's Budget Balancing Just an Act" (Los Angeles Times, December 2, 2004); column citing ELIZABETH HILL (MPP 1975); [\*requires registration] [www.latimes.com](http://www.latimes.com)

By: Michael Hiltzik

Pathologically nosy as I may be, there are some closed-door meetings at which, thanks to my aversion to sheer futility, I don't want to be the proverbial fly on the wall.

For example: any meeting at which the California Department of Finance tries to figure out how to balance the next budget.

Over the last year or two, California has tried a governmental version of every debtor's dodge to convince the world that its fiscal condition is manageable. It has paid bills late to shift them into the next pay period, borrowed on shaky collateral, put off creditors by promising them larger sums later and even made up numbers.

The state has been a gargantuan Wimpy, offering to pay everybody next Tuesday for a hamburger today.

The latest sign of the budget's true condition came with the release of state Legislative Analyst ELIZABETH HILL's annual fiscal outlook report.

HILL's report, issued (rather impolitely) on Nov. 17, the one-year mark of Gov. Arnold Schwarzenegger's administration, displayed in chart form the one-time and short-term tricks the governor used to balance the 2004-05 state budget -- including the use of \$4.2 billion in long-term borrowings to support current spending, which used to be taught as a no-no in Civics 101.

HILL and her staff also called out the governor for several questionable projections in this year's budget.

One of the biggest chunks concerned Schwarzenegger's creative proposal to seize 75% of all punitive damages awarded to civil plaintiffs in state courts. The governor's justification for grabbing this money is that, because punitive damages are

designed to punish the defendant and discourage future misbehavior, the state should rightly take these funds and direct them "for public good purposes."

Schwarzenegger estimated the state's annual take from lawsuits filed after the measure's effective date, July 1, at a cool \$450 million, and promptly dropped that figure into the budget as a revenue item. HILL'S report says a more reasonable estimate is \$60 million annually for two years. (The provision will expire in 2006.)

But even her calculation looks optimistic. Thus far this year, the state hasn't collected a penny. ...

HILL also flagged the budget's projection of its take from the sale of state assets, which the governor estimated at about \$214 million this year. Thus far, the state has taken in only \$20.6 million, almost all of it from the divestiture of one 15-acre parcel carved out of the grounds of a state mental hospital in San Jose; HILL's report projects the final take at no more than \$50 million.

Finally, HILL casts doubt on what might be best described as a slush fund of undifferentiated projected savings -- \$396 million that is supposed to be realized from state agency reorganizations, operational efficiencies and improved purchasing policies. "To date," she observes dryly, "no specific savings have been identified by the administration," adding that the tally in the end will surely fall far short of the goal.

The governor's finance department hasn't specifically challenged any of HILL's findings although it notes, fairly enough, that the budget also underestimated several categories of revenue. ...

19. "Nebraska Governor Is Picked for Agriculture Post" (New York Times [\*requires registration], December 2, 2004); story featuring ANN VENEMAN (MPP 1971); <http://www.nytimes.com/aponline/national/AP-Bush-Cabinet.html?hp&ex=1102050000&en=a5a377e98c655add&ei=5094&partner=homepage>

By Deb Riechmann, Associated Press Writer

Washington (AP) -- President Bush on Thursday selected Nebraska Gov. Mike Johanns, a Republican attorney who grew up on an Iowa dairy farm, as secretary of Agriculture to oversee the nation's farm and food programs. ...

Johanns, 54, would succeed ANN M. VENEMAN, who recently announced her resignation despite saying earlier that she wanted to stay. ...

Bush praised VENEMAN, saying she had done a good job in dealing with agricultural issues, including fighting hunger, improvements in school nutrition programs, protecting forests and leading efforts "to prevent the spread of mad cow disease" when the nation's first case was reported a year ago.

VENEMAN "earned the trust of farmers and ranchers across America," Bush said.

VENEMAN, a peach farmer's daughter who became the first woman to the head the Agriculture Department, presided during a period of unprecedented wariness about the safety of the nation's food supply. Weeks after taking office in 2001, an outbreak of foot-and-mouth disease in Europe prompted VENEMAN to increase inspections and testing to prevent its arrival in the United States. After the Sept. 11 attacks that year, concern grew that terrorists might seek to contaminate the nation's food supply.

In the only confirmed U.S. case of mad-cow disease, a Canadian-born Holstein was found to have been infected in Washington state last December. VENEMAN quickly upgraded the country's defenses, banning high-risk meat products and meat from cows that could not stand or walk on their own, testing more cattle and promising to speed a nationwide animal tracking system. ...

20. "Johanns Nominated for Agriculture Secretary. Nebraska Governor Will Replace VENEMAN" (Washington Post, December 2, 2004); story featuring ANN VENEMAN (MPP 1971); <http://www.washingtonpost.com/wp-dyn/articles/A28011-2004Dec2.html?sub=AR>

By William Branigin and Jim VandeHei, Washington Post Staff Writers

President Bush today nominated Nebraska Gov. Mike Johanns (R) to be his new agriculture secretary, turning to a son of Iowa dairy farmers and a man he called "an experienced public servant from America's agricultural heartland" to replace the departing ANN M. VENEMAN. ...

Bush also effusively praised VENEMAN, the first woman to serve as agriculture secretary, who announced her resignation from the Cabinet on Nov. 15.

Other possible replacements for VENEMAN who had been mentioned included Allen Johnson, chief White House agricultural trade negotiator, and Chuck Connor, agricultural adviser to the president. Two Texans, former congressman Larry Combest (R) and Rep. Charles W. Stenholm (D), also were mentioned as potential candidates. ...

21. "Abuse cases of foreign child sex present challenges for prosecutors" (San Jose Mercury News [\*requires registration], December 1, 2004); story co-authored by ALAN JOSE (MPP 2004, PhD cand.);  
<http://www.mercurynews.com/mld/mercurynews/news/world/10310419.htm?template=contentModules/printstory.jsp>

By Nick Wilson, Stephanie Cady and ALAN JOSE  
Special to the Mercury News

Megan's Law, the landmark statute designed to protect U.S. children from sexual abuse, may be driving pedophiles abroad, according to a prominent children's rights advocate.

Since 1996, Megan's Law has required convicted child molesters to be placed on a public registry. But the resulting fear of exposure has made sexual tourism a more attractive option for many, said Bruce Harris, Latin American director of Casa Alianza, an international non-profit organization dedicated to the protection of children.

"Megan's Law is pushing a lot of pedophiles overseas," Harris said in an interview.

For nine years the United States has had a law on the books that allows the prosecution at home of Americans who abuse children abroad. But only a handful of cases have been pursued so far by prosecutors.

"We have several investigations under way all over the world that may lead to more arrests and prosecutions," said Dean Boyd, a spokesman for the U.S. Immigration and Customs Enforcement.

Nov. 19, an 86-year-old Santa Ana man was convicted of six felonies related to sex tourism under the federal Protect Act, which was passed last year to strengthen an earlier statute.

John Seljan was arrested in October 2003 while preparing to board a flight to the Philippines to engage in sex with two girls, ages 9 and 12, authorities said. He faces a maximum sentence of 270 years.

Another recent case involves the 54-year-old son of Mercury astronaut Walter Schirra. He was arrested on child-sex-tourism charges Nov. 6 at San Francisco International Airport while waiting to board a flight to Thailand, where he intended to solicit sex from underage boys, immigration officials said.

The younger Schirra, a property manager, is the 10th person to face federal charges under the Protect Act.

But pressing cases against child sex tourists poses challenges for the U.S. government.

"Collecting evidence and getting it here to the U.S. would be difficult and expensive in prosecuting these types of cases," said Laurel Fletcher, a human rights professor at UC-BERKELEY's Boalt Law School. "That's not to say it can't be done, but you're talking about class and cultural barriers." ...

22. "Abusers' golden lure" (San Jose Mercury News [\*requires registration], Dec. 1, 2004); story co-authored by ALAN JOSE (MPP 2004, PhD cand.);  
<http://www.mercurynews.com/mld/mercurynews/news/world/10310418.htm?template=contentModules/printstory.jsp>

By Stephanie Cady, ALAN JOSÉ and Nick Wilson  
Special to the Mercury News

[This article was produced as part of a course at the UNIVERSITY OF CALIFORNIA-BERKELEY Graduate School of Journalism.]

Cancún, Mexico -- Ana lives in a dirt-floor shanty with no electricity or running water, one of poverty's many children an hour's drive outside this glamorous resort. She is 12 years old, pretty and shy.

A year ago Ana earned notoriety when her name and photograph were splashed across the front pages of two local newspapers.

She was naked.

Authorities said she had been sexually exploited for money and gifts since she was 6 years old -- after her teenage cousin Maria introduced her to a Los Angeles-area businessman who owns luxury condominiums and airport concessions in Cancún. Maria allegedly was the first of four poor, young family members to fall into sex-for-money relationships over a period of several years.

The lurid story outraged Cancún and launched Mexico and the United States on a landmark manhunt for 60-year-old Jean Succar Kuri of Downey. Authorities said the case is the first pursued after agreements signed last year by the United States and Mexico to stop border-crossing pedophiles.

The case is a striking example of heightened cooperation to address the growing global problem of adults exploiting poor children for sex and money, authorities said.

With its poverty and reliance on tourism, Latin America is a prime destination for pedophiles. The United Nations estimates that in Mexico alone last year, 16,000 children were victims of commercial pedophilia catering to sex tourists and businessmen.

"This case is of the utmost importance to Mexico," federal prosecutor Arturo Maldonado said of Succar.

U.S. marshals tracked Succar from California to Arizona before arresting him outside Phoenix in February, three months after he was secretly videotaped discussing his attitude toward young girls, authorities said. He has been charged in Mexico with child molestation involving Maria, her younger sister, and cousins Ana and her younger brother. ...

23. "Governor's revenues falling short" (Sacramento Bee, November 28, 2004); story citing ELIZABETH HILL (MPP 1975) and MIKE GENEST (MPP 1980); <http://www.sacbee.com/content/politics/ca/story/11597641p-12490978c.html>

By Alexa H. Bluth -- Bee Capitol Bureau

As Gov. Arnold Schwarzenegger begins to prepare his next budget, fiscal aides are acknowledging that hundreds of millions in revenues he promised as part of his current spending plan are unlikely to materialize.

Five months into the fiscal year, the governor's finance office said it now expects the state will not receive any of the \$450 million he sought from punitive damage awards. In addition, only a fraction of expected money from at least two other key pieces of his \$105 billion 2004-05 budget has come in the door.

California has collected smaller-than-expected amounts from gaming agreements with tribes and from the sales of surplus state property. Nonpartisan Legislative Analyst ELIZABETH HILL said earlier this month she doubts the programs will yield anywhere near what the governor had hoped in his first budget. ...

Although higher-than-expected tax proceeds are flowing into the state, California still faces a \$6.7 billion deficit in the coming fiscal year and potentially a \$10 billion hole the year after that, the analyst predicts.

Analysts and some lawmakers questioned the punitive damages program when the governor first pitched it.

Lawmakers agreed this summer to change state law to require plaintiffs to share their punitive damage awards in civil suits with the state. Schwarzenegger predicted the program would yield \$450 million in extra proceeds for the cash-strapped government.

To date, the state has collected nothing and MIKE GENEST, the governor's acting finance director, said there was a "fatal flaw in the drafting of the bill" and the state will not see any of the money.

The bill that lawmakers and the Governor's Office negotiated contained a sunset date in two years, a short enough period that attorneys can simply delay to avoid the requirement to pay 75 percent of punitive damages to the state, GENEST said.

GENEST would not say whether the governor will try to retool the proposal to include it again in Schwarzenegger's coming budget.

Meanwhile, the analyst also predicts the state will collect about \$100 million in revenues from compacts with tribes to share revenues from gambling operations. ...

HILL also said she expects proceeds from sales of state property and assets will reach \$50 million, \$164 million less than assumed in the governor's budget. ...

24. "VENEMAN's departure raises questions about support" (Delta Farm Press, November 29, 2004); column about ANN VENEMAN (MPP 1971); <http://deltafarmpress.com/news/041129-column-veneman-departure/index.html>

By: Forrest Laws

... [Agriculture Secretary ANN M.] VENEMAN'S resignation on Nov. 12 -- the day my column saying she would remain in office appeared in the Delta Farm Press -- took many by surprise. The consensus had been she would stick around a while longer as a reward for being a team player.

Aside from actively campaigning for the President's re-election, VENEMAN often seemed to be the point person for pushing administration policies that she must have known would not go over well with farm groups.

In her first year in office in 2001, USDA issued a lengthy report entitled "Food and Agricultural Policy: Taking Stock for the New Century" that said current farm programs were obsolete.

For farm-state congressmen preparing a new farm bill that would build on those programs, the report went over like a lead balloon. Ag Committee leaders ignored the report and wrote a new farm bill that kept the provisions of the 1996 law and added counter-cyclical payments.

After the attacks of Sept. 11, VENEMAN seemed to shift the focus of USDA to homeland security issues such as insuring food safety and combating bioterrorism. Certainly those were important, but they were not a priority among farmers struggling with poor crops and low prices.

Then there was the Conservation Security Program. Although VENEMAN and the president touted the increased conservation funding in the 2002 farm bill, USDA was more than a year late writing the regulations for the CSP.

When House Republicans gutted the funding for the program, VENEMAN did not publicly object. Instead, the Agriculture Department came out with a scaled-down watershed-based pilot program that seemed to be targeted at battleground states for the 2004 election.

VENEMAN generally received plaudits for her handling of the first U.S. case of BSE last December although some carped about the delays in reopening the Japanese market to U.S. beef. She also worked hard to help restart the Doha Round of the WTO talks.

But the lack of emphasis on farm policies that put money directly in farmers' pockets may have proved to be the biggest hurdle. In recent days, farm groups have been making much of rural America's solid support for the President on Nov. 2. It could be VENEMAN's departure was the first installment on the "political capital" generated by that support.

Personally, I like ANN VENEMAN. Behind the public facade of a cold, calculating technocrat, VENEMAN is a warm, caring person who goes out of her way to talk to reporters. Unlike her immediate predecessor, who rarely left Washington, VENEMAN traveled extensively, representing U.S. agriculture all over. ...

25. "Ag Chief Leaves Her Legacy. California's Mammoth Farm Sector Ponders Life After ANN VENEMAN" (The Californian, November 22, 2004); story about ANN VENEMAN (MPP 1971); <http://www.californianonline.com/news/stories/20041122/localbusiness/1631443.html>

By Jim Wasserman; Associated Press Writer

Sacramento -- Far from Washington, D.C., and growing crops unfamiliar in many agricultural states, California's farmers are eyeing winter without the comfort of a U.S. secretary of agriculture from their own soil.

Monday's resignation of Modesto native ANN M. VENEMAN from the federal government's top farm post leaves the state without an agriculture secretary who intimately understands its unique crops, climate and pests, say officials who preside over a farm economy that produced \$32 billion last year.

"I certainly don't think that if a Midwesterner or others being kicked about are appointed that we're going to see an immediate falloff in dealing with the issues," said California Farm Bureau President Bill Pauli. "But when the top is focused on certain areas, that tends to get more immediate attention."

Officials say VENEMAN's familiarity with the state's array of specialty crops and her previous experience as Gov. Pete Wilson's secretary of food and agriculture from 1995 to 1999 made her invaluable in promoting exports and fighting California's unique pest and disease problems. She also was a deputy secretary of agriculture from 1991 to 1993 during the first Bush administration and a midlevel USDA official during the Reagan administration.

VENEMAN, 55, a peach farmer's daughter, resigned this week along with numerous other first-term Cabinet officials, including Secretary of State Colin Powell.

California officials say they have much at stake in VENEMAN's replacement, who's expected to come from the South or Midwest, home to corn, soybeans, hogs and a dairy industry that has been surpassed by California in recent years.

California, though best known nationally as an entertainment and tourism capital, also is the nation's top producing farm state and is expected this year to produce \$5 billion worth of milk and cream alone, dairy industry officials say. Watered by irrigation and snow melt from the Sierra Nevada and dotted with large corporate-style farms overseeing thousands of acres, the arid state with its Mediterranean climate produces billions more dollars worth of wine grapes, nursery products, cotton, strawberries, almonds and rice. More than 30 percent is exported, much to Mexico and Asia.

VENEMAN, a lawyer raised in the state's fertile San Joaquin Valley, was the nation's first female U.S. agriculture secretary and the second Californian to hold the post. Another Modesto native, Richard Lyng, headed the USDA from 1986 to 1989 under President Reagan.

VENEMAN's four-year tenure under Bush has drawn praise in California, where she smoothed problems over exports, led trade missions to other nations, delivered \$22 million to fight an outbreak of poultry disease and calmed fears during a mad-cow scare last year. Beef cattle is a \$2 billion a year industry in California.

"She conveyed the absence of risk by stepping to a podium and informing the world that she planned to serve American beef at her holiday table," said California Secretary of Food and Agriculture A.G. Kawamura in a statement after her resignation.

Kawamura, an Orange County produce grower and shipper, said VENEMAN "worked tirelessly" for safe food, protection from California's exotic pests and diseases, farmland conservation and rural investment.

Others praised her for understanding and supporting California's cutting-edge ideas in Washington.

"One of the first things she did as secretary, she had her team put together a food and agricultural policy for the new century," said Karen Ross, president of the California Association of Winegrape Growers. Ross said it included ideas about land conservation and stewardship and noted changes in market forces that eventually collided with the new farm bill from Congress.

Ross, speaking for 4,800 growers who produced nearly \$2 billion in wine grapes last year, cited VENEMAN's leadership in helping eradicate pests such as Pierce's disease spread by the glassy-winged sharpshooter.

Dairy officials also praised VENEMAN's help in curbing animal diseases prevalent in other parts of the world.

"She was very good at stepping up to the plate and doing everything possible that our cattle herd was kept safe," said Michael Marsh, chief executive officer of Western United Dairymen, a dairy industry trade group. ...

26. "Third Test Is Ordered in Possible Mad Cow Case. Government Begins Tracing Animal's Origins" (Washington Post, November 19, 2004); article citing ANN VENEMAN (MPP 1971); <http://www.washingtonpost.com/wp-dyn/articles/A61472-2004Nov18.html>

By Shankar Vedantam, Washington Post Staff Writer

The government has ordered a definitive laboratory test after two preliminary screening tests raised the possibility of mad cow disease in the tissue of a recently slaughtered animal, federal officials said yesterday.

A conclusive answer could take as long as a week. Two other cases that were considered suspicious following initial screening tests in June later proved to be harmless. In those cases, however, the preliminary tests were run only once on

each sample.

The new case sent jitters through the beef industry, which was severely hit after the discovery of the first American case of mad cow disease in Washington state about a year ago.

The location of the newly identified animal was not made public because of the preliminary nature of the results, but officials said the meat had not entered the food supply or been used for animal feed. Nevertheless, investigators have begun tracing the animal's origins to be prepared to locate any potential source of contamination and, potentially, other infected animals if the infection is confirmed, officials said....

Wayne Pacelle, chief executive of the Humane Society of the United States, said he was concerned that with the departure of Agriculture Secretary ANN M. VENEMAN, who announced her resignation this week, safety policies announced last year might be weakened. "This is an important reminder that we cannot relax in our efforts to see that BSE-positive animals don't get into the food supply," he said.

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## FACULTY & BOARD MEMBER IN THE NEWS

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1. "Sacramento: New finance chief is called a quick study. Ex-congressman praised as a smart solution-seeker" (San Francisco Chronicle, December 28, 2004; story citing DAVID VOGEL;  
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/12/28/BAGT0AHU931.DTL&type=printable>

By Lynda Gledhill, Chronicle Sacramento Bureau

Sacramento -- It was Tom Campbell's second day on the job as director of the Department of Finance and already he was expounding at length about the complexities of the state's budget crisis.

"We were staggered by how much he knew about it," said former U.S. Secretary of State George Shultz, a member of the governor's council of economic advisers, the group to which Campbell was speaking. Shultz recommended Campbell, who had been a member of the council, for the job as the state's budget chief.

But longtime colleagues and friends said they wouldn't have expected anything less from Campbell, Dean Of UC Berkeley's Haas School Of Business and a former Republican legislator. ...

Campbell was the principal supporter of an open primary initiative, approved by voters in 1996 but later tossed out by the courts, after both major political parties sued to overturn it. He spent his last Senate race talking on college campuses and at shadow conventions about a national tax on the Internet. As dean at Haas, Campbell has been praised for meeting with students, faculty, alumni and others to talk about the direction of the school. But his taking a leave of absence after just two years has left some faculty concerned.

"I think a lot of people thought he should have resigned as dean," said DAVID VOGEL, A BUSINESS PROFESSOR who was on the panel that recommended Campbell be hired for the post. Administrators have told faculty members that they will request a firm commitment from Campbell that he will return sometime next year, Vogel said.

His continued affiliation with UC means Campbell has been forced to recuse himself from any budget discussions involving the university, a major component of the state's higher education system....

2. "Stolen laptop of governor's aide hunted" (Sacramento Bee, December 23, 2004); story citing HENRY BRADY;  
<http://www.sacbee.com/content/news/crime/v-print/story/11849174p-12736373c.html>

By Christina Jewett -- Bee Staff Writer

It wasn't just anyone's laptop.

Burglars who targeted a midtown house in August made off with the Dell laptop belonging to Gov. Arnold Schwarzenegger's press secretary, leaving police on the hunt for her computer and the culprits.

Four months later, no one has been arrested for the burglary, although court documents point to prime suspects....

The theft of the laptop reveals the pitfalls of packing reams of information in small packages, said HENRY BRADY, A UC BERKELEY POLITICAL SCIENCE PROFESSOR.

He said a floppy disk was discovered in June 2002 with a strategy presentation Karl Rove used to advise President Bush's campaign.

In 2000, the laptop of Qualcomm Inc. CEO Irwin Jacobs was pilfered from a hotel meeting room. It contained five years' worth of spreadsheets, e-mails and files. ...

3. "Is the FDA doing a 'spectacular' job, like the White House says? Marketplace commentator ROBERT REICH has his own perspective" (NPR Marketplace, December 22, 2004); commentary by ROBERT REICH. Audio available at: <http://marketplace.publicradio.org/shows/2004/12/22/AM200412221.html>

[Most Americans still feel safe about their prescriptions. A new poll finds 8 in 10 people have confidence in FDA-approved drugs in spite of a recent flurry of problems. Several painkillers have been linked to increased risk of heart attacks, the latest the over-the-counter drug sold as Aleve. But in this edition of the Public's Business, Marketplace commentator ROBERT REICH says the prognosis for drug safety could go from bad to worse.]

By ROBERT B. REICH

The White House says the Food and Drug administration is doing a "spectacular" job. Really? The FDA didn't respond to warning signs that blockbuster painkillers like Celebrex and Vioxx increased the risk of heart attacks. Worse yet, its own drug-safety officer says the agency suppressed his research showing the apparent dangers of Vioxx. Belatedly, the FDA is now looking into the potential risks of Naproxin, an ingredient in many over-the-counter pain relievers. The FDA also failed to warn the public that antidepressants increase the risk of suicide among children who take them.

"Spectacular?" I don't think so. In fact, one might conclude that the Food and Drug Administration is failing in its core mission to protect consumers from harm. It's a toothless tiger.

Meanwhile, new legislation is winding its way through Congress that would prevent people who are hurt by drugs approved by the FDA from winning large damage awards against companies that made them. FDA approval would shield drug makers from having to pay anything more than \$250,000 even when it's proven that they negligently caused someone more than \$250,000 of harm. Congressional sponsors understand this cap on damages will end lawsuits against drug companies because personal-injury lawyers won't want to take on the risks and costs of such cases. If this bill passes, companies like Pfizer and Merck, now facing a flood of lawsuits because of Celebrex and Vioxx, won't have to worry.

So we've got an FDA that's not protecting consumers from harm, and pending legislation that makes it almost impossible for people who are hurt by drugs approved by the FDA to sue for damages. The question must be asked: How is the public going to be protected if the FDA remains weak and if private lawsuits are cut off?

You might ask the same question all over government these days. Pick an agency - not just the FDA, but the Securities and Exchange Commission, the Consumer Product Safety Commission, the Federal Trade Commission, and so on. They're supposed to protect the public. But they're all understaffed, their budgets have been whacked, and many of them are in the pockets of the very companies and industries they're supposed to regulate.

At exactly the same time, Republicans are clamoring for what they call "tort reform." Tort reform is a nice way of saying that people who are harmed by companies shouldn't be able to sue them and collect damages.

They can't have it both ways. Either regulatory agencies have to be made tougher and more independent, and given the resources they need to protect the public, OR we've got to rely on courts and private lawsuits to make sure companies have every financial incentive to protect the public. Absent both - tough regulators and the threat of private lawsuits - the public is at serious risk. If you're worried about Celebrex and Vioxx, you ain't seen nothin' yet.

[This commentary also published as "Toothless Tigers and 'Tort Reform'," The American Prospect Online, Dec 22, 2004. <http://www.prospect.org/web/page.ww?section=root&name=ViewWeb&articleId=8978> ]

4. "The View From Down Under. The talk is Social Security, but the topic should be China" (The American Prospect Online, Dec 17, 2004); op-ed by ROBERT REICH; <http://www.prospect.org/web/page.ww?section=root&name=ViewWeb&articleId=8946>

By ROBERT B. REICH

One issue that wasn't on the agenda at this week's White House economic gabfest was China. But it should have been. Having just returned from Down Under, I can attest to China's growing power.

The giant sucking sound you hear in Southeast Asia these days is raw materials being pulled into China from all quarters -- iron ore and coking coal from Australia, nickel and copper from South America, food from everywhere. The giant grinding sound you hear is Chinese factories, now consuming more than a quarter of the world's steel, producing more steel than the United States and Japan combined, manufacturing more of everything than any other nation. Indeed, China has doubled its share of world manufacturing exports in the last decade. And the giant gushing sound you hear is Chinese financial capital, buying up whatever it needs all over Southeast Asia, and even propping up the dollar.

As China's influence grows, America's wanes. Australian business executives tell me they're more interested in their new trade pact with China than in their new trade accord with the United States. The exploding Chinese demand for raw materials is fueling Australia's boom. And China's economic power translates directly into political power. Australia's conservative government -- which had been willing to send some 200 troops into Iraq as part of the broad "coalition of the willing" -- now defies Washington by assuring the UN Secretary General of its full support, in the face of White House criticisms.

And, of course, China's new influence extends far beyond the Pacific. The European Union is now eagerly responding to China's request to lift the arms embargo imposed after the 1989 massacre in Tiananmen Square -- China's newest crackdown on political and civil rights notwithstanding.

With China holding more than a half a trillion dollars of United States debt, it also largely determines what happens to the dollar. America's dependence on Chinese financial capital means that China has a big influence over American domestic policy -- for example, over whether George W. Bush can borrow trillions more to finance his plans to privatize Social Security and make his tax cuts permanent, without sending long-term interest rates into the stratosphere. And also how far Alan Greenspan has to go in raising short-term interest rates to ward off inflation.

In short, China is now a significant player in the American economy and in American politics, even though few American politicians actually dare admit it.

5. "Old-World Traditions Meet New-World Realities" (Wine Enthusiast, December 15, 2004); editorial citing ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://www.winemag.com/issues/dec04/corner15.htm>

A memo from Adam Strum, Editor and Publisher

...America has certainly matured over the last 10 years into a wine-drinking nation. Much of the credit goes to the founding fathers of American Wine. These are people who have helped wine proliferate in terms of availability and affordability, and helped remove the elitist mystique that had traditionally hindered its expansion. ...

Two of the men featured in this issue likewise maintain a low profile in terms of the general public, but have been two primary reasons that the American wine industry is as vigorous as it is, and that American wine enthusiasts can select from such an outstanding diversity of wines. ...

Our Lifetime Achievement award winner is JOHN DE LUCA, who, in his 28 years as president and CEO of the Wine Institute, helped transform that organization -- and indeed, the entire culture of wine appreciation in this country. Charming and articulate, he has created and nurtured many allies for the wine industry on Capitol Hill, and his patience and calm demeanor helped to unite a disparate group of vintners when wine was under attack from neo-Prohibitionists. ...

6. "The 2004 Wine Enthusiast Wine Star Awards. LifeTime Achievement Award: JOHN DE LUCA, A Quiet but Effective Ambassador for Wine" (Wine Enthusiast, December 15, 2004); story about ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://www.winemag.com/issues/dec04/life.htm>

When John De Luca gave his farewell remarks as outgoing president and CEO of Wine Institute in June 2003, he quoted Shakespeare's Brutus: "There is a tide in the affairs of men..."

After 28 years at Wine Institute's helm, De Luca noted that his own tide was at ebb flow, although he retains an active consultancy there and is busy with a range of other projects. But the recipient of Wine Enthusiast's 2004 Lifetime Achievement Award leaves a legacy of accomplishment so extensive, it's hard to summarize it in anything less than a

book-which, by the way, De Luca is writing.

Indeed, a convincing argument can be made that De Luca has been the most important behind-the-scenes presence in the California wine industry for decades.

Prior to his arrival in the fall of 1975, the San Francisco-based Wine Institute was in dire straits. Half its members had quit in a dispute over dues, and the budget was hemorrhaging. On his first day in office, De Luca was warned that Wine Institute was in danger of collapsing in three months.

Today, the organization is stronger than ever. With nearly 800 members, it is the nation's leading wine advocacy and lobbying group, a powerful presence in both the nation's and California's capitals. By choice and temperament, the man who steered it for more than a quarter-century has kept a low profile, opting for the role of diplomatic insider-a role he has always favored, whether as deputy mayor of San Francisco from 1968 through 1976, or earlier, as a White House Fellow under Lyndon Johnson, and as special assistant to the late Senator Frank Church. But even people unfamiliar with De Luca's name will understand the gravity of the issues, political and economic, that he tackled, for the most part successfully.

Within two years of taking office, nearly all Wine Institute's members had returned to the fold, due largely to De Luca's intervention. In 1976, he was the first to warn of the lurking threat of Neo-Prohibitionism, a term he coined to describe anti-alcohol lobbying forces. He devised a two-pronged response to it: encouraging research into wine's potential health benefits, and proceeding along political, but strictly nonpartisan, lines. Both have yielded exceptional results. If consumers today are aware of a relationship between wine and cardiovascular benefits, it's in no small part due to De Luca's and Wine Institute's quiet efforts (well before the famed 60 Minutes report on the French Paradox); these efforts culminated in the U.S. Department of Health and Human Services 1995 acknowledgment of the wine-health connection.

And if the political coalitions the wine industry has put together have avoided the pitfalls of partisan bickering in order to withstand repeated attacks, including the threat of increased taxation, it's due to De Luca's insistence that there is "no Democratic or Republican way."

We could go on: Wine Institute's Code of Advertising Standards (which, among other things, bars appearances by athletes, rock stars, movie stars and others who might appeal to underage drinkers); De Luca's creation of a Wine Institute export office (since its inception, U.S. wine exports have risen from about \$25 million to \$600 million annually, with 92 percent coming from California); the defeat of 1990's "nickel a drink" proposition in California (a proposed alcohol tax increase that could have triggered a prairie fire of similar initiatives elsewhere). Then there was Wine Institute's compromise resolution of the lead-capsule issue, which could have cost wineries billions in liability payouts (the California wine industry did away with lead foils, paving the way for other states to do so); the institute's sustainable agriculture and land stewardship initiatives; De Luca's strategy of reciprocity between states as a first step in the direct shipment of wine to consumers; Wine Institute's intervention in the fight against Pierce's disease; and De Luca's selection of his successor, Bobby Koch, who happens to be President Bush's brother-in-law. And now, at the age of 71, De Luca has an active new position as senior advisor for business and agriculture to the president of the University of California. These, and too many other accomplishments to list here, explain why De Luca is our Lifetime Achievement Award recipient. Maybe that tide isn't at its ebb after all.

-- Steve Heimoff

7. "Economy is growing, but so is state deficit. Legislators await governor's '05 budget" (San Francisco Chronicle, December 9, 2004); article citing JOHN ELLWOOD and ELIZABETH HILL (MPP 1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/12/09/MNGFFA91QD1.DTL&type=printable>

By Lynda Gledhill, Chronicle Sacramento Bureau

Sacramento -- California's economy is growing, revenue is up and unemployment is down, but the state government still faces huge budget deficits. And many say Gov. Arnold Schwarzenegger's legacy will be defined by whether he uses his political popularity to begin to fix the problem or chooses to leave it for future political leaders.

Despite a pledge to correct the mess, the governor and the Legislature relied primarily on an emergency voter-approved bond issue to put a patch on the deficit for one year. Now, some lawmakers and other analysts are looking to the governor to offer a long-term plan to balance the budget with real service cuts and tax increases....

ELIZABETH HILL, the nonpartisan legislative analyst who advises lawmakers on the budget, said the state already is committed to spending more than any projected economic growth could pay for. And any revenue pegged to population growth would be swallowed up by increased costs for schools and other state services.

"Even if we had a lot more robust growth, we could not grow our way out of this problem," HILL said. She predicts a budget deficit of up to \$7.3 billion for this coming budget year but warns that it will balloon to nearly \$10 billion the following year when the gubernatorial election is in full swing. The deficit is projected to continue for years. ...

JOHN ELLWOOD, A UC BERKELEY PUBLIC POLICY PROFESSOR and expert on government budgeting, said Californians are left with a false sense of security.

"They are getting services they are not paying for," he said. "The consequences are not hitting home because our political leaders are not willing to make hard decisions."...

8. "Afta NAFTA Comes CAFTA. Labor may object to the Central American Free Trade Agreement -- but not nearly as much as do the sugar and rice industries " (The American Prospect Online, Dec 8, 2004); op-ed by ROBERT REICH; <http://www.prospect.org/web/page.wv?section=root&name=ViewWeb&articleId=8918>

By ROBERT B. REICH

You may not have heard much about it yet, but soon you'll be hearing a lot about CAFTA, the Central American Free Trade Agreement. Like its predecessor, NAFTA, the North American Free Trade Agreement, CAFTA would reduce tariffs on trade between America and its neighbors -- in this case, El Salvador, Guatemala, Honduras, Nicaragua, and Costa Rica. CAFTA is high on the agenda of the Bush administration, but already the subject of a bitter fight between American labor and business.

Full disclosure. I was Secretary of Labor during the battle over NAFTA ten years ago, and I still have the scars to show for it. Trying to sell NAFTA to a room full of unionized workers required a unique mixture of courage and plain stupidity. In the end, organized labor didn't buy NAFTA, and they don't seem to be buying CAFTA. Factory workers are worried that even more of their jobs will head south of the border.

But the reality is that most factory jobs that have left America haven't gone south. They've gone to China. Or they've been being automated -- turned into computer software and robots. I don't want to minimize the pain U.S. manufacturing workers have endured for years now, but it's not NAFTA's fault and it won't be because of CAFTA. Central American countries can export most of their goods, duty-free, to the United States right now.

In fact, the real issue surrounding CAFTA isn't about manufacturing jobs at all. It's about agriculture commodities like sugar and rice. U.S. sugar producers don't want CAFTA. They want to keep their generous government subsidies and tariffs that result in sugar prices here being three times what they are on the world market. CAFTA would open the door just a crack to much cheaper sugar imports from Latin America, and America's sugar barons won't hear of it.

As to American rice growers -- yes, there are American rice growers -- they get more than a billion dollars a year in subsidies from Uncle Sam. A billion dollars is more than Nicaragua's entire national budget. It's even more than the total market value of all the rice that's produced in the United States. Unless those subsidies are ended, CAFTA will flood Latin America with U.S. rice so richly subsidized by U.S. taxpayers that Latin America's own rice-growing farmers will be forced out of business.

So you see, the issue behind CAFTA is really the same one that derailed the Doha round of global trade talks a while back: How to wean big agribusinesses off tariffs and subsidies so poorer nations can sell their food to the rich. To the extent CAFTA is a step in the right direction, it's a good idea.

9. "Obituary: Brother Timothy Diener, 94; Pioneering California Winemaker (Los Angeles Times [\*requires registration], December 5, 2004); story cites ex officio member of the GSPP Board of Advisors and Distinguished Visiting Scholar JOHN DE LUCA; <http://pqasb.pqarchiver.com/latimes/753287171.html?did=753287171&FMT=ABS&FMTS=FT&date=Dec+5%2C+2004&author=&desc=Obituaries%3B+Brother+Timothy+Diener%2C+94%3B+Pioneering+California+Winemaker>

By: Times Staff and Wire Reports

Brother Timothy Diener, a prominent and pioneering California vintner who was the winemaker for Christian Brothers for many years after the end of Prohibition, has died. He was 94. ...

He had retired in 1989 when the Brothers of the Christian Schools sold its wine- and brandy-making operation to the Heublein Fine Wine Group. Before that, Diener spent more than 50 years making wines, becoming an unlikely leader in

shaping California's wine industry.

"He wasn't alone, but he certainly was one of the giants," said JOHN DE LUCA, executive vice chairman of the San Francisco-based Wine Institute. "He was in the forefront of that whole renewal of reestablishing our image, reemerging from the extraordinary shadows of Prohibition."

Born in Elizabeth, N.J., in 1910, Diener began his career as a Christian Brother teaching high school chemistry in the San Francisco Bay Area. In 1935, two years after the end of Prohibition, he became a wine chemist at Mont La Salle Vineyards in the Napa Valley. ...

Production was no more than 10,000 gallons per year, but with the help of German immigrant Alfred Fromm, sales of Christian Brothers wines grew.

The brothers take a vow of poverty, so profits went to schools on the West Coast and paid for a retreat house and summer camps.

DE LUCA said this commitment to education helped reestablish the wine industry in California after Prohibition.

"Right from the start, the Christian Brothers and Brother Timothy gave a moral tone and moral compass to this industry," DE LUCA said. ...

10. "Red, blue, and shades of gray. Psyching out the electorate, or how we learned to keep worrying and love certainty, closure, and George W. Bush" (Berkeleyan, December 1, 2004); story about JACK GLASER; [http://www.berkeley.edu/news/berkeleyan/2004/12/01\\_glaser.shtml](http://www.berkeley.edu/news/berkeleyan/2004/12/01_glaser.shtml)

By Barry Bergman, Public Affairs

As JACK GLASER sees it, a half-century of psychological research shows conservatives to be less comfortable with uncertainty and ambiguity than liberals, who tend to take their politics with a dash of nuance.

Those thumbnail descriptions might well bring to mind certain candidates in the 2004 presidential race. But GLASER thinks it's not that simple.

"I'm surprised, at least in George Bush's case, at how consistent his behavior is with all the research on conservatism," says GLASER, an ASSISTANT PROFESSOR IN THE GOLDMAN SCHOOL OF PUBLIC POLICY, whose work has primarily focused on stereotyping, prejudice, and discrimination. "I mean, he comes right out with it and says, 'My job is not to nuance.' He's very clearly intolerant of ambiguity and uncertainty."

But John Kerry, he argues, was unfairly portrayed during the campaign as a slave to subtlety, a man who saw so much complexity he didn't know what he believed.

"When people actually listened to him, and didn't listen to the caricature of him, he did well. He won all the debates," GLASER observes. "But I think the Bush campaign was brilliant. They identified [that characterization] right away and they knew it would stick. And they applied it and they knew he would play right into it from time to time. If the Kerry campaign had been more aggressive early on, they'd have said Bush is pathologically rigid and we have to tar him that way right off the bat. They were very late in getting to that.

"At the same time," he adds, "given the terrorism environment, if the average person is choosing between rigid and fickle, they're going to go for rigid. And I think that's a big part of the story."

GLASER, a Yale-trained social psychologist, had been exploring the psychological underpinnings of conservatism when, in the summer of 2003, he found himself under attack by some of the movement's most prominent pundits, from Ann Coulter to George Will. A PAPER HE CO-AUTHORED, "POLITICAL CONSERVATISM AS MOTIVATED SOCIAL COGNITION," concluded that a basket of psychological factors -- among them resistance to change, tolerance of inequality, intolerance of ambiguity, and a need for cognitive closure -- could push people toward a right-wing ideology. ...

One of the researchers' findings seems particularly applicable to the recent election. Encouraging thoughts of death, wrote GLASER et al., "has been shown to increase intolerance, out-group derogation, punitive aggression, veneration of authority figures, and system justification." Such thoughts, says GLASER, helped fuel President Bush's 3.5-million-vote victory over Kerry.

"September 11 posed an existential crisis," he explains. "Are we going to die in a horrific way, and is our society going to

cease to be what it was? And under those circumstances, we [on the research team] were arguing - and I think we were right - that a conservative shift is likely. And I do think that that played a role in this election, because if you really look at most of the other issues -- except for 'likeability' -- the majority of Americans were with Kerry.

"Everything else is pretty much the same as 2000," he points out, from Kerry's and Al Gore's policy positions to voters' harsh assessment of their personalities. "The big difference, I think, is the war on terror and Iraq. Even Iraq is a double-edged sword. It's a liability in some sense. But it's a constant reminder that Bush is a war president. ...

Republicans were further aided, GLASER believes, by the fact that the cognitive styles associated with conservatism "give them a clear political advantage, simply by virtue of appearing more decisive and making clearer, less integratively complex statements.

"Strategists talk about the advantage of soundbites, and keeping the message simple. And that's just a tendency that seems to be consistent with conservative ideology."

Ironically, GLASER notes, the same personality traits that can launch a candidate to victory are apt to make him a poor decision-maker once in office. "Except for on the campaign trail," he muses, "I can't imagine a circumstance under which a low tolerance for uncertainty or ambiguity and a high need for closure [can be] advantageous in executive decision-making. If you can't change your mind, you can't correct the times that you're wrong. So unless you happen to be lucky enough to be right all of the time, you're just going to be wrong more often. And I think that's a liability for Bush."

Unless and until Democrats are able to devise simpler metaphors -- that is, to appeal to conservative voters' greater desire for certainty -- that's a paradox of U.S. politics we should all probably get used to.

"Bush came out and said 'I won't campaign on 9/11,'" observes GLASER. "But they went back on that -- they clearly campaigned on 9/11. And they just beat that drum -- you know, 'danger, danger, terrorist threats are imminent,' et cetera. And then they managed to walk that line of simultaneously saying we're in grave danger, but we've been successful in protecting you. And then the uncertainty -- they would say, don't switch horses in midstream. That resonated with people."

GLASER emphasizes that research into what makes conservatives tick has less to do with intelligence -- a trait he readily attributes to Will and some others on the right, if not to Coulter -- than with different cognitive styles. And he cautions that psychological tendencies, for conservatives and liberals alike, come in shades of gray.

"I think you find plenty of so-called conservatives who are highly tolerant of uncertainty, and plenty of liberals who are low in tolerance for that. But in the aggregate, if you're looking for a trend, there seems to be a relationship," he says.

"The vast majority of people are uncomfortable when things are uncertain," adds GLASER, who counts himself among them. "They prefer for things to be resolved and certain. It's not so much that conservatives are unusual in their aversion to uncertainty and ambiguity as that liberals just have a higher tolerance for it.

"Similarly, whereas liberals seem to have a real aversion to inequity, it's not necessarily the case that conservatives embrace inequality or inequity. It's just that they can live with it. It's much more nuanced," GLASER says.

Then, catching himself, he adds: "Ah -- there's that word again."

[Prof. GLASER's study was published in Psychological Bulletin (May 2003), Volume 129, Issue 3.]

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UC TV LISTINGS  
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Berkeley, Channels 33 & 28 (Comcast)  
San Francisco, Channel 27 (Comcast)

UCTV's programming schedule can be found at: <http://www.uctv.tv/schedule3.asp?keyword=national&x=28&y=11>

Programs that have been encoded to watch over the internet are located here: <http://www.uctv.tv/schedule/> Specific

programs from GSPP that are available in UCTV's Video on Demand library are listed below:

Gary Hart: "National Security in the Age of Terror"  
<http://www.uctv.tv/search-details.asp?showID=9089>

Michael Nacht and John Yoo debate: "Decision 2004: The Issues -- Terrorism and National Security"  
<http://www.uctv.tv/library-test.asp?showID=9061>

Robert Reich: "Why a Massachusetts Liberal Will Be the Next President (and Other Amazing Prophecies)"  
<http://www.uctv.tv/library-test.asp?showID=8713>

A Year and a Half After 'Black September': Problems and Prospects of International Anti-terrorist Coalition  
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Goldman School of Public Policy Conversations: Kirp & Thompson  
<http://www.uctv.tv/library-test.asp?showID=7604>

Harmat Karzai, the First Secretary to the Embassy of Afghanistan in Washington, DC: Planting the Roots of Peace in Afghanistan  
<http://www.uctv.tv/library-test.asp?showID=7602>

Alexey Arbatov, Deputy Chairman, Committee on Defense for the Russian State Duma: Superterrorism - Implications for a New Common Security Strategy  
<http://www.uctv.tv/library-test.asp?showID=7614>

"The Truth About Medical Marijuana" featuring ROBERT J. MACCOUN in panel of legal and medical experts.  
<http://www.uctv.tv/library-test.asp?showID=8463>

"Young, Beautiful and Dead: Growing Up with Disease and Democracy in South Africa," featuring DAVID HARRISON (MPP 2000), CEO of loveLife, South Africa's national HIV prevention campaign for teenagers.  
<http://www.uctv.tv/library-test.asp?showID=8466>

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If you would like further information about any of the above, or hard copies of cited articles, we'd be happy to provide them.

We are always delighted to receive your material for inclusion in the Digest. Please email the editor at [wongth@socrates.berkeley.edu](mailto:wongth@socrates.berkeley.edu)

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(This digest was edited by Theresa Wong)