

Palos Verdes Peninsula Democratic Club

Founded 1952



logo by
Paul Conrad

January 2013 Newsletter

P.O. Box 2234, Rolling Hills Est. CA 90274
Visit Us on the Web at www.pvpdemocrats.org
"One of the oldest Democratic Clubs in California"

COMING EVENTS

JANUARY MEETING:

SAVE THE DATE: Saturday, January 19, 2013, 2:30-4:30 p.m.

LOCATION: Pacific Unitarian Church, 5621 Montemalaga Drive, Rancho Palos Verdes, CA

TOPIC: 2012 and the Future for the Democratic Party

SPEAKER: Governor Michael Dukakis

FEBRUARY MEETING:

SAVE THE DATE: Sunday, February 17, 2013, 2:30-4:30 p.m.

LOCATION: Peninsula Center Library

TOPIC: The Climate Crisis

SPEAKER: TBD

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January Meeting: 2012 and the Future for the Democratic Party

January's speaker will be former Massachusetts Governor Michael Dukakis. Gov. Dukakis, Massachusetts' longest-serving governor, served from 1975-1979 and again from 1983-1991. In 1988 he was the Democratic Nominee for President.

Dukakis attended Brookline High School in his hometown. He graduated from Swarthmore College in 1955, served in the U.S. Army 1955-1957, stationed in Korea, and then received his law degree from Harvard Law School in 1960.

Dukakis served four terms in the state legislature before his election as Governor. Dukakis lost the support of his own party in a hotly contested primary in 1978 because of his courageous stand in favor of necessary tax increases. Edward J. King, head of the Massachusetts Port Authority, won the primary and the governorship. In 1982 Dukakis returned to defeat King in a primary re-match and to retake the governor's mansion. At the same time John Kerry was elected Lt. Governor.

In the 1988 presidential election, Dukakis won several Midwest states that had not voted Democratic for many election cycles and he also won Massachusetts, Hawaii, and Rhode Island back permanently for the Democrats.

Each winter quarter Governor Dukakis serves as a visiting professor in the Department of Public Policy at the UCLA School of Public Affairs. When in Los Angeles for the school term he gives generously

of his time to speak to Democratic Clubs and other groups interested in hearing his current public policy views.

Governor Dukakis will speak on "2012 and the Future for the Democratic Party." He will outline his views of the impact of the 2012 election and his thoughts on how to advance the party's causes in the future.



Al Muratsuchi, Assemblymember-Elect, 66th Assembly District

November Meeting Report

By Christine Mei

Club Business

Al Muratsuchi, the newly elected Assembly Member of the 66th district, thanked the club for helping him win the election. He assured the audience that the Democratic leadership in Sacramento would be fiscally responsible to get the state's fiscal house in order.

Public Banking

The first speaker was Marc Armstrong, executive director of Public Banking

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Marc Armstrong, executive director of Public Banking Institute

Institute (PBI). He provided a history of how PBI came into being and what public banking entails.

PBI was founded two years ago. Marc credited Ellen Brown, the author of *Web of Debt*, for spearheading the effort. Marc became involved in PBI due to his passion about public banking and a desire to use his extensive background in banking to help spread the concept.

One of PBI's goals in California is to start public-owned banks at the state and county level. He will meet with Controller Chiang on 11/27 to discuss establishing a state bank in LA County.

To explain how public banks could help our economy, Marc first clarified the concept of money and then gave a few examples to illustrate some of the advantages of public banks.

The Concept of Money

a) Money, like the frequent flier miles and coupons, is nothing more than an artificial construct that the society created to facilitate economic transactions. Therefore, money has no inherent value.

b) Community wealth is the goods and services produced by the people in the community. People can use other means to trade the goods and services without involving money. Therefore, community wealth is not money.

Regarding how banks manage our money, Marc told the audience that banks do not lend the deposits. They lend the credit. In a bad economy, banks tend to

use credit contraction to make it harder for consumers to obtain loans. In 2008, credit contraction caused the wealth of an average family to plunge by 40%. It is a systematic risk that does great harm to our society.

Advantages of Public Banks

a) Reducing state deficit.
California has a large budget deficit because a large portion of the budget is the interest paid to private banks. If we had public banks, we would not have to pay interest to private banks. Our budget deficit could be greatly reduced.

b) Financing large public works projects.
There are many projects, such as subways, rail lines, that public banks can finance. We can put people to work and build the wealth of a community.

c) Investing in local business and expanding the tax base.
California has an average daily balance of \$17 billion dollars in the private banks. If we had our own state bank, we could use the \$17 billion dollars worth of credit to invest in local businesses and grow our tax base.

d) Issuing corporate bonds.
Public banks can issue corporate bonds to serve as the investment vehicle for people who wish to invest locally.

The Bank of North Dakota is the only state-owned bank in the U.S. It has many innovative loan programs to create jobs and grow the economy. As a result, North Dakota has not suffered much during the recession.

Marc concluded his speech by asking the audience to support PBI, a 501 (c) 3 organization. Donations can be made through their website, [www. publicbankinginstitute.org](http://www.publicbankinginstitute.org).

The Affordable Care Act (ACA)

Our next speaker, Brietta Clark, is a Loyola law professor. She first discussed the current health insurance systems:

a) Private financing
The insurance is obtained through



Brietta Clark, Loyola law professor

employment. There are special tax incentives for employers and legal protections for those who have health problems.

b) Public financing
Medicare and Medicaid belong to this category. We pay into Medicare while working. But when we take out more than we put in, government will subsidize it. Medicaid covers people who cannot work, like children, pregnant women, and the disabled.

c) Individual Market
This is for people who don't fit into either of the above two categories. It is far less regulated, and insurers have much more free rein to determine rates.

Many people are left without health insurance coverage under the current insurance systems. They are the working poor, part-time workers, people with high-risk conditions, workers with disabilities, and some in the gay community.

How would ACA make a difference?

a) Expand Medicaid coverage.
Medicaid will cover people earning up to 133% of the federal poverty level, even if they are childless or not disabled (not covered under the current system).

b) Create a level-playing field in the individual market through the exchange.
The exchange will enable people to shop for plans. A regulator will make sure the plans are affordable, fair and unbiased. There will be no exclusion for pre-existing conditions, no more risk-rating and no more excessive premiums for older people.

Brietta emphasized that ACA is not

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just for individuals to guard against the unexpected risks, it is also to insure access to care. ACA is a healthcare plan that merges insurance functions and healthcare functions.

Future Challenges

Brietta concluded her speech by pointing out many future challenges that we need to overcome. For one, we need to make sure the rate regulation is done right. If not, there will not be enough people to participate and the plan will fail.

Recapping November Election Results



Sergio Carrillo, regional director of California Democratic Party

Sergio Carrillo, regional director of California Democratic Party, recapped the November election results as follows:

a) There are 38 Democrats and 15 Republicans in California congressional delegation. Out of the 38 Democrats, only 12 are white males. The rest are women, ethnic minorities and a member of the gay community. Out of the 15 Republicans, all are white males.

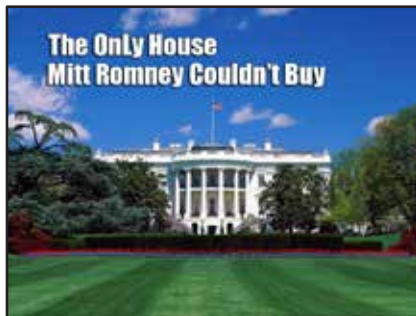
b) Forty percent of California voters were minorities. The vast majority of them voted with Democrats.

c) We picked up two-thirds majority in both houses of the state legislature.

d) For the 66th Assembly race, we organized the largest GOTV operation imaginable. We won by almost 8 points.

Sergio announced the upcoming election of the Central Committee members of

California Democratic Party. The election will be held on the second weekend of January. The deadline for registration is 12/14 at 5 PM. For those interested, please visit cadem.org for details.



PVP Democratic Club Goal for 2013 Support Getting Money out of Politics

By Hans Grellmann

Democracy is not a spectator sport, where you cheer on your team until they either win or lose. In a working democracy citizens shouldn't just vote at election time, but they also should participate between elections by actively supporting resolution of issues that are important to them.

One such issue is money in politics. The 2010 "Citizens United" Supreme Court decision opened up the floodgates of money, much of it secret, from billionaires, big corporations and banks. About \$6 billion was spent during the 2012 election cycle. A politically motivated billionaire or corporate CEO now gets to have a much bigger voice in our elections than other American citizens.

There are ways to reduce or eliminate the influence of this big money in our politics. One of these solutions is being pursued by Move to Amend. They propose: "We, the People of the United States of America, reject the U.S. Supreme Court's Citizens United ruling, and move to amend our Constitution

to firmly establish that money is not speech, and that human beings, not corporations, are persons entitled to constitutional rights." Another approach seeks to reveal who the political donors are. Legislation called the Disclose Act has been introduced in Congress but so far has not been passed. The amount of corporate money in politics could also be reduced by passing laws to require corporate shareholders to approve political contributions. But this would still leave billionaires free to use their money to influence elections.

I propose that the club monitors and supports all efforts such as Move to Amend or the Disclose Act. When groups such as these gather signatures for a petition relating to campaign finance reform, the club shall notify club members and encourage them to sign.



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Phone (310) 831-8804 • FAX (310) 833-9598

E-mail - priority1@earthlink.net

Website: www.priorityoneprinting.com

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PVPDC Officers for 2012 Contact Info

President: Connie Sullivan 310-378-1554
 1st VP: Hans Grellmann 310-373-3066
 2nd VP: Jean McDonald 310-375-5135
 2nd VP: Tom Long 310-375-5783
 Recording Secretary: Judy Pang
 Corresponding Secretary 310-375-5783
 Sheila Papayans
 Treasurer: Shuja Oberoi 310-265-1037
 Membership Chair: Lynn McLeod 310-375-2103
 Newsletter Editor: Christine Mei 310-541-2458



Palos Verdes Peninsula Democratic Club
 Founded 1952

P.O. Box 2234,
 Rolling Hills Est. Ca 90274

Palos Verdes Peninsula Democratic Club

Founded in 1952 - One of the oldest and largest Democratic Clubs in California

As a member of the PVP Democratic Club, you can:

- Meet other Democrats
- Meet and get to know your elected officials, raise funds and work for candidates
- Attend special events and monthly meetings
- Hear speakers and discuss issues of local, state and national import

Please Send your membership form to P.O. Box 2234, Rolling Hills Est. Ca 90274

Name _____ I am a registered Democrat
 Name* _____ I am a registered Democrat

* Fill in if Applying as a Family - two memberships

Residence Address _____ Phone _____

City _____ Zip _____ Cell _____

Occupation _____

Employer _____

E-mail Address _____

*Select One: Individual: \$ 25.00/Year Family Membership \$40.00/Year
 Young Adult \$10.00/Year

Amount enclosed _____ Renewal New Member

Please contact me to help in the following areas:

- Hospitality Newsletter Membership Publicity Correspondence
 Voter Registration Campaign Work Website/Facebook Phone Tree
 I might offer my home for a meeting or social event