



The Retiree **ADVOCATE**

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PUGET SOUND ALLIANCE FOR RETIRED AMERICANS

Vol XXVI, No 7



July 2010

Exhibit "A"
Port Commission Special
Meeting of July 13, 2010

**Port truckers
driven to poverty**

-- page 4

States will pay for Senate paralysis

By Rap Lewis

The failure of a dysfunctional U.S. Senate to extend federal Medicaid funding for six months threatens to create chaos in the budgets of at least 30 states, including Washington's.

Our state's budget writers had counted on \$480 million as Washington's share of the \$24 billion earmarked in the Senate bill for an extension of emergency Medicaid funding. Barring an unexpected turn of events, that money will not be forthcoming. Every Senate Republican plus Independent Senator Joseph I. Lieberman of Connecticut and Democratic Senator Ben Nelson of Nebraska voted to block a procedural vote needed to allow the bill to proceed.

The frustrating outcome is the result of the Senate's arbitrary rule requiring 60 votes to avoid a filibuster. The Puget Sound Alliance for Retired Americans

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New coalition will work to strengthen Social Security

"Social Security Works / Washington."

That's the name adopted by a new statewide coalition determined to defend and improve Social Security in the face of the gravest threat to its integrity in the 75 years since it was signed into law.

Initiated by a nucleus of labor, women's and retiree groups, including the Puget Sound Alliance for Retired Americans, the coalition is reaching out to the many varied organizations that recognize the unique role of Social Security in preventing poverty and in uniting our people across the generations.

The coalition was organized in response to appointment of the National Commission on Fiscal Responsibility and Reform, a majority of whose 18 members have signaled that they're prepared to bleed the Social Security trust fund to reduce the federal budget deficit.

(Readers will find background information on the commission on pages 5 and 10.)

The coalition will carry the campaign to every Congressional candidate, incumbent or aspirant, across the state, asking each to sign a pledge to defend the full range of Social Security benefits, to work to improve them, and to oppose all efforts to raid its trust fund for deficit reduction.

A broad national coalition, the "Strengthen Social Security Campaign," is also in formation. Its founding Steering Committee members represent the AFL-CIO, the Alliance for Retired Americans, the Campaign for America's Future, the Economic Policy Institute, the National Council of Women's Organizations and Voices for America's

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Join us for work and fun at the Membership Meeting

Stimulating speakers. Informative reports on the good and bad ballot measures. Gearing up our Alliance for the coming battle to defend Social Security on the eve of its 75th Anniversary.

All that and a potluck lunch – deliciousness guaranteed – will enliven the Puget Sound Alliance for Retired Americans Summer Membership Meeting Thursday, July 22. Lunch is served at 12:30 and the meeting will be held from 1 to 3 p.m. at the Central Area Senior Center, 500 30th Avenue S. in Seattle.

Jonathan Seib, the governor's lead person on the new health care reform law, will discuss plans to implement the law in our state.

Representative Hans Dunshee (D, 44) will report on Referendum 52, to extend the sales tax on bottled water and to permit the sale of bonds, for funds to upgrade our public schools and colleges, creating 30,000 to 40,000 jobs in the process.

Owen Linch, senior labor representative to the Workers' Compensation Advisory Committee, will explain why I-1082, privatizing workers' compensation, is a bad idea.

The agenda will also include updates on the fight for Comprehensive Immigration Reform and on our campaign for a city ordinance requiring employers to provide sick leave to all workers employed in Seattle.

The Executive Board will make recommendations on the measures that appear headed for the ballot.

Serious business, sure – but membership meetings are fun as well. We practically guarantee a warm sunny day, with spectacular views of Lake Washington, Mount Rainier and the Cascades, in the company of some of our community's very best people.

Please bring a dish for the potluck.

For up-to-date
information about
PSARA and
issues important to all of us,
go to the PSARA web site:
www.psara.org
Read the Advocate on line,
post your comments
on our blog,
engage in discussions
with other PSARA members

Need to reach us?

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If necessary, leave a message and your phone number. We'll call you back.

The Retiree ADVOCATE

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City Council to honor Will Parry

By Robby Stern

We invite all PSARA members and supporters to the Seattle City Council Chambers at 2 p.m. Monday, July 19. At that time, the Council will read and pass a resolution honoring our beloved President Emeritus and Editor of the Retiree Advocate, Will Parry.

This public recognition of Will is richly deserved. Will has been an optimistic and determined advocate for progressive change for more than six decades. His leadership has sustained PSARA as a vibrant and cutting edge force in our community.

We are pleased that the Seattle City Council is recognizing Will's continuous effort to make our community, our state, our country and our world a kinder and more just place. Join us in the Seattle City Council Chambers to support one of our own as he receives the public recognition he rightfully deserves.

For all future generations

PSARA's number one mission in the five months immediately ahead can be summed up in six words: *Defend the integrity of Social Security*. To protect this basic social program that binds all generations together, we need to build our membership base.

The ominous probability is that the

deficit hawks who dominate the fiscal reform commission will call on Congress in December to raid the Social Security trust funds in the name of deficit reduction. We have to make sure Congress says, "No way!"

We know the deficit was caused by tax cuts that funneled billions to the wealthy; by two ongoing wars "on the credit card"; and by the current severe economic crisis created by Wall Street. We need to get that message to every person we can reach.

That's why we have to build our membership base. Working with our allies, we intend to call on every member of our Congressional delegation to pledge to "do no harm" to Social Security in the name of deficit reduction. We're building a Congressional firewall against all such proposals.

Today's retirees have a duty to fight for a future of economic justice for the oncoming generations, our children and grandchildren. That's why it's so urgent to build our membership base.

And that's why we're asking you, dear Member, to sign up that relative, friend, neighbor or workmate today. The people at your church, your senior center, or your community meeting place. We need them; they need us. The coupon is on page 11. Sign up that new member today!

Welcome, Frank Irigon!

Frank Irigon, a distinguished leader in the Asian Pacific Islander community whose impressive resume would fill this page, has joined the PSARA Executive Board.

Frank brings to the board a rich background of community service in Seattle's International District and beyond. He was co-founder and first editor of the Asian Family Affair, serving the Northwest API population; co-founder of the International District Community Health Center; a former trustee on the Renton Technical College Board – and the list goes on.

We look forward to years of fruitful leadership from Frank Irigon on issues of social justice. Welcome, Frank!



States will pay for Senate paralysis

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has called for an end to the Senate's 60-vote rule and a return to the small "d" democratic majority rule that prevails in the House..

The Medicaid funding was part of a \$100 billion package that included an extension of unemployment compensation for an estimated 1.2 million jobless workers who have exhausted their benefits. The entire package was shot down by an intransigent Republican minority.

Earlier, Governor Chris Gregoire had written the state's congressional delegation warning that without the emergency Medicaid funding, "across-the-board cuts" would be likely, causing the loss of "thousands of jobs." Health programs, human services and education are likely to be hardest hit. There aren't many other places to cut.

The state's Office of Financial Management predicted a \$3 billion dollar budget deficit heading into the 2011-2013 budget cycle – and that was with the assumption that the federal Medicaid match would be coming.

In February, governors from 42 states signed a letter to Congress pleading for a six-month extension of the Medicaid support funding. Governor Jim Douglas of Vermont, a Republican and chairman of the National Governors Association, expressed concern for the level of federal spending, but added, "States need this bridge to sustain the safety net of human services programs and education."

The defeat in the Senate came despite efforts by the Democratic leadership to win Republican support by watering down the legislation. Seeking the 60 votes needed to cut off debate, Democrats cut the size of the package in half. To reduce the measure's impact on the deficit, they even robbed \$10 billion from food-stamp benefits to pay for the Medicaid support.

All to no avail. "Because we need 60 votes for everything, we have been stopped cold in our tracks," Majority Whip Dick Durbin of Illinois said.

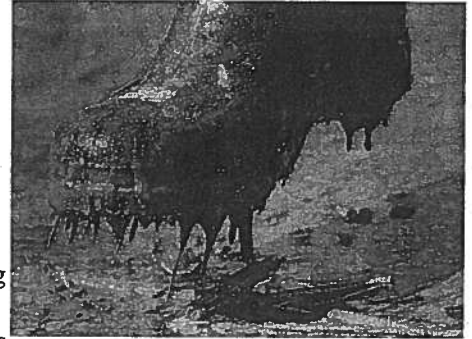
A violent wound on the Earth itself

By Will Parry

It is now evident that BP's Deepwater Horizon disaster is like no other catastrophe in history. The word "spill" does nothing to convey the reality. The Canadian writer Naomi Klein comes closer, calling it "a violent wound inflicted on the Earth itself."

The disaster's monstrous toll on creatures and communities is yet to be reckoned up. That toll mounts with each passing minute as — seventy days after the initial explosion — we continue to watch, as Klein says, "Earth's guts gush forth, in real time, 24 hours a day."

"For the first time in history," writes Michael T. Klare in the June 14 *Nation*, "oil is pouring into the deep currents of a semi-enclosed sea, poisoning the water and depriving it of oxygen so that entire classes of marine species are at risk of annihilation. It is as if an underwater neutron bomb has struck the Gulf of Mexico, causing little apparent damage on the surface, but destroying the living creatures below."



The final reckoning is surely generations away. But with what we've already seen since the incendiary explosion of April 20, with its instantaneous death toll of eleven oil rig workers, can there be a person of conscience anywhere who is not outraged?

We've seen the photos of pitiable oil-soaked pelicans. We've read about the threat to the viability of the fisheries as the oil seeps into the nurturing wetlands. We've read about endangered sea turtles corralled into "burn fields" and burned alive.

There are costs of a different order that are no less tragic. Klein warns that "the coast's legendary culture will contract and wither. The fishing families up and down the coast do not just gather food, after all. They hold up an intricate network that includes family tradition, cuisine, music, art and endangered languages — much like the roots of grass holding up the land in the marsh. Without fishing, these unique cultures lose their root system, the very ground on which they stand."

BP is no different than other oil companies, raking in billions in profits from their single-minded focus on production, and the hell with safety and the environment. The world needs tough regulation of this industry — and a crash program to create renewable alternatives. As long as these pirates ride high, the planet is endangered and so is the human race.

New coalition will work to strengthen Social Security

Continued from page 1

Children, among many other groups.

As its name indicates, the national group intends to take the offensive to make Social Security even better in the protections it affords retirees, persons with disabilities, and survivors. The Washington State coalition has the same approach.

The next meeting of the Social Security Works / Washington coalition will be at 1:30 p.m. Wednesday, July 14, at the Seattle offices of the Washington State Labor Council, 314 First Avenue West. For information, contact PSARA President Robby Stern at president@psara.org or by phone at (206)448-9646.

Driven to poverty: The Seattle Port Truckers

By Rev. Monica Corsaro and Erica Garrecht-Williams

Imagine for a second being an independent contractor. You're free to work for whom you choose, you negotiate your rates, you work as much or as little as you want. Sounds pretty good, right?

Wrong. In the port trucking industry, you are called an independent contractor, but your working reality is far from independent. You wake up before dawn, work overtime and make less than minimum wage. You can only haul for one company and they can pay you whatever they want. You have no health insurance and you pay for all your expenses out of pocket. On top of that, you spend countless hours waiting in traffic inhaling toxic diesel fumes.

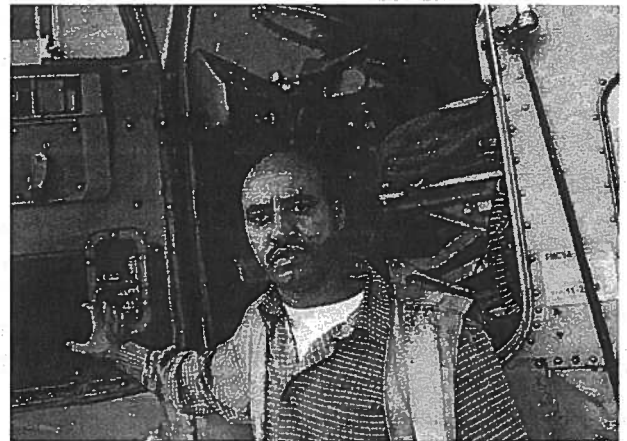
Since the Port trucking system was deregulated in the 1980's, it has become one of the most exploitative industries in the nation. Port truck drivers, who move goods from the Port to freight trains bound for retail stores, used to enjoy a middle class living, but the age of globalization, cheap labor and corporate conglomerates has drastically lowered standards for these drivers, most of whom are immigrants. Retailers like Wal-Mart are fueling a race to the bottom among trucking companies by seeking rates below the actual cost of moving goods. Trucking companies compete by undercutting each other. Drivers compete to get loads. And what our society gets is a system based on cheap labor and the knowledge that there is always "someone" who will do it for cheaper. Billion-dollar corporations benefit. Who loses? The drivers who actually move the goods.

While Wal-Mart might pay the trucking company around \$350 dollars per delivery, the drivers only see about \$40 of that money, a rate that hasn't changed in fifteen years. Drivers also have to pay all the expenses

of maintaining their trucks: gas, insurance, tonnage fees and all repairs. Since they are technically classified as "independent contractors," they are not paid an hourly wage, have no benefits, and can't legally organize a union. Their pay amounts to about \$400 a week after expenses. Many drivers are barely scraping by. One driver interviewed said, "Sometimes I have to choose whether to put gas in my truck or food on the table."

After years of pressure from community and environmental groups, the Port of Seattle passed a plan to ban the oldest trucks from the Port. However, this plan doesn't attack the root causes of truck pollution. The truth of the matter is that drivers simply cannot afford to buy and maintain clean new trucks. Our solution is a comprehensive clean trucks plan that requires the trucking companies to own and maintain a clean truck fleet and grant drivers employee status, with a living wage, healthcare, and the right to organize a union. We at Puget Sound Sage and the Church Council have been building partnerships of allies who support the truck drivers and want to fix this broken system. Many port neighbors, organizations, and several elected officials are on board.

However, trucking firms are lobbying hard to keep things the way they are. The American Trucking Association blocked a similar plan from passing in L.A. We are fighting back. A national coalition of labor, faith, environmental, and community organizations came together in Washington D.C. in May to lobby for the drivers at a Congressional subcommittee hearing on restoring the power to regulate. Truck drivers finally got a chance to talk about their hor-



rendous working conditions in front of attentive members of Congress. WA Representative Rick Larson listened to several Seattle drivers tell their stories of exploitation and intimidation. Shocked committee members pledged to investigate Port labor abuses and change the system.

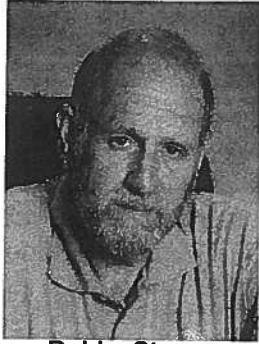
Now, we are inviting local faith leaders to get involved. Several clergy and imams went on a "Port Toxic Tour" in March to see first hand the working conditions drivers face every day. One Lutheran pastor named it "modern-day slavery." In June, the Church Council held a Prayer Breakfast in honor of the drivers. Christians and Muslims, Black, white and everyone in between came together for one purpose: to be unified in our passion for change on behalf of the truck drivers. We as people of faith believe in the power of prayer to make change. We know too that prayer can happen in the streets—as such, we're hosting a prayer vigil for the drivers later this summer. To get involved, contact us. We need to work together to right this wrong.

(Rev. Monica Corsaro is Director of Social Justice Ministries, Church Council of Greater Seattle (mcorsaro@thechurchcouncil.org). Erica Garrecht-Williams is Outreach and Communications Coordinator, Puget Sound Sage. (erica@pugetsoundsage.org).

Saving Social Security from the 'Hit Men'

By Robby Stern

About a year ago, I heard about the book, *Confessions of an Economic Hit Man* by John Perkins on Amy Goodman's radio news show, "Democracy Now". Perkins had written the book to express his remorse for the role he played in carrying out the economic policies of the United States Empire, or what he refers to as the "Corporatocracy." He also wanted to educate the public about what is being done to countries around the world in the name of the people of the United States. I finally read the book last month and it is a simple but stunning read with great relevance to the challenges we face in our country today.



Robby Stern

Briefly, very well paid Economic Hit Men travel the world selling huge development programs to the often corrupt leadership of other countries. Often there are bribes or other personal trade-offs associated with these efforts. These countries then incur huge debts to the World Bank to build the major construction projects, debts that they will never be able to repay. The contracts for these projects are distributed to multinational corporations like Halliburton, KBR, and others, allowing these companies and their executives to amass very large profits from the coffers of these deeply indebted countries. The tax revenues collected by countries like Indonesia, Panama, Columbia, and others are insufficient to pay the debt incurred in building these projects which leads to draconian cuts in social programs that assist the poor and working poor of these countries.

Perkins asserts that if the Economic Hit Men fail to persuade the leadership of these countries, the "jackals" are called in. He used as examples Jaime Roldos of Ecuador and Omar Torrijos of Panama, both of whom met untimely deaths under very suspicious circumstances. Perkins is convinced it was the "jackals" at work.

This book was quite educational, but it also got me thinking about what is going on in our country at this very moment. The "Corporatocracy" and their politician friends have made policy decisions that have enormously enriched the people at the top and the corporations they run through tax cuts, bail-outs and privatization. Now they are saying to the American people, our deficit is way too high. They are trying to persuade us that they must cut the programs that serve working class and poor people like Social Security, Medicaid, education, etc. As I write this column, Congress is refusing to provide extensions to unemployment benefits and aid to state Medicaid programs, both desperately needed. It is Congress' version of applying to the U.S. the policies that have been foisted on poor and working people throughout the world.

We must not be fooled and we will fight back. Social Security, Medicaid, etc. are NOT the problems. The tax cuts for the rich and unnecessary wars are the problem. (In Iraq, the goal was gaining control of the oil for the oil companies and also controlling this strategically located country. In Afghanistan, the "newly discovered" mineral riches are going to be developed by the U.S. multinational mining companies.) We must be organized and prepared to fight on many fronts.

One example of our efforts is the success of PSARA volunteers in gathering signatures to place I-1098, a high

incomes income tax on the ballot. This initiative is one of the ways to fight back against the growing gap in the distribution of wealth in our country. It will force the wealthy to provide a little fairer share of their income for education and health care when it gets on

"Congress is refusing to provide extensions to unemployed benefits and aid to state Medicaid programs, both desperately needed. It is Congress' version of applying to the U.S. the policies that have been foisted on poor and working people throughout the world."

the ballot and, with our help, passes in November.

PSARA and the ARA are gearing up for a huge battle to defend Social Security. *The Washington Post* reported that we are facing the biggest threat to Social Security in the 75 years of its existence. PSARA will respond in coalition with others to make sure our Congressional representatives do nothing to harm our Social Security system and the benefits promised to American workers.

Please join us at our general membership meeting on Thursday, July 22. (For details on the meeting, see page 2 of this newsletter.) Your participation will make an enormous difference for our small, (but growing!) feisty and determined organization as we do battle with those who would serve the rich and powerful at the expense of poor and working people.

Building a bridge to justice

By David West

On June 30, Seattle's South Park Bridge is being shut down without a replacement, leaving an entire community cut off from the most direct routes to the rest of the city. Rerouting plans and the resulting congestion at key intersections will hurt workers, business and low-income residents from a much larger area than just South Park. The South Park Bridge serves tens of thousands of residents and business in the Duwamish Valley and South King County every day. Buses using the bridge bring union workers to downtown and take families to social and health service providers in and out of the area. Manufacturing workers and small businesses rely on the bridge as a key connection between communities, workplaces and suppliers across the Duwamish.

Puget Sound Sage and members of the New South Park Bridge Coalition consider the failure to replace this valuable bridge a grave injustice to the South Park community. The South Park community, along with the unincorporated areas south of the bridge, is disproportionately low-income and is consider-

ably more diverse than the larger region. Replacing this vital transportation link for communities of color, immigrant families and other working families in our neighborhood is not only a sound investment in our regional transportation infrastructure, it is a matter of social, economic and environmental justice.

Although the decrepit condition of the South Park Bridge has been well known for years, securing funding for a new bridge has always been a low priority. The federal TIGER funds have been awarded to rebuild the Mercer Street corridor. State funds have been allocated or promised for Link light rail, the downtown tunnel, and various other infrastructure projects. None of those projects is as critical to a single community as the South Park Bridge is to South Park and the Duwamish Valley.

This year may be the last opportunity for many years to secure Federal funding. Our local governments must successfully apply for federal TIGER funds or a new bridge is likely never to be built. Sage and its community allies recently met with Port Commissioner John Creighton, after which the Port

of Seattle committed \$5 million to the bridge. With the Port's commitment, local and state governments have now pledged \$70 million of the \$130 million needed for a new bridge. King County will now ask the federal government for the remaining \$60 million to start construction.

Too often under-valued low-income neighborhoods get pushed aside for funding. This year, elected leaders got the message: South Park and the Duwamish Valley deserve a transportation infrastructure comparable to that available to the rest of the city.

(David West is Executive Director of Puget Sound Sage.)

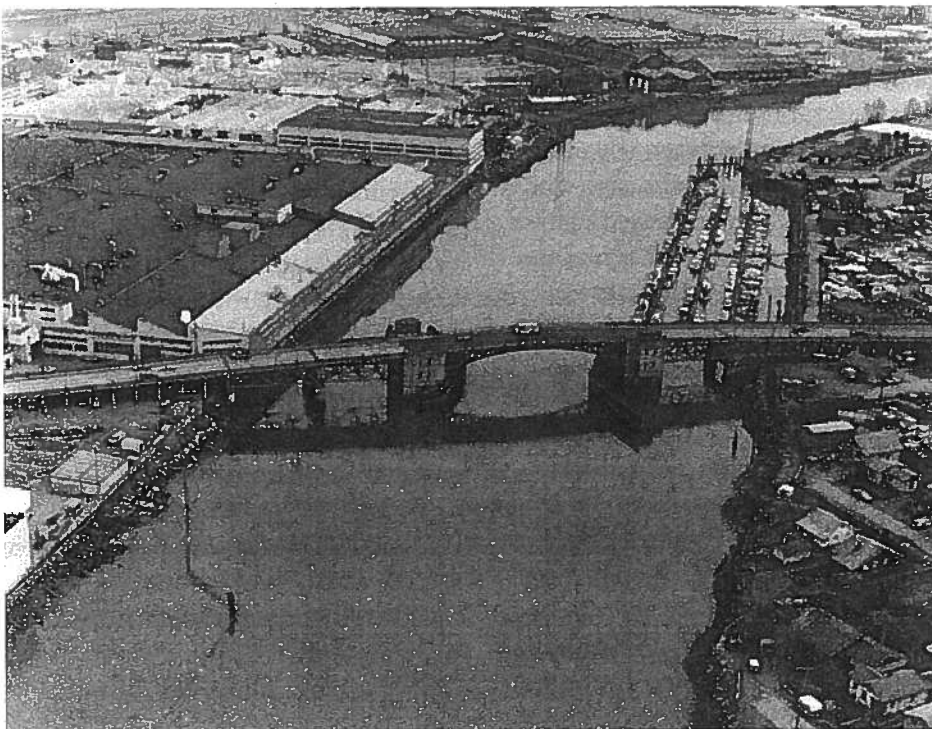
360,000 sign I-1098

Initiative 1098, raising a billion dollars for schools and healthcare while lowering taxes for homeowners and small businesses, will find a place on the November ballot.

Supporters rolled up an impressive 360,000 signatures in an intensive six-week campaign. Campaign activists were preparing to deliver the signed petitions to the Secretary of State at our deadline.

The Puget Sound Alliance for Retired Americans had set a goal of 1,000 signatures, but topped 4,000, an achievement recognized by campaign leaders as remarkable for an organization of our size.

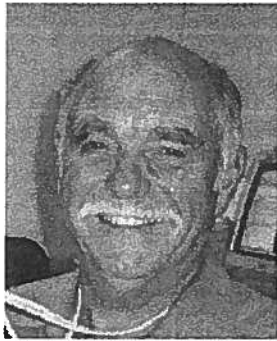
I-1098 will face lavishly-funded opposition from the Business Roundtable, a collection of wealthy CEOs and venture capitalists who shudder at the thought of equity in our tax system.



Tea bags: Idiocy and armed militias

By Alfredo Peppard

Pauline and I have been in Seattle for six weeks now and we have been dumbfounded by what we see on television. The tea bag movement is all over the internet but you have to see it on a big screen TV to fully appreciate the head-on idiocy of the thing. I have suspected for some time that a good many of my countrymen were at least a half a bubble off, but this gang of baboons utterly flabbergasts me. One thing that this is all about is that they are all mad as hell about something, whatever the hell it is. Just what is the tea party, tea bag movement, tea baggers, whatever you call them?



Alfredo Peppard

First, it is a television phenomenon which originates on Rupert Murdoch's Fox News. The news crew didn't go out and cover this movement; they created it. Limbaugh, Hannity, and Beck called it into being. Then every time more than ten tea baggers showed up in public, Fox News gave them lavish coverage, with reporters and anchor persons expressing sympathy and understanding of these poor folk, burdened as they are by a crushing government. And so the cluster of slightly demented folks, some armed, become in the imagination of a definable group of Americans, the vanguard of a social justice movement. They want to take back America. They want to return to a more just past. But their idea of a "just past" is not one influenced by Thoreau and Emerson, certainly not the New England intellectual tradition that brought about

Garrison, Sumner, and ultimately John Brown. No, their historical roots can be traced through George Wallace, Orval Faubus and Lester Maddox to that society of English-speaking slave owners that spread from the Southern Caribbean to the Mason-Dixon Line. The bagger left wing wants to return to Jim Crow; its right wing wants to return to the slavery-ridden political and social status of 1850.

Their prominent spokespersons, candidates, and would-be candidates are typically young, good-looking, and utterly vacuous—made for television. The leading Tea Party TV personality is the inimitable Sarah Palin. Palin is a marvel. With gestures, head tosses, flashing smiles, always with good eye contact, she can spout utter nonsense to crowds of enthusiastic yahoos and have them loving it. PT Barnum was right. But unlike the feather-headed Palin, the real heavy hitters have "News Shows" on Fox, with Glen Beck, the present favorite of the Baggers, playing the part of a patriot of 1776.

All Murdoch's creatures are adept at manufacturing facts as they go along, but what distinguishes Beck, Limbaugh, and Hannity is their ability carry out rants that begin with a whopper and go from there to the utterly preposterous. These tribunes of the couch potato constituency spew forth on a daily basis accusations of a dark conspiracy to enslave the American people—a vile conspiracy being carried out as they speak by Nazis, Liberals, and Commies, the sworn enemies of all Real Americans; and at the head of this cabal sits a Black President who is not an American citizen—and on and on from there.

This style of irrational politics was prominent in the secessionist press in the 1850s. This style of rhetoric entered

the politics of the modern world when Charles Maurras, who founded the Paris newspaper *Action Française* during the Dreyfus Affair, heaped pure vitriol and abuse upon any and all supporters of liberal thought in France. Anti-Semitism was his consistent core issue, and by 1930 *Action Française* brought into being a violent force of fascist street brawlers. In the 1940s they supported Pétain. Both Mussolini and Hitler cop-

The leading Tea Party TV personality is the inimitable Sarah Palin. Palin is a marvel. With gestures, head tosses, flashing smiles, always with good eye contact, she can spout utter nonsense to crowds of enthusiastic yahoos and have them loving it. PT Barnum was right.

ied Maurras' methods. It is not likely that many if any Tea Baggers ever heard of *Action Française*, much less Maurras. They are just reacting like reactionary yahoos always do.

The whole thing would be hilarious were it not for the fact they are heavily financed by some of the most anti-democratic billionaires you will find anywhere. These billionaires, with Rupert Murdoch in the lead, just want to overturn the last election. That's all. Failing that, they want to make it impossible for anyone else to govern.

These are the same jackals whose multi-media noise machine described Clinton's escapades in the Oval Office as being tantamount to blowing up the Washington Monument. I would be falling off my chair laughing if they didn't have armed militias in their movement.

AN OPEN LETTER TO THE NATIONAL COMMISSION ON FISCAL RESPONSIBILITY AND REFORM

The Fiscal Commission now starting its work needs to begin on the right footing. If this effort is based on incorrect assumptions to start with, it cannot achieve success. Erroneous ideas and facts about the deficit and debt are all too often found in current political rhetoric and in shallow and uninformed media coverage. This can only cause confusion, anxiety, and anger among Americans.

The most important and significant of these erroneous ideas is that the so-called "entitlements" have something to do with the increasing deficits. Social Security is separately funded through the payroll tax, which is covering all expenses of paying benefits and currently producing a surplus.

Medicare is also separately funded through payroll taxes, premiums, co-payments, etc. Of course, the escalating costs of medical care need to be addressed, but this should not be within the purview of a fiscal policy commission. The excessive costs of administration of medical care, including excess profits, executive compensation, research and development incurred by medical device companies, hospitals, clinics, laboratories, insurance companies, etc., need to be studied and reformed. This should be done by a commission consisting of medical professionals, management consultants, etc. Your commission is not qualified to do this. Therefore a decision should be taken at the outset to set aside the entitlements and to adopt a plan that will focus on tax and revenue reform and discretionary spending on such items as defense, military spending, foreign aid, earmarks, corporate subsidies, the war on drugs, etc.

If the Commission insists on placing primary attention on the "entitlements", it will endanger the whole project and disappoint the President's hope for real progress in reducing deficit spending. Attacks on Social Security and Medicare can only produce an outpouring of angry citizen protest which will make the so-called anti-government Tea Party passion look puny.

"Messing around" with Social Security and Medicare is playing with people's lives, health and well being. Changes in these programs mean less food on the table for many, no doctor to help when sick, no hospital to perform life-saving surgery.

Therefore, the most important decision the Commission can make at this crucial starting point is to clearly disassociate itself from those influential figures and groups in the anti-government business and investment communities who are motivated ideologically by a desire to dismantle the New Deal and Great Society originated programs. These programs have become so integrated into the lives of ordinary Americans that adverse changes would in effect tear the heart out of American civilization. We have seen the violent citizen reactions in certain European countries to reductions in life-sustaining benefit programs. To activate this kind of political and social disorder in America will not provide any solution to the deficit problem

Sincerely,

Lawrence D. Greene, Vice Chair,
South King County Chapter,
Alliance for Retired Americans

Editor's note:: We urge our readers to write their own letters. Tell the commission to keep its hands off Social Security and Medicare. Address the National Commission on Fiscal Responsibility and Reform, 1650 Pennsylvania Ave. NW, Washington, DC 20504.

Krugman: Spend now, save later

By Steve Dzielak

Paul Krugman, the column-writing, Nobel Prize winning college professor, said it best back in May: We could use more fiscal stimulus — but Congress is balking even at extending aid for the ever-growing ranks of the long-term unemployed. Fiscal responsibility,



Steve Dzielak

you see — hey, and let's make sure estate taxes stay low! Krugman's big worry? That policy-makers would just sit there for years congratulating themselves on the soundness of their policies.

In June, Senate

Republicans just said Hell No! to everything in sight, including an extension of unemployment benefits for said long-term unemployed. Never mind that America is facing the highest rate of long-term joblessness since the 1930s.

Krugman focused on what many leading economists see as a huge mistake: a return to austerity. He cited 1937, when FDR's premature attempt to balance the budget helped plunge a recovering economy back into severe recession. Then, as now, creating jobs was suddenly out, inflicting pain was in.

In an imaginary conversation with a German Deficit Hawk, Krugman counters the Hawk's frenzy to cut deficits immediately ("because Germany must deal with the fiscal burden of an aging population"). Cutting doesn't make sense, Krugman says, because even if you manage to save 80 billion euros — which you won't, because the budget cuts will hurt your economy and reduce revenues — the interest payments on that much debt would be less than a tenth of a percent of your gross domestic product (GDP).

When Krugman points out that austerity will threaten economic recovery while doing next to nothing to the long-run budget position, the Hawk takes cover behind fear of the Market reaction. When

Krugman wonders aloud why the Market should be moved by policies with almost no long-run fiscal impact, he is cut dead with an all-time classic: You just don't understand our situation.

Krugman sees hypocrisy in this obsession with the deficit. Lawmakers eager to slash benefits for those in need are equally quick to stump for tax breaks for the wealthy. Senator Ben Nelson, who sanctimoniously declared that we can't afford \$77 billion for the unemployed, supported the first Bush tax cut, which cost a cool \$1.3 trillion.

The Ben Nelsons of the world seem stumped by the truism, spend now, while the economy remains depressed; save later, once it has recovered. Here's how Krugman sees it: Much of the deficit is the result of the ongoing crisis, which depressed revenues and required extraor-

Lawmakers eager to slash benefits for those in need are equally quick to stump for tax breaks for the wealthy.

inary expenditures to stabilize the financial system. As the crisis abates, things will improve—just not fast enough. After bottoming out in 2014, he believes, the deficit will start rising again, largely because of rising health care costs.

The answer is clear: First bring health costs under control, then find additional revenues and/or spending cuts. Right now, our severely depressed economy is inflicting long-run damage. This is not the time for austerity. The deficit should become a priority only when the Federal Reserve has regained some traction over the economy, so that it can offset the negative effects of tax increases and spending cuts by reducing interest rates.

Currently, the Fed can't do that, because the interest rates it can control are near zero, and can't go any lower. Eventually, as unemployment falls — probably below 7 percent— the Fed will want to

raise rates to head off possible inflation. At that point we make a deal: The government starts cutting back, and the Fed holds off on rate hikes so that cutbacks don't tip the economy back into a slump. But the time for such a deal is at least two years off. The responsible thing, then, is to spend now, while planning to save later.

As Krugman emphasizes, every year that goes by with extremely high unemployment forces many long-term unemployed into a permanent underclass, even as many new graduates are denied a start on their working lives.

Penny-pinching now isn't just cruel; it endangers the nation's future while failing to lighten future debt burden. Krugman implores the hawks: Please get your timing right. Yes, we need to fix our long-run budget problems — but not by refusing to help our economy in its hour of need.

Iraq and Afghanistan 'are making you poor'

HR 5353 is a bill that ought to be enacted right now, but probably won't even get a hearing. Introduced by Florida Rep. Alan Grayson, it's called "The War Is Making You Poor Act." Its purpose, says Grayson, is "to show people in a real and concrete way the cost of these endless wars" in Iraq and Afghanistan.

Grayson points out that next year's budget allocates \$159 billion to perpetuate the occupations of those two countries. Grayson's bill would eliminate the \$159 billion for war and use those billions instead to eliminate income taxes for everybody's first \$35,000 of income — \$70,000 for couples. And there'd be \$15 billion left over to help pay down the national debt.

"The costs of the war have been rendered invisible," Grayson says. "There's no draft. Instead, we take the most vulnerable elements of our population and give them a choice between unemployment and missile fodder...."

Dino Rossi: Wrong, wrong, wrong on the issues

Expect millions of corporate dollars to gush into the campaign war chest of Dino Rossi, recruited by the Republican National Committee to take on Democratic U. S. Senator Patty Murray in this year's election.

The corporate folks know what they're doing. During his six years in the State Senate, Rossi managed only five positive votes in 77 issues, the Washington State Labor Council reports. Delegates to the council's Committee on Political Education (COPE) conference unanimously endorsed Murray for re-election.

Here in brief is Rossi's record on issues of major concern to working people:

• **Unemployed workers:** Rossi voted for changes that cut benefits for workers who lose their jobs through no fault of their own; voted against providing benefits to victims of domestic violence who are forced to quit their jobs to flee their attackers; voted against a retraining bill to assist laid-off Boeing

and other workers; and voted against providing benefits to workers locked out of their jobs.

• **Injured workers:** Rossi voted to cut benefits for victims of job-related hearing loss; voted to repeal the workplace ergonomic safety rule; voted against empowering health care workers to prevent needle-stick injuries; voted to lower state standards protecting workers from second-hand smoke; voted for partial privatization of the workers' comp system; and voted to grant legal immunity to job site contractors who negligently injure workers who are not their employees.

• **Low-income workers:** Rossi voted to freeze the state minimum wage; and voted against increasing home-care workers' wages to an average of \$8.50 an hour.

• **Collective bargaining and union rights:** Rossi voted against granting collective bargaining rights to state employees, four-year college

faculty, and U.W. academic student employees; voted against allowing dues deduction for home-care workers who unionize; and voted against prohibiting public employers from firing or misclassifying employees to avoid providing benefits.

• **Other telltale votes:** Rossi voted against allowing use of sick leave or other paid leave to care for sick family members; voted for the privatization of certain ferry runs; voted against a "pay gap" measure to grant bigger raises to state employees whose pay lags behind that of private sector counterparts; voted against promoting apprenticeship on public workers projects; and voted against a bill to create a "buying pool" to negotiate lower drug prices.

Voting right on labor issues only 6% of the time, Rossi's record "ranks among the worst and most partisan of any legislator during his 1997-2003 tenure in the State Senate," the State Labor Council said.

Alliance 'up and running' in Tacoma, Pierce County

By Bill Johnston

The Tacoma-Pierce County ARA chapter is up and running. The group meets monthly at 11:30 a.m. on the third Thursday at Joesepi's in Tacoma's West End Neighborhood – by the Narrows Bridge, for those unfamiliar with the City of Destiny.

The chapter has elected officers for the year, including Ron Richardson, the retired National Executive Vice President of UNITE-HERE, as chapter president.

The group has organized along a very social agenda. Meetings start with a time to reconnect socially, followed by a buffet lunch, a speaker and then a short business meeting. Committees have been formed. The group will spend the

slow summer months working out committee goals and planning to involve the membership in achieving them.

ARA National President Barbara Easterly is expected to visit in the fall. The chapter plans to organize a meeting for her, possibly with a fund-raising aspect.

Tacoma and Pierce County retirees are invited to call Membership Chair Bill Johnston at (253) 627-6860 — or simply show up at Joesepi's, at North Pearl and North 21st at 11:30 a.m. on the third Thursday. Not only will new members meet interesting union, progressive and involved retirees, but they'll have a great time doing it!

39 hours on a bus for immigration reform

Fifty Washington and Idaho residents rode a bus 39 hours on Memorial Day weekend to join an estimated 50,000 people in Phoenix in a protest against Senate Bill 1070, Arizona's infamous anti-immigrant law.

The 50 from the Northwest peacefully occupied Senator John McCain's Phoenix office until a McCain staffer met with them and promised to try to arrange a face-to-face meeting with the senator.

The delegation joined a massive march to the capitol, rallying for comprehensive immigration reform.

The delegation included members of OneAmerica, Casa Latina, Service Employees Local 775, Washington CAN and Idaho CAN.

Bank of North Dakota unshaken by crisis

By Rap Lewis

Guess which state has the nation's only state-run bank.

Now guess which state is not running a budget deficit despite today's terrible economic climate.

If you guessed North Dakota – Bingo!

Since 1919, the state-owned Bank of North Dakota has faithfully lived up to its mission: To promote the development of agriculture, commerce and industry in North Dakota. To carry out that mission, the bank works cooperatively with other financial institutions to provide the necessary funds.

In the process, Bank of North Dakota makes a profit. In 1945, it

North Dakota Bank: A model for our state?

One of the primary causes of the current deep recession was the unregulated and unscrupulous activities of major financial institutions. Given billions in bailout funds, the big banks are denying the communities the funding they need and are pouring hundreds of millions into executive salaries and bonuses.

That's why Rep. Bob Hasegawa (D, 11th District) has introduced HR 3162 to make Washington the second state, after North Dakota, to charter a state-owned bank.

"A publicly-owned bank would mean we'd have full control of our tax dollars to work for our own communities, not to line out-of-state bankers' pockets," Hasegawa said. "It would mean public accountability and fiscal integrity. It would mean targeted investments in state priorities, such as supporting small business and local projects."

He is working on the bill during the interim and seeking bipartisan support for the 2011 session.

began transferring part of that profit to the state's General Fund. Since then, its capital transfers have become the norm, adding \$500 million to state revenue. As a result, while other states (including Washington) are floundering in debt, North Dakota's state budget is balanced.

And the bank's wholesome lending practices have a good deal to do with the state's unemployment rate, among the lowest in the nation.

The bank has bipartisan support, but North Dakota is a strongly Republican state. Bank of North Dakota is administered by the governor, the attorney general, and the commissioner of agriculture – all Republicans.

The broad range of its financing programs helps to explain its popularity: It provides farm and ranch financing, small business loans, and loan funds for community, rural and regional development.

In 1967, Bank of North Dakota made the nation's first federally-insured student loan. It continues today to provide a variety of loans for students seeking post-secondary education.

The bank was born to address the crisis in North Dakota agriculture in the early 1900s. At that time, grain prices were suppressed by out-of-state grain dealers. Prices of farm supplies soared. So did the interest rates on farm loans. By 1919, state ownership and

control of marketing and credit agencies was widely demanded. The legislature responded by establishing Bank of North Dakota and the North Dakota Mill and Elevator Association. They continue to flourish today.

23 arrested calling for immigration reform

Twenty-three peaceful demonstrators were arrested for blocking traffic in downtown Seattle June 23, to compel attention to the broad national demand for comprehensive immigration reform. The civil disobedience was organized by the Washington Immigration Reform Coalition (WIRC), with whom the Puget Sound Alliance for Retired Americans is affiliated.

The action followed a WIRC Street Fair, featuring local bands and artists, held in front of Seattle's Federal Building and attended by several hundred supporters.

The Seattle demonstration was one of an escalating series of protests held in cities across the U.S., both to focus attention on Arizona's racist profiling law and to press Congress to enact comprehensive federal reform legislation.

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Overheard

"Wall Street owns the country. It is no longer a government of the people, by the people, and for the people, but a government of Wall Street, by Wall Street and for Wall Street."

-- Mary Ellen Lease, Kansas Populist, in a speech in 1890.

Meetings / Events

Council honors Will Parry

1 p.m. Monday, July 19 at Seattle City Hall. Story on page 2.

Summer Membership Meeting

12:30 p.m. to 3 p.m. Thursday, July 22, Central Area Senior Center. Story on page 1.

75th Anniversary of Social Security

1:30 Monday, August 16, Greenwood Senior Center, 525 N 85th St., Seattle. Story on this page.

Seventy-five candles at Social Security gala!

A gala celebration of the 75th Birthday of Social Security, with Senator Patty Murray as featured speaker, will be held at the Greenwood Senior Activity Center, 525 N. 85th Street in Seattle on Monday, August 16, starting at 1:30 p.m.



The event – complete with ceremonial birthday cake – is being co-sponsored by the senior center and the Puget Sound Alliance for Retired Americans.

The Social Security Act was signed into law by President Franklin Delano Roosevelt on August 14, 1935. Throughout the 75 years of its existence, it has been the nation's premier social insurance program, protecting millions of seniors, children and adults with disabilities from poverty.

The anniversary event will be a high point in the broadly-based campaign to expose and defeat efforts by the so-called "Fiscal Responsibility" commission to rob the Social Security trust funds to reduce the federal deficit.

The event will celebrate Social Security as a program for all generations, and will emphasize the need both to safeguard Social Security's current benefits and to strengthen its protections for women, low-income workers and the oldest beneficiaries.

--Bob Herbert in the N.Y. Times

...Americans have died in Iraq and more than 1,000 in Afghanistan, where the Obama administration has chosen to escalate rather than to begin a careful withdrawal. Those two wars, as the Nobel laureate Joseph Stiglitz and his colleague Linda Bilmes have told us, will ultimately cost us more than \$3 trillion.

More than 400...

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