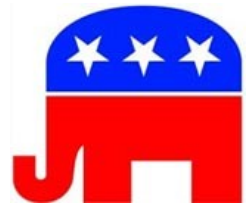


Republicans of River City



Chartered by the California Congress of Republicans

Membership Expires:

THIS IS A FREE MEETING; YOU MAY PAY YOUR DUES AT THE DOOR!

**WE INVITED SOPHIA SCHERMAN, REPUBLICAN CANDIDATE FOR ASSEMBLY DISTRICT 9, TO SPEAK TO REPUBLICANS OF RIVER CITY ON October 18, 2011 at Mimi's Restaurant, located at:
2029 Alta Arden Way
Sacramento, 95825**

The social hour starts at 6:30 PM and the general meeting starts at 7:15 PM.



SOPHIA SCHERMAN, CANDIDATE FOR ASSEMBLY 9, TO SPEAK

By Carl Burton

We have invited Sophia to come to Republicans of River City to speak to us about her campaign for Assembly 9.

State Assembly candidate Sophia Scherman gets things done. It's not about partisan politics with her, or claiming credit. It's about working with people you might disagree with to solve real problems. That's her record, and it's what we need more of in the legislature.

For more than a decade Sophia has been a successful small business owner, employing eleven people locally. She understands first-hand the stifling over-regulation, over-taxation, and out-of-control litigation killing jobs in California. She is running to help make government work with and for small business owners again, so that they can start creating jobs.

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Open Government for Sacramento County

We want transparency in how government operates and how tax dollars are spent.

Using the internet we want to follow the money at all levels of government from local boards to the Board of Supervisors.

In the coming months members of Republicans of River City will review county government web sites to see how they share information with the public and grade them based on the criteria of how fast and easy it is to navigate websites, access information and follow tax dollars.

If you would like to help in this project let us know.

As a leading voice for job creation on the city council, Sophia has worked hard to revitalize a business community hit hard by the downturn. She rolled back fees and took other steps to attract new businesses and jobs to our region. Sophia is a past president of the local Chamber of Commerce.

Sophia was elected to the Elk Grove City Council in 2000 and served as Mayor in 2004 and 2010. Since she was first elected she worked with Democrats and Republicans, liberals and conservatives to help pass balanced budget after balanced budget, while increasing the city's "rainy day" fund. She and her colleagues on the council have been able to do this while keeping taxes low.

While other cities have slashed services and public safety, or run up enormous debts, Sophia's fiscally responsible policies have saved her city from this fate. That's exactly the kind of leadership we need in Sacramento... leaders that can form a consensus to actually get things done.

Sophia and her husband, Lee, have lived in Elk Grove for over 40 happy years. They have one daughter, Lynette, four grandchildren, Lisa, Danielle, Rick and Jovanna and one great grandchild Payton.



THE DEFLATING OF A NATIONAL BUBBLE

by CHRIS ANGLE

As summer turns into fall and the newspapers continue to be filled with stories of national and international economic difficulties, it is difficult to escape the impression that the American economic landscape is being irretrievably altered. While it is tempting to blame Barack Obama and the Democrats (who have not helped matters), much of the continuing economic difficulty can be traced to events and factors that were years, even decades, in the making. The fact that certain policies, such as government pressure to lend to low-income groups that helped to birth the sub-prime mortgage calamity, were started by one Party and carried on under the other Party argue against simple explanations and prescriptions.

To put it bluntly, the United States is in the beginning of a societal transformation that will likely take decades to play out and will change the face of the country permanently. While much is being made of Obama's actions that have moved the national Debt-to-GDP ratio from around 60% to somewhere between 90% and 100%, it should not be forgotten that America was living beyond its means long before he came along. While Obama may have pushed us faster down the road towards national bankruptcy, he did not change the direction we were already heading. As a government and as a people, Americans had been running up debts for a generation or more to finance a certain lifestyle. At best, Americans will spend years paying down debts to get their personal balance sheets in order.

In addition to debt accumulation,

another major factor that has been unsustainable is that the American labor force has (over the course of two generations) gradually shifted into non-economically productive activities. Leaving aside the unemployed and those on some form of extended government assistance, non-economic activities are those which, while necessary at some level, do not directly contribute to the production of goods and economically valuable services. Examples of such activities include government employment, the legal industry, and the finance industry, among others. While the existence of these and other professions is necessary to a certain extent for a smoothly functioning economy, much activity in these sectors does not contribute directly to the real economy. Over time, the growth of the state sector and the capture of government by special interest groups has meant that rules have been changed and/or tax money has been funneled to the politically connected, which has led to growth in unproductive sectors. This government has continued to produce increasing numbers of laws and regulations, leading to increased litigation (largely an economically unproductive activity). Meanwhile, the financial sector, fueled in part by sub-prime lending growing and accounting for a large fraction of profits attributed to American firms by the middle of the first decade of the 21st century. However, as the Soviet Union showed, an economy cannot survive as one big unproductive sector, and so the growth of such sectors eventually becomes inherently unsustainable (i.e. a bubble).

What is ultimately causing this multi-generational bubble to

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OPEN PRIMARY ACT

by Carl Burton

Voter approval of Proposition 14, on June 8, 2010, created the Top-Two Open Primary Act.

Now, under the Top-Two Open Primary Act, all candidates running, regardless of their party preference, will appear on a single combined ballot, and voters can vote for any candidate from any political party. The Top-Two Open Primary Act would not affect the election of President (except parties that allow cross-over voters) and County Central Committees, which are still party specific contests.

The Top-Two Open Primary Act requires that the two candidates for voter-nominated offices who receive the highest and second-highest number of votes cast at the primary appear on the ballot as candidates at the ensuing General Election. (see Elections Code Section 8141.5)

The Top-Two Primary Act changes the way elections are conducted for all statewide offices including:

- Governor, Lt. Governor, Secretary of State, State Treasurer, Attorney General, Insurance

Commissioner, State Board of Equalization, State Assembly, State Senator, U.S. Senator and U.S. House of Representatives.

Voters can vote for any candidate, regardless of party, except for County Central Committee members.

AND: The Act also allows candidates to choose whether they want to disclose their party preference on the ballot. So, if you are running for, say, congress, in a Los Angeles heavily voter registration Democratic district and you are a Republican (no chance to get elected) you can leave the R off the ballot and maybe, get into the top two and maybe, win the general. Don't you just love the unintended consequences of these laws? I know I do.

REPUBLICANS BIGGEST ENEMY? DEMOGRAPHICS

By Carl Burton

In 2010, after losing all eight statewide constitutional offices and a Republican Assembly seat in Sacramento County and failing to defeat any Democrats in the US Congress along with losing the US Senate seat and the State Senate, can we Republicans go any lower?

Between 2000 and 2010, 29 –

fully half – of California's 58 counties saw an increase in their Latino populations of between 40.1 percent and 100 percent. Another 16 gained between 30.1 and 40 percent, and Latinos in seven counties increased between 20.1 and 30 percent. Only Alpine County with only 1,000 residents, actually lost Latinos over the last decade.

The California Department of Finance projects that as early as 2016 Latinos will replace Caucasians as the largest ethnic group. By 2040, Latinos are projected to constitute an absolute majority – 52 percent – of all Californians.

Republicans also no longer have majorities of registered voters in any of the 53 congressional districts, the 40 Senate seats or 80 Assembly seats.

Why? Well one reason might be because, for example, Republican Assemblyman Tim Donnelly keeps introducing anti-educational and anti-immigrant bills.

Republicans, already down to an all-time historic low of only 30.9 percent of registered voters in California, are courting long-term political disaster if we fail to grasp the continuing emergence of the state's minority now majority voting power.

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deflate is both economic and political. The financial bubble started to deflate when the banks started to run out of people to lend to and it began to dawn on them that maybe those loans wouldn't get paid back after all. In the government sector, the growth of 3 generations has reached a point where a now hobbled economy is simply not producing enough tax revenue to sustain it all. In addition, the aging of the population is starting to push up Social Security and health care costs. Both factors are resulting in eye-popping deficit levels, thereby leading to increased pressure for budget cuts, unlike anything we have seen before. Politically, the growth of the government sector (including lucrative pensions and benefits for government employees) was tolerated when it

seemed as if most people were doing well. However, a now despairing middle class, long cynical about the cost and quality of government sector, is becoming less willing to accept paying for people who they feel are not giving them much in return. The result is that future government employees will likely end up with salaries and benefits more in line with the middle class, and subsidies to this industry or that group will not be as easily forthcoming as in the past.

In summary, Americans can look forward to a long transition period in which unsustainable elements of the recent American experience will be modified and put on a more sustainable path. The political fights will be bitter as the politically connected attempt to hang on to their privileges. Many of the institutions and structures that were put in place

in the aftermath of the Great Depression are outdated, and some are likely to look very different years from now. In addition, the changing structure of the American economy means that many people will find their economic life path irretrievably altered, as jobs and career paths that they thought were secure turn out not to be so. Add to this the fact that many Americans are still paying off personal debts that they have run up, and America is likely in for a long and painful period of economic restructuring. When bubbles have deflated historically, the aftermath is often not pretty. This time will be no exception.



MEMBERSHIP APPLICATION

Your membership in Republicans of River City provides you a monthly newsletter, speakers, and an outstanding opportunity to meet your elected officials and California's finest political strategists. River City is also a great way to network and make new friends.

I am a registered Republican and would like to join Republicans of River City.

Name _____

Spouse _____

Address _____

City _____ Zip _____

Occupation _____

Home Phone _____ Work Phone _____

E-Mail: _____

Yearly Membership: _____

_____ Regular Membership: enclosed is my check for \$25
(Young Professionals 18-25 \$15 per person)

_____ Couples Membership: enclosed is our check for \$40

Signature _____

Date _____

Mail check to: **Republicans of River City**
P. O. Box 1776,
Carmichael, CA 95609-1776