



Deja Vu All Over Again

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New World Order

1950s

- Post-WWII America dominates international community
- Unprecedented economic boom
- Cultural symbol: grey flannel suit conformity
- Unaddressed issues: economic disparity, communism

1990s

- Post-Soviet America dominates international community
- Unprecedented economic boom
- Cultural symbol: dot com exuberance
- Unaddressed issues: cultural disparity, terrorism

Close Election

1960



- Ballot-stuffing in Chicago under Mayor Daley machine
- Catholic Kennedy
- Defeated sitting VP
- Young and inexperienced

2000



- Hanging chads in Miami under Governor Jeb Bush administration
- Born-again Bush
- Defeated sitting VP
- Young and inexperienced

National Tragedy

1963



- National cohesion, followed by debate
- Bold action by president: Johnson's War on Poverty
- Muted political opposition

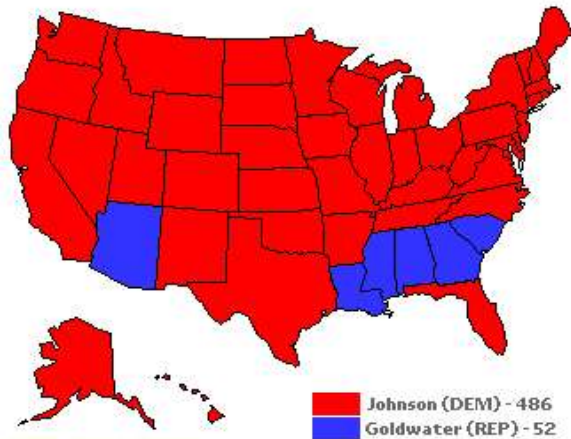
2001



- National cohesion, followed by debate
- Bold action by president: Bush's invasion of Afghanistan
- Muted political opposition

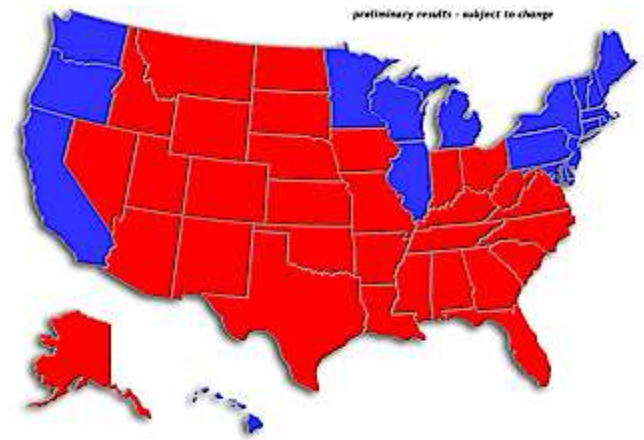
Mandate Election

1964



- Republicans move right
- Democrats strongly control Congress

2004



- Democrats move left
- Republicans strongly control Congress

Spending the Mandate

1965

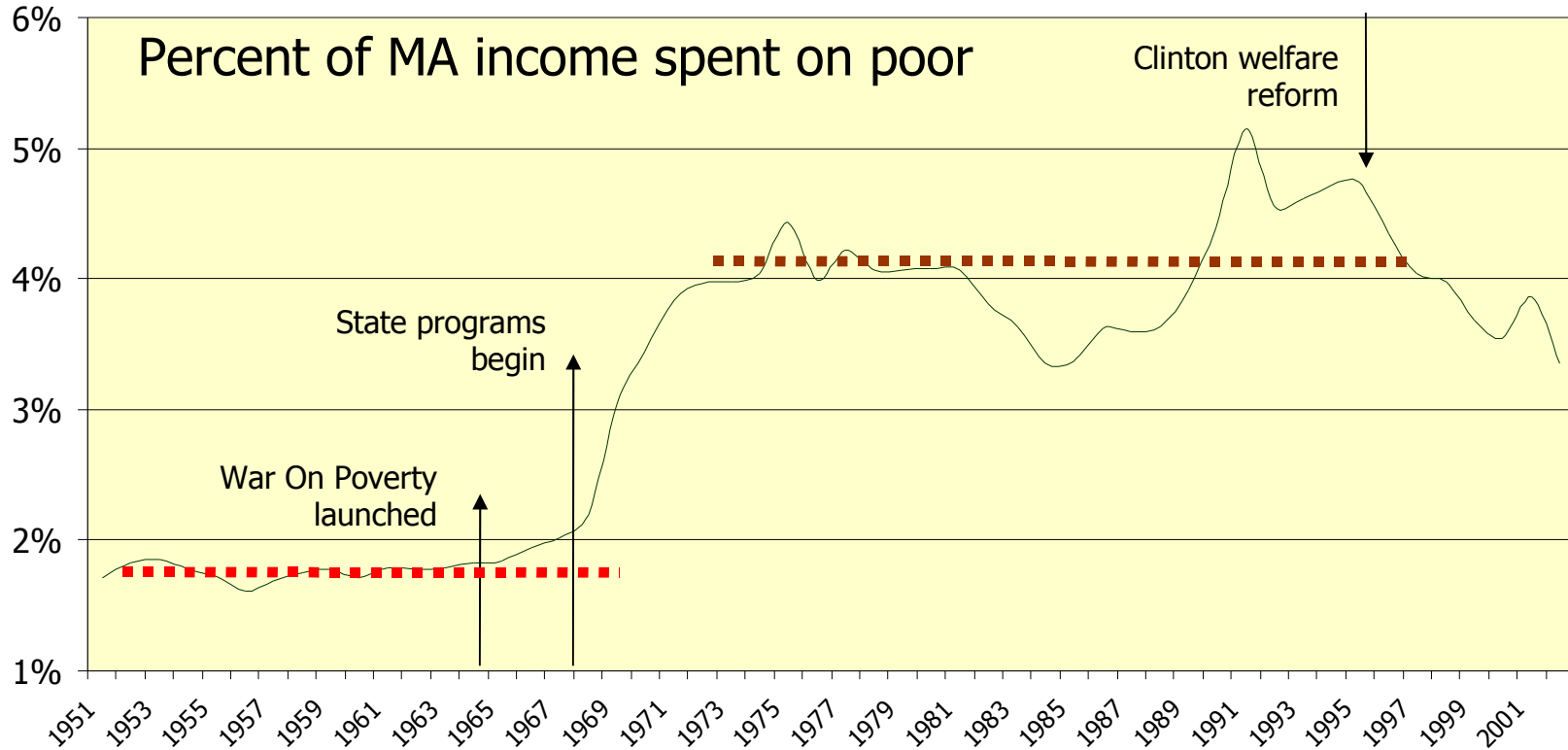
- Medicare, Medicaid established
- Social engineering: Head Start, legal aid, family planning, etc.
- Backdrop to decade of social turmoil
 - Race relations
 - Sexual revolution
 - Generational conflict
 - Drug, alternative culture

2005

- Safety net redefined?
Medicaid de-mandated?
- Social re-engineering?

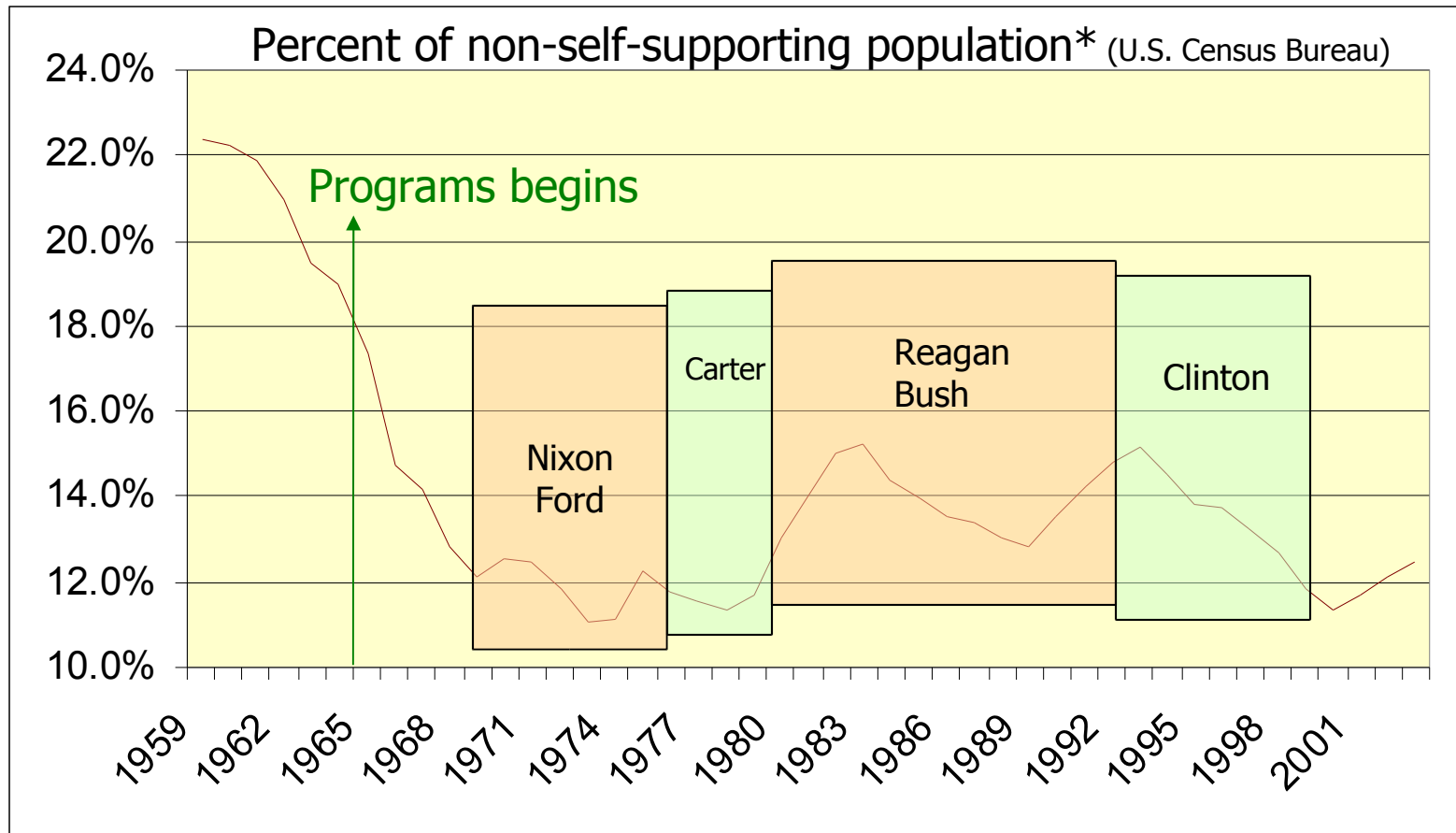
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Impact of 1964 Mandate



Source: US Census, Annual Survey of State Government Finances

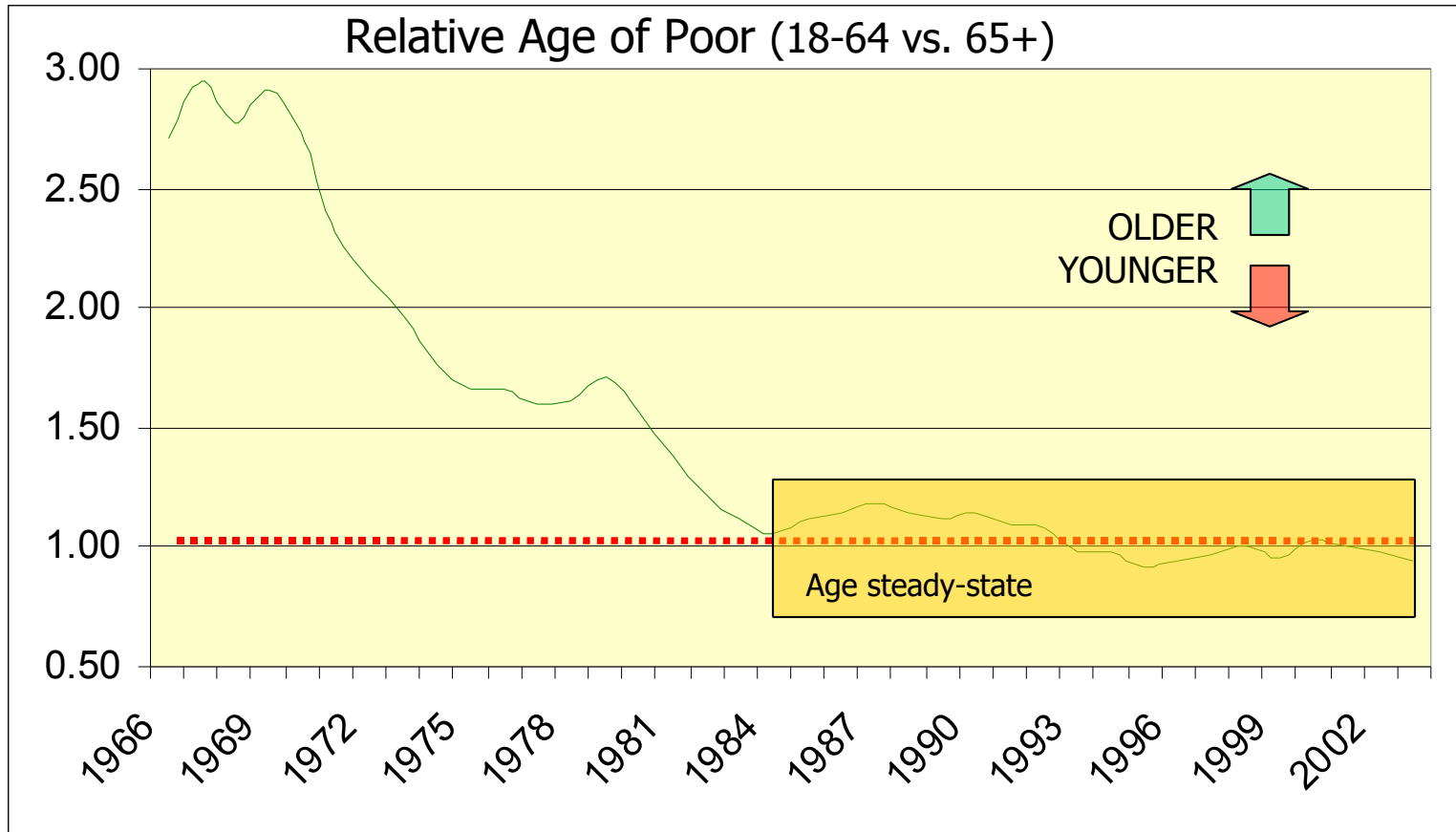
Initial Success Bogs Down



Based on 100% of federal poverty level definition, US averages (revised 1967 & 1981)

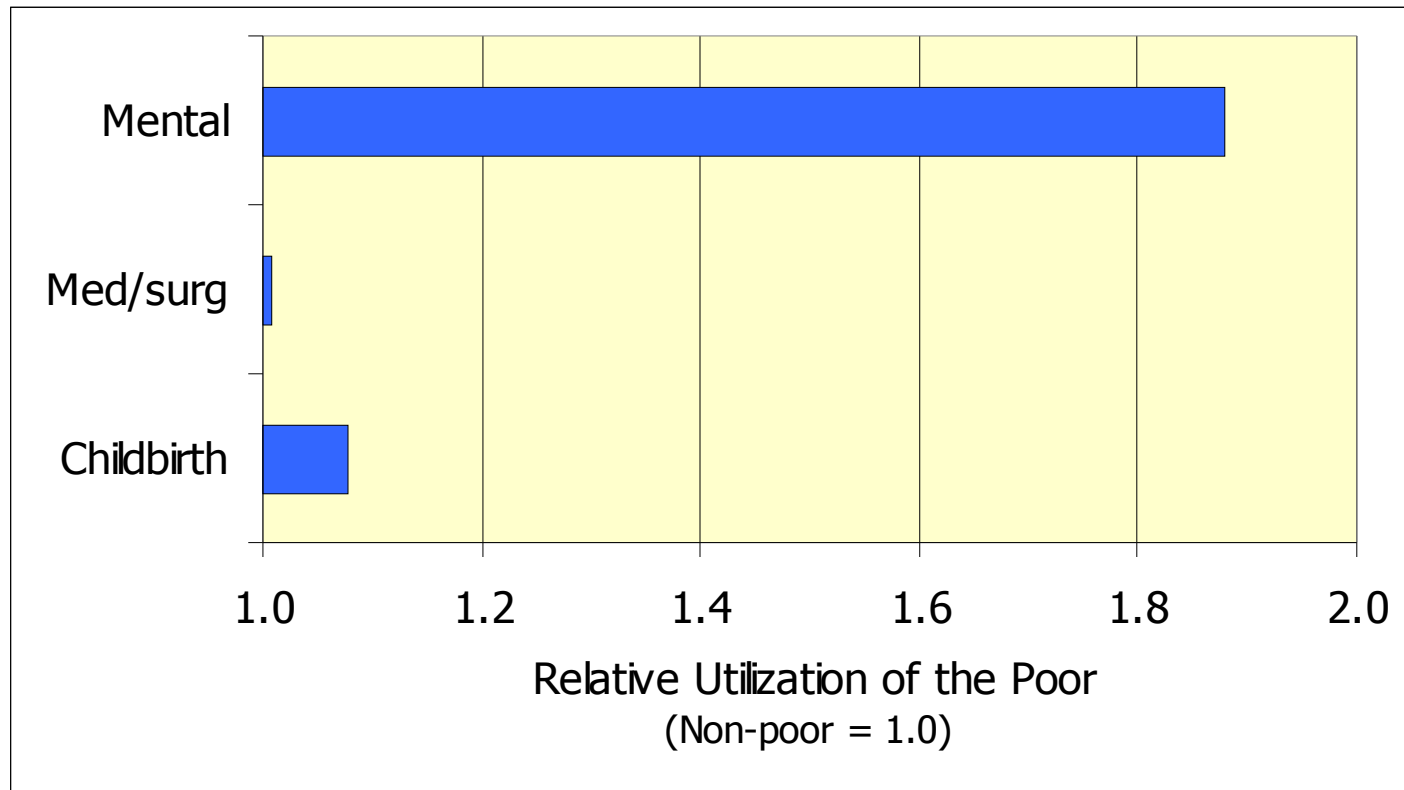
* Excludes value of non-cash government benefits

But Elderly Better Off



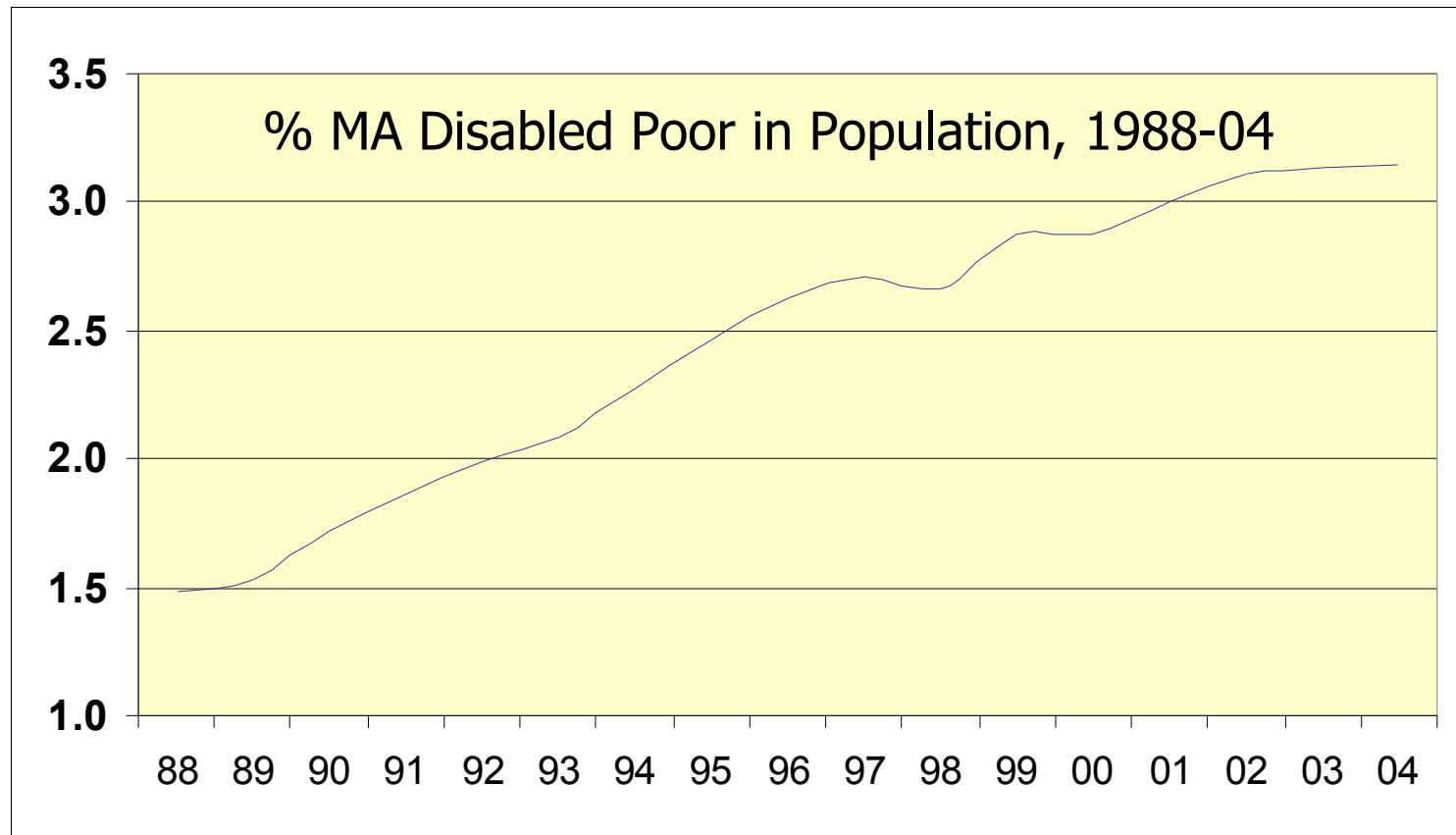
U.S. Census Bureau data, US averages

Mental Health Lags



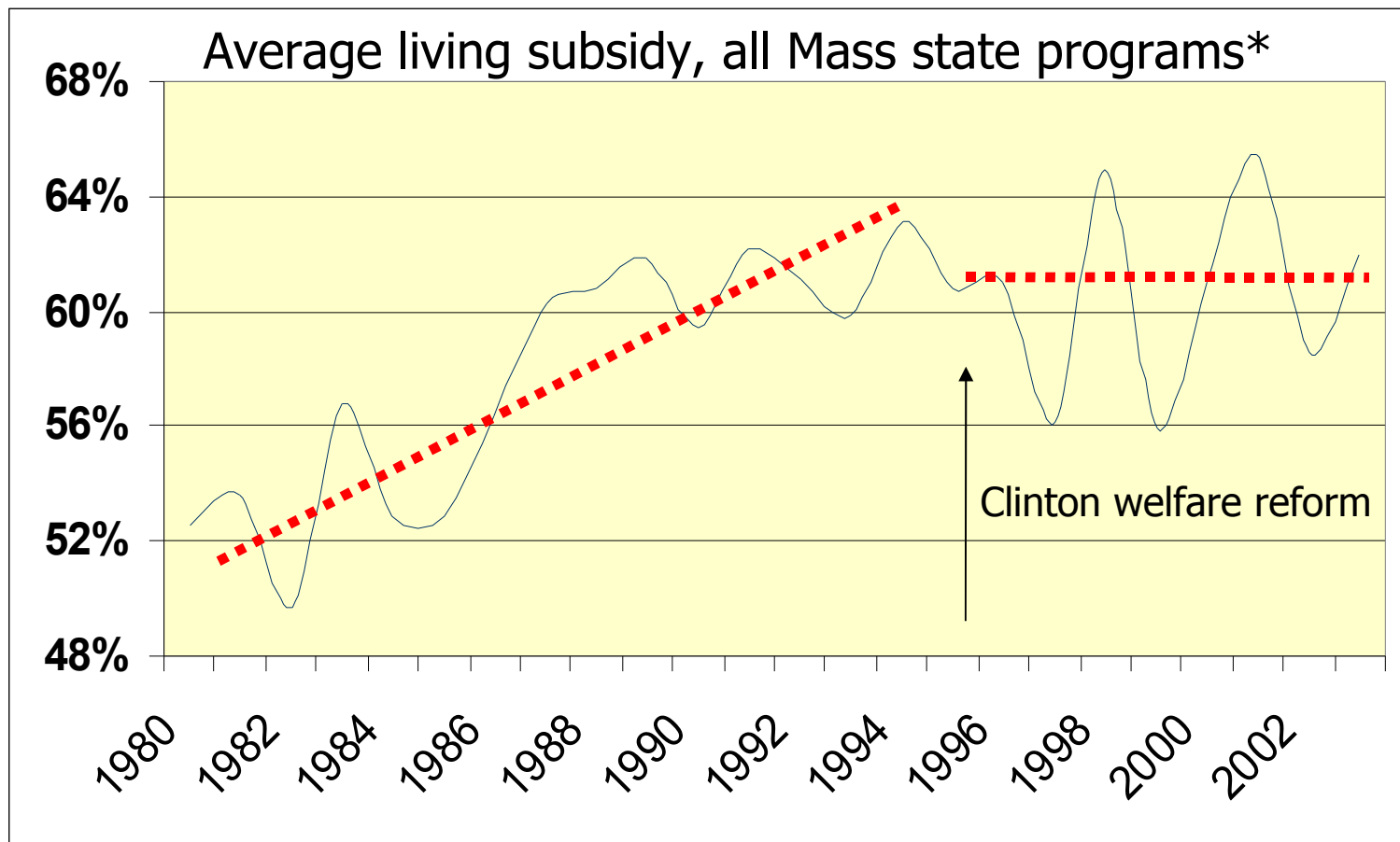
Based on 1999 study of 452,270 Massachusetts hospital stays, EOHHS; mental category includes substance abuse DRGs

Disabilities Explode



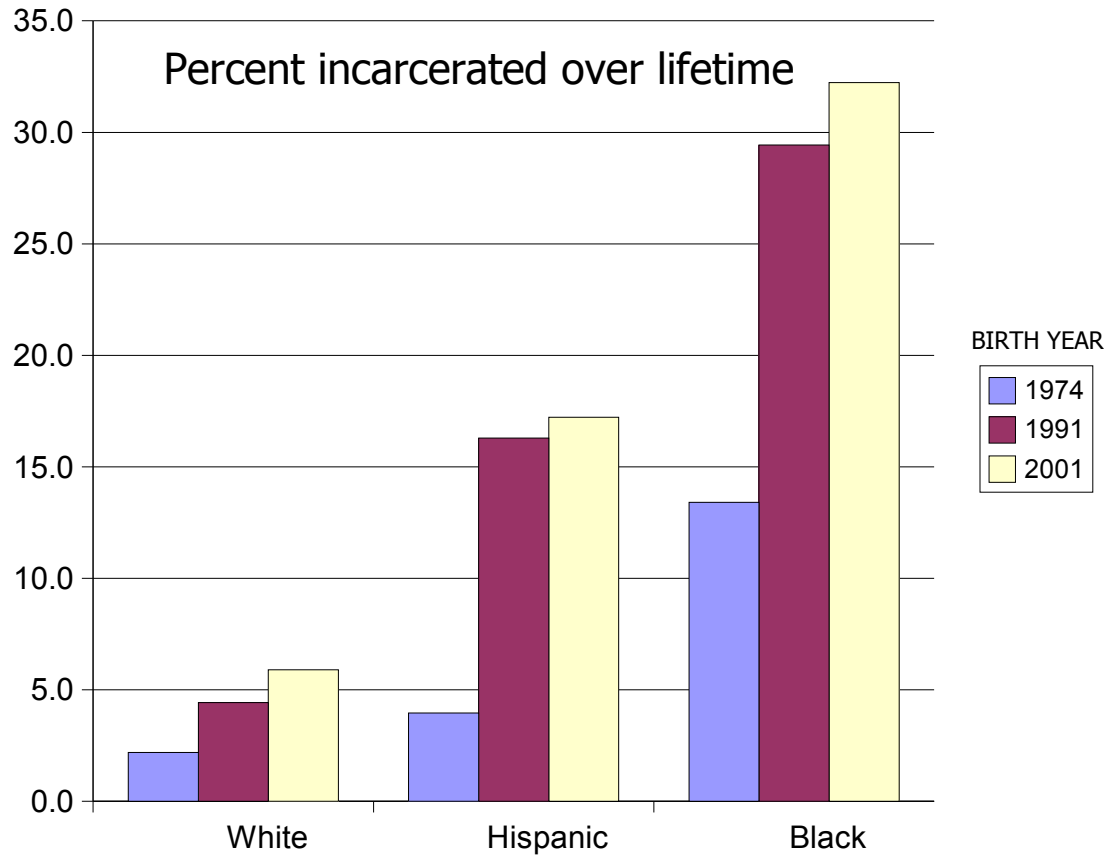
Based on disabled Medicaid caseload, HHS, federal definition (most restrictive)

Dependency Grows



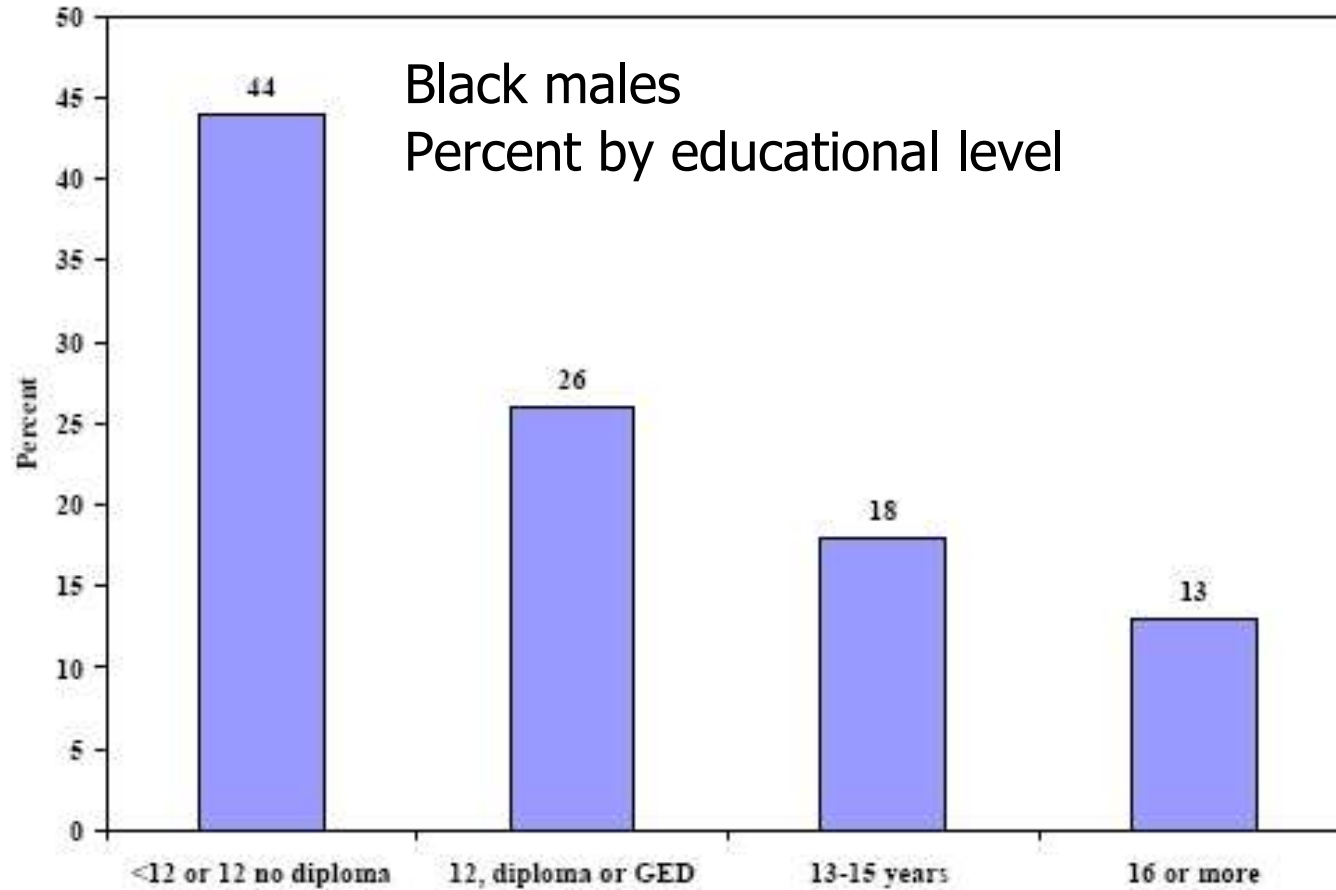
U.S. Census data; *excludes federal non-cash benefits administered by state

Male Prison Population



Source: Bureau of Justice Statistics, estimates based on current incarceration rates, U.S.

Year-round Idleness



2004 Northeastern University study (Sum, et.al.)

Conclusion

When you come to a fork in the road, take it.

-- Yogi Berra

