

What Do You Really Want To Be When You Grow Up?

Do you remember when you were a young child and adults would ask you what you wanted to be when you grew up? I can remember telling them I wanted to be a pitcher for the New York Yankees, a cowboy, a fireman driving those big red fire trucks AND manage a TV station, like my dad.

About the time I got to the third grade these adults started telling me I couldn't be all those things and I needed to decide on one thing...as if an 8 year old could possibly know such things.

Now I'm 35ish and still don't know. But I think the question is relevant today. We, as a state, as counties and cities need to think seriously about what we want to be when we grow up.

To better understand where we want to go perhaps it would be instructive to reflect on our history as well as examining where we are today.

The Lords Proprietors, 8 men who were given this land by King Charles, wanted to encourage settlement in Carolina. While our state had a few wealthy plantations and large landowners, we were largely settled by freemen, people who had formerly been indentured servants or who were largely poor and came here for the promise of free land and a chance for a better life.

Our early economy was centered on agriculture, largely cotton and tobacco, wood and naval stores, and fishing. As land played out and more people began settling in the Piedmont, than in the western parts of our state.

North Carolinians have always been an independent bunch. In 1771 we rebelled when the Royal Crown Governor insisted taxes be paid in currency rather than produce to pay for Tryon Palace. In October 1774, 31 ladies in Edenton protested new taxes and staged the Edenton Tea Party. The Mecklenburg Declaration of Independence in May of 1775 was the first formal document declaring a separation from England, followed shortly thereafter by The Halifax Resolves in April of 1776. After the Revolution, North Carolina held up the ratification of the Constitution until a Bill of Rights was added and we refused to secede from the Union, even though our neighboring states had done so. It wasn't until President Lincoln declared a conscription of troops for the union that we did so. Our citizens didn't want to fight their relatives and neighbors in other states but history shows we lost more men than any other state in the nation. But we've always been independent.

Following the Civil War, during Reconstruction, North Carolina was governed solidly by Republicans. We developed what was called a Fusionist government, made up of Blacks, carpetbaggers and some native whites that ran the state. That changed following the Wilmington Riots of 1898 when Democrats, using violent tactics and

intimidation, took control. The Democrats ruled our state for a century, from 1900 until 2010.

Agriculture was still the primary contributor to our economy and any number of small towns popped up for farmers to take their crops to market. They could purchase supplies, deal with government, banking and other services. In the mid to late 1800s we saw an influx of entrepreneurs, largely from the North, open factories, generally along rivers and streams. Rail transportation was built to help transport farm commodities and finished goods to other parts of the country. While a few had some size our state was largely dotted with small towns and cities.

As one who has covered North Carolina politics and public affairs since the early 1960s I have watched the pendulum swing in many areas. When I first started covering politics 75% of voters were registered Democrats. There were no Republican primary elections because there were so few Republicans. Back then, if you were a Democrat you were a conservative.

When President Lyndon Johnson championed the passage of the Civil Rights and Voting Rights Acts he accurately predicted that he had just handed the South to the Republicans for the next generation.

In North Carolina that change was slow to surface. We increasingly voted for Republicans on the national level, because the top of the Democratic ticket became increasingly liberal. Jimmy Carter was the last Democrat the majority of North Carolinians voted for until 2008 and Barack Obama. But Democrats still had a firm hold on state government.

That all changed in 2010. Some credit that change to the increasing domination of the Democratic Party by women, minorities and unions, while others believe it came about because Republicans began running more credible candidates. There is truth in both statements, but I believe that Republican control of all three branches of state government can be largely ascribed to Democrats.

Whereas Democrats under governors like Kerr Scott, Terry Sanford and Jim Hunt had progressive agendas with clearly defined goals, the leaders who followed didn't. This was especially true in our legislature, which clearly has the balance of power in our state. Democratic legislative leaders grew progressively timid, nibbling around the edges of big problems rather than proposing bold solutions. Meanwhile, the size and cost of state government grew increasingly larger.

As North Carolina continued to see an influx of transplants from other states, especially from the Northeast, Republican voter registration swelled, at one point reaching 36%. Democrats became alarmed and made what I believe was a fatal mistake. For years Republicans understood that to have any chance to win elections they had to allow Independent and unaffiliated voters to vote Republican ballots in primary elections. Democrats, however, would not let you vote a Democratic primary ballot unless you were registered as a Democrat. As more Republicans began being elected the

state Democratic Party decided to allow unaffiliated voters the option of choosing a Democratic ballot in primary elections. Suddenly there was no reason to register for either party and unaffiliated voter registrations exploded in numbers.

Republicans had a compelling narrative. They told the voters that Democrats had lost their way and didn't have solutions to our problems. They claimed Democrats were spending far too much, government had grown too large and state leaders had been heavy handed and excessive in their control. Republicans promised smaller government, lower taxes, fewer entitlements, less government interference and regulation. Voters elected Republican majorities in the legislature in 2010, followed by a Republican governor in 2012. The GOP-run legislature now has veto-proof majorities. Today the state Democratic Party is pretty much a train wreck, struggling to find effective messages that connect with voters and recruit electable candidates.

We've seen other changes. Much more of the legislature's business is done behind closed doors instead of holding public hearings and debates. We now have decision making by caucus, again behind closed doors, and legislators either vote with the caucus or they don't get legislation passed or choice committee assignments. The legislative atmosphere is more partisan and less collegial than when I served as Harlan Boyles Chief Deputy back in the early 90s. Republicans and Democrats are barely civil to one another and there's much less working with the other party to get laws passed.

And while on the subject of change, perhaps the biggest change has come in the media world. People laughed when Ted Turner started the Cable News Network back in 1980. Following Watergate the news business changed from reporting the who, what, when, where and how in the news to more investigative reporting. The publisher of the News and Observer recently retired and observed that when he took over the N&O had more than 1200 employees. Now their staff is about 350. TV news has a mantra that if it bleeds, it leads. Look at the first 10 minutes of a local newscast and what you see is rapes, robberies, murders and crimes. At the same time we see touchy-feely stories written so as to tug on our heartstrings. Cable networks are filled with highly partisan, ad-nauseum talk shows and viewers call self-select the news they want based on their political leanings.

And don't get me started on subjects like all those inane, staged-for-TV political debates that are essentially worthless, the incessant polling or the independent expenditure groups of people we can't identify who are trying to buy our elections.

That's why I started NC SPIN in 1998. I worried about the lack of coverage of important issues as well as the absence of balance in the reporting that was provided. I believe people deserve to hear in-depth and civil discussion on more than one side of an issue. We are an independent production because I don't want any corporation or political entity telling me who I can have on the show or what they can talk about. We try very hard to live up to our promise of Balanced Debate for the Old North State.

The post-World War II Baby Boomers have given way to Generation X and Y and this new group called Millennials, who now make up the second largest segment of our culture. They think and look at the world quite differently. They don't join churches or civic groups. They don't read newspapers, watch TV or even cable for their news, instead depending on Social Media, the Internet and blogs filled with sites where anyone can say anything about anyone. Bob Schieffer told me in an interview he is greatly troubled by this trend because much of what you read in social media and the Internet is not vetted and much of it isn't factual.

Political pundits call us a reddish-purple state...leaning Republican red. That's very interesting considering our current voter registration numbers. 40.5% of the 6.5 million registered voters are registered Democrats. 30.5% are registered Republican. But the fastest growing group of voters don't identify with either party. Unaffiliated registrations now amount to 28.5% of voters. The more urban metropolitan areas, like Charlotte, Raleigh, Greensboro, Winston-Salem and Durham have municipal governments led by Democratic majorities, while Republicans control a plurality of county governments, especially in the east and western parts of the state. Simultaneously, the balance of power has shifted. Until recently, the governor and/or the leadership in the General Assembly have come largely from the eastern part of our state. That's no longer the case. If you can win in one-third of our 100 counties, the most populous counties, you can win any statewide election. Redistricting has to reflect the population, so rural areas have much less political influence.

So where are we? Republican leadership has followed through on their promises with sweeping reforms in state government, reining in the size and cost of government. In lieu of budget deficits that resulted from the recession there is a surplus in the state treasury. They have cut taxes, especially to corporations and high-income wage earners.

Having been out of power for a century they seized control with fervor. Along with things they promised in gaining control, Republicans adopted a strong social agenda as far-reaching and divisive as their fiscal controls. Having complained about Democrats partisan redistricting for decades the Republicans made gerrymandering into an art form. Lawsuits ensued and a three judge federal panel ruled that the Congressional Districts were unconstitutional. Just last week another three judge federal panel had hearings about legislative districts and most of those I've talked with believe at least three of them will be overturned.

The courts have become a larger force in public policy. Remember that Republicans passed anti-abortion legislation, much of which was struck down by the court. The U.S. Supreme Court overturned a marriage amendment to our Constitution. It was followed by legislation to allow magistrates to refuse to marry gay couples, but this was also defeated. And we don't have final verdicts on election law changes passed in 2013.

The latest kerfuffle is over HB2, the so-called “bathroom bill,” which I strongly suspect you wouldn’t let me leave without talking about. Throughout our history we’ve had controversies surrounding bathrooms. I remember when there were separate bathrooms for different races. Until the last few decades we had more outhouses than any state in the nation and I am convinced one of the reasons why so many of them disappeared was because Sears and Roebuck stopped publishing their catalogues. Are we about to see halls lined with porta-potties?

Here’s my take on the whole issue. Charlotte debated this anti-discrimination ordinance for many months before a city Council with more Democrats than Republicans decided to attach the requirement about transgendered bathrooms. They knew it would be controversial and deliberately set an effective date of April 1, knowing our legislature was due to begin the so-called short session April 25th. Whether deliberate or not they effectively baited the Republican legislature and the Republicans took the bait, hook, line and sinker.

I am steadfastly convinced there are national partisan groups on both sides stirring the pot on HB2, pandering to their bases and hoping to activate them to vote on November 8th.

Governor Pat McCrory wouldn’t call the legislature into special session to deal with the issues, suggesting they wait for Charlotte’s ordinance to become effective, acting only after seeing its impact. The legislature refused, called a one-day special session and hastily passed HB2. Did they know the repercussions their actions would create or just not care?

They don’t have to care. 90 percent of the legislators who voted for HB2 either face no opponent this fall or come from districts so gerrymandered they won their last elections by more than 10 percentage points. 42 percent of all legislative candidates are running unopposed this fall. Since 1992, nearly half of all legislative races had just one candidate on the ballot in the General Election. If you ever needed proof why we need redistricting reform this should provide it and I strongly suggest you get involved in this reform effort, regardless of your party affiliation. Unfortunately, the inmates are running the asylum and they don’t want to lose control.

There are three primary parts to HB2. I think lawmakers were on pretty solid ground on two of them. North Carolina is not a “home rule” state. As most of you know all too well, local governments are the creation of and under the control by the state. The legislature has the constitutional authority and prerogative to overturn any ordinance established by any local government. Agree or disagree with their actions but legislators were well within their authority to overturn Charlotte’s bathroom ordinance. They were similarly justified in overturning local government attempts to raise minimum wage levels in their municipalities above the state proscribed level.

This legislature has become increasingly meddlesome in the affairs of local governments. We’ve always believed that government functions best when decisions are

made at the closest level to the people but this bunch obviously doesn't, as demonstrated by the action to reform the Asheville Water System, Charlotte Douglas airport, the City of Greensboro's municipal elections and Wake County's school board.

Back to HB2. I think lawmakers outran their headlights in denying EEO and discrimination lawsuits from being filed in state courts, a deliberate attempt to eliminate or greatly curtail the numbers of these suits. Most folks have neither the money nor the patience to pursue them in the lengthy proceedings in federal courts.

I spoke last week to a gathering of venture capitalists from all over the U.S. and I can tell you they have adopted a "wait and see" attitude about more funding in our state.

How do Republican leaders extricate this big, sharp fishhook they swallowed? Governor McCrory's Executive Order 92 was an acknowledgement of the damage done. It allows the private sector and local governments to establish employment, bathroom and locker room policies as each sees fit and expands North Carolina's employment policy to include sexual orientation and gender identity. McCrory will also urge the legislature to rescind the provision refusing discrimination cases in state courts.

My sources tell me that the legislature, especially the State Senate, isn't likely to repeal this bill and may not even rescind the provision regarding discrimination lawsuits in state courts.

Sadly, the controversy has certainly received negative press and it has distracted us from real issues on which we need to put the magnifying glass and resolve.

Let's take a macro view of North Carolina today. Our state suffered more than most states from The Great Recession and quickly went from having an unemployment rate below the national average to one much above that average, due largely to our dependence on tobacco, textile and furniture manufacturing.

But there are positive signs. Since June 2013, North Carolina employers have added some 252,000 net new jobs. That's an increase of 6.2 percent, a rate significantly higher than the national average of 5.1 percent. During this same period our state Gross Domestic Product has grown by an inflation-adjusted 3.2 percent, higher than the national average of 2.5 percent and 2.4 percent in the Southeastern U.S. Per person income has risen 3.6 percent, compared to 3.4 percent nationally and 3.3 percent in the Southeast.

North Carolina is seeing 100,000 people move here each year. We are now the 9th largest state with some 9.3 million residents and those people are moving to either the urban areas or to resort and retirement communities.

The very nature of work today is changing before our eyes. I was fascinated by the discussions at the recent Emerging Issues Forum in February. Author and futurist Martin Ford reported on what is being called the jobless recovery. He said that in 1998 the number of work-hours of labor in the U.S. was 194 billion hours. By 2013, business output had risen 42 percent, the population had grown by 40 percent, yet the number of

work-hours remained static at 194 billion hours due to increased productivity and improved technology.

Whereas we previously employed automation and machines to perform routine tasks, today's robotics possess cognitive reasoning to sort through data, come to conclusions and even manufacture products. In 1979, the peak employment of the auto industry, there were 840,000 autoworkers and the industry generated \$11 billion in earnings. In 2012, Google employed 38,000 workers and reported \$14 billion in earnings. Tomorrow's economy will look more like Google than the automotive industry.

The recovery required six years for America to regain the same employment numbers we had prior to recession and those new jobs were generally of lower quality and incomes. Prior to 1970, productivity increases and compensation tracked closely on a graph; since then compensation has remained static to declining as productivity increased rapidly, the result of downsizing, budget cuts and new technologies. This is an unsustainable trend. Machines do not consume, don't need pay increases, don't go on vacation, don't get tired and get hurt on the job.

NC State Economist Mike Walden told the group that there is a 70 percent likelihood that 49 percent of our current jobs in North Carolina won't even exist in a decade or two.

100 years ago two-thirds of our workforce was employed on the farm. We moved from the farm to manufacturing and are transitioning to service sector jobs, positions that typically pay less and exacerbate the decline of the middle class. Technology and machines are invading knowledge-based, middle-income jobs such as accounting, human resource specialists, market research analysts and the professions. But there are some sectors that technology won't replace, like household management, organization management, repair and maintenance of technology equipment, data management and analysis, age-related assistance, social interactive jobs and education retraining.

He said we must rethink the structure, content and delivery of education at all levels. Equipping and retraining our workforce will force new approaches to assistance and unemployment programs.

Again, what you do and how much you earn depends on where you live. A recent Economic Snapshot by the NC Budget and Tax Center looked at county-by-county data. Those living in urban and exurban areas are enjoying the improved economy, while those in rural counties struggle. 17.2 percent of our population has an income below the poverty level. **Sixty-three** counties, many in the rural east and far west, had higher poverty rates than that average, ranging from a low of 9.7 percent in Camden County to 33.1 percent in Robeson.

We've witnessed the exodus of people and industry from rural communities for decades and have been talking about what to do about it. I believe the NC Tomorrow

Report that you released last year does a very good job of outlining the problems and if you haven't read it I encourage you to do so.

Please allow me to offer several observations.

On the subject of rural problems I must say there's no magic bullet to fix them. I once served on the state Economic Development Board and the DOT Board, representing a rural area. I begged developers to bring industry to our area and they responded they couldn't force an industry to locate where they didn't want to go. I pleaded with DOT to put roads in our area but DOT engineers were just as emphatic they had to build roads where the traffic was.

Don't expect government, either at the federal or state level to come up with the answers. They don't have them, but neither do they have the funds or the political will to solve them. The answers won't come from outside but must come from within the community, county or region. By the way, lest you think just rural areas have problems let me say that urban areas and shoulder counties also face big problems, just problems of a different sort.

In the time remaining let me share some thoughts on North Carolina's future.

First, each community needs some honest and realistic evaluation of strengths, weaknesses, opportunities and threats. You might not be a candidate for a 500-job plant but you do have assets, things you can do better than most anyone and a niche you can exploit. You need to spend time deciding what those things are and developing a strategy for accomplishing those goals.

Important in this evaluation is leadership. I love this state but in too many areas in our state leadership is lacking. We need to give serious work to how to encourage, grow and support leaders.

Here's an example. We just passed a 2 billion dollar public infrastructure bond package but I can tell you that plenty of people were worried about its passage. In the past leaders like Bill Friday, John Medlin with Wachovia, John Allison from BB&T, Ed Crutchfield with the Old First Union and Phil Kirk, when he was head of what is now The North Carolina Chamber of Commerce would take the leadership. When the supporters of the Connect NC campaign got together they looked around and saw we don't have that level of leadership in our state anymore. If we are going to get to where we want to go we've got to have new leaders with vision, conviction and the willingness to work for the betterment of our state to emerge and lead us.

Here's an example of leadership. Back in the 1970s, Burroughs Wellcome wanted to build a manufacturing facility to accompany the research they were doing at RTP. They went to one community and were quickly told that community didn't have the water capacity they needed. Leaders in Greenville got wind of the search and told Burroughs Wellcome that Greenville didn't have the water supply either, but pledged if they built the pill plant in Greenville the water supply would be ready when they

opened. Greenville leaders went out and sold bonds in a nonprofit corporation to expand their water supply, repaid from the revenues they received from the water they sold.

We have to reform public education. We get so wrapped around the axles debating topics like teacher pay, testing, the Common Core, charter schools, dropout rates and grading systems, among other issues, that we have lost sight of the fact we are failing to provide too many kids the sound basic education our constitution mandates...the very kids we are depending on for our future. I'm not saying these issues aren't important but they often cover over the bigger picture of accountability.

Another example. Mooresville is a bedroom community of Charlotte. Their schools were what you would call mediocre and had a very high percentage of free and reduced lunch students, meaning they weren't filled with kids from higher socioeconomic homes. But the parents of the Mooresville Graded School District came together and decided they didn't want to be mediocre. They went to Virginia and hired a Superintendent, charging him with making theirs the best schools in the state. One of the first things he told them was that they couldn't expect to turn out kids who performed well in today's information age just by doing what they had always done. He wanted every kid in their system above third grade to have their own laptop computer to take home and he abandoned textbooks and converted to an electronic curriculum. The school board said they didn't have the money for laptops but the parents came together and purchased the computers. He spent one whole summer teaching the teachers, many of whom didn't know how to use computers, didn't use the Internet and didn't understand how to use the new technology. Mooresville now scores among the top districts in our state and one of the magnets attracting young people to move to Mooresville is a school system that promises that their kids will get a great education. Get involved in your schools, find out what they need and help them get it. Educators love to work in supportive schools and communities.

If you really want your community to be the place where people want to live you have to provide the infrastructure and amenities people want. We're talking cleaning and renovating up empty storefronts, abandoned big box stores and factories. Street repairs, law enforcement and public safety, public parks, walking and bike trails and water systems must be put in good condition and housing must be available....affordable housing for young families. Your churches, civic clubs and local chambers need to regularly schedule family friendly events for people to gather, get to know one another and enjoy the life they find only in your town.

And you can put yourself on the map as a place where entrepreneurs are not only welcomed but they get the resources they need to start and grow businesses. 7 out of every 10 new jobs are created by small businesses. What about buying up some of these vacant stores and offering them to start-up companies rent free for five years? How about free or reduced taxes? Work to make sure regulations aren't stumbling blocks and

offer experienced mentors help them. And the community itself needs to encourage and support them.

Over half our counties have a community college and the rest are within easy access. Our 58 community colleges are among the biggest assets in our state. Put them to work with you identifying training or retraining for jobs. They can help your entrepreneurs grow and existing businesses expand. You will find them willing and eager partners.

And one of the biggest issues today is healthcare. 2 out of every 3 adults and 1 out of 3 children are overweight or obese. Chronic diseases like high blood pressure, heart disease and run rampant, especially in rural areas. Too many small towns and rural counties don't have doctors, dentists, nurses and clinics. What can you do? How about offering to help a young doctor pay off his or her student loans if they will locate and stay in your community? We incentivize businesses why not healthcare professionals. Many might discover they like the quality of life and stay where they are appreciated and supported. Recruit some of the regional hospitals to provide free screening for your people to identify and prevent problems. Sponsor town wide walks, bicycle events or other outdoor activities to help your residents get healthier.

And by all means encourage farmers markets with local produce your farmers can sell. Encourage farm to table restaurants in one of your vacant buildings.

A final illustration. Back in the 1940s, North Carolina had one of the worst records of health of any state. 41 percent of white men and 61 percent of black men drafted for World War II failed their physical examination. We had a TB epidemic, we were 41st in the nation in infant deaths, we had a doctor shortage and hospital bed shortage. Governor Mel Broughton recognized this health crisis and convened people from all 100 counties. They started what became known as The Good Health Plan and recruited Big Band Leader Kay Kyzer, originally from Rocky Mount to lead it. Kyzer went to work on a major education plan to make people aware of our problems. He enlisted his friends Frank Sinatra and Dinah Shore to record a song he wrote just for North Carolina called *It's All Up to You*. If we were to be a healthier state the lyrics said it was up to each one of our citizens to make it so. That message is the same today.

All of this leads back to my opening question: What do you REALLY want to be when you grow up? I'm not asking what you hope your community will be or what you say you want it to be. If we REALLY want change I want to ask what are you willing to do to make it so?

If we want a better North Carolina, It's All Up to You.