

# the Variable

CIRULI ASSOCIATES  
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## Ins and Outs 2005



2004 was a year of fierce politics and agonized voter decision. The close national division prevalent in the 2000 presidential election intensified, but ended with a

clear win for President Bush and his red-state team. Bush's victory, along with the strengthened Republican grip on the national government at a time of war and public debate over values, spurred depression and soul-searching among liberals and Democrats.

Just a year earlier, at the beginning of 2004, the anti-war liberal wing of the Democratic Party was singing an optimistic note. Democrat Howard Dean was the presidential front-runner in January 2004. But after several stumbles and the infamous scream, the party chose as their candidate a U.S. Senate veteran with a Vietnam War record. But, in the end, the war on terror, and Bush's conservative values, comfortable demeanor and superb campaign beat the Democrats soundly, if not overwhelmingly. (Surprisingly, Dean now serves as the Democratic national chairman.)

Across the nation, Republicans fared well. One exception was Colorado. A surge of new independent votes helped Democrats make historic gains by capturing the open U.S. Senate and Congressional seats, and both houses of the State Legislature for the first time in more than four decades.

After all the votes were counted, the biggest loser in 2004 was not the Democrats, but the mainstream media. Viewership of network news continued to decline and fragment between left and right. The winners were the alternative political websites and cable news with attitude such as Fox's Beltway Boys and Jon Stewart's satirical look at the news.

### Some of the major trends that will shape 2005:

- **Red vs. Blue** – Partisanship and the national red/blue split defined the election and will continue into 2005 as Bush intensifies his agenda. Likewise, national Democrats and allies in the mainstream media will put the election behind them, renew their opposition to Iraq policy, contest cabinet appointments and begin positioning for the 2006 mid-term elections.
- **Condi Rice vs. Kofi Annan** – Neo-cons with their democratic prescription for foreign ailments and creed of preeminence, preemption and unilateralism won big with Bush's re-election and the Iraq election. Colin Powell, a cautious foreign policy realist, was replaced with White House loyalist Condi Rice, who will press the Bush agenda. The United Nations' credibility, seldom high in Washington, suffered more blows in the wake of the Oil for Food Program and its relationship to Kofi Annan's family.

- **Mel Gibson vs. Michael Moore** – The cultural war will continue unabated. Mel Gibson's *Passion of the Christ* won more box office than Michael Moore's *Fahrenheit 9/11*, but both helped define the cultural divide. Moore became a political liability as his mere presence at the Democratic National Convention and reputed hug with former Minority Leader Tom Daschle at a *Fahrenheit 9/11* screening contributed to Democratic demise.

(continued)

IN	OUT
Red	Blue
Gibson	Moore
Condi Rice	Kofi Annan
TABOR overrides	TABOR refunds
Metro mayors	Governor
DU	CU
Bloggers	Rather
Wabi Sabi	Feng Shui
Desperate Housewives	Sex in the City
China	Russia
Smart phones	Landlines
War heroes	Sports heroes
Blink	Think
Euro	Dollar
Blitz	Fad diets
iPOD	CDs

- **TABOR Override vs. TABOR Refunds** – Colorado was colored purple — one of the few bright spots for Democrats. The failure of local Republicans to provide a solution to the state’s fiscal gridlock became a campaign theme that contributed to the Democrat victory. TABOR-rigid, anti-spending formulas are being challenged and are likely to be changed by voters in November 2005.
- **Metro mayors vs. Governor Bill Owens** – Denver’s popular mayor John Hickenlooper, with his low-key partisanship and regional outlook, helped lead a coalition of mayors that carried \$5 billion in new taxes for light rail to victory. Gov. Owens and his anti-tax position was hurt by passage of a broad array of new tax measures and, as head of the party, he gets the blame for the overall Republican losses. His final two years will require deft defense, and offer one last chance for a powerful finish in the 2006 race for his replacement – a very high-stakes election for both parties.
- **DU vs. CU** – It didn’t seem things could get worse for the University of Colorado after 2004, but then came Ward Churchill. A long-term financial crisis, football and drinking scandals had already put the school in the national spotlight and on the defensive. The University of Denver’s Dan Ritchie era ends with a period of calm leadership, a campus full of striking new buildings and professional schools gaining regional and national reputations. And with a championship hockey team, DU is on a power play.
- **Bloggers vs. Rather** – The power of new media and the decline of old media is demonstrated by the growing influence of political websites that rapidly and effectively react to the mainstream media.

Bloggers took on CBS and Dan Rather’s broadcasting of President Bush’s National Guard record. Heads rolled and Rather and CBS lost audiences and credibility. Websites married to talk radio, or partisan cable like Fox News, have created an alternative to the monopoly of the networks, the New York Times, Wall Street Journal and Los Angeles Times.



- **Wabi Sabi vs. Feng Shui** – The complex arrangements and intractable rules of Feng Shui are giving way to unplanned comfort of the old, the authentic and the original. Wabi Sabi lets “good enough,” be great, which gives us one less thing to worry about.
- **Desperate Housewives vs. Sex in the City** – Suburbia replaces the city, and hot moms trump hot singles as a new gal pack looks for love in a cul-de-sac.
- **China vs. Russia** – As Russia slips back to autocracy with a diminishing empire, China grows at a blistering pace, and for now has created a unique Chinese approach to capitalism.

- **Smart Phones vs. Landlines** – Cell phones replace landlines as today’s compact units become the Swiss Army knife of communication – complete with picture, video, music, text messaging and data.
- **War Heroes vs. Sports Heroes** – The troops returning from the field receive hero welcomes, and mothers of fallen soldiers win standing ovations. Meanwhile, the biggest sports stories are steroids and strikes.
- **Blink vs. Think** – Business also is prone to fads and short how-to-books. Malcom Gladwell has a hit in his latest on the value of first impressions vs. staid thinking from MBAs.
- **Euro vs. Dollar** – Europe’s common market and growing political union has boosted its stocks and currency. Fiscal and trade deficits have hurt the dollar. Euro becomes metric for the rise of a new superpower.
- **Blitz vs. Fad Diets** – Americans like short cuts and magic pills. Atkins’ moment in the sun is fading as the 30-minute workout with boxing techniques becomes the sports franchise to own.
- **iPOD vs. CDs** – Music junkies, say hello to your next addiction. Up to 10,000 songs in the palm of your hand – and not one \$%#@\* jewel case wrapper to wrestle with. Once upon a time there was a musical revolution called the compact disk. Now they make good Frisbees.

For additional information on Colorado politics, log on to [www.ciruli.com](http://www.ciruli.com)