

The background of the slide is a detailed, grayscale illustration of the Tower of Babel. The tower is a massive, multi-tiered structure with many levels of arches and windows, spiraling upwards into a cloudy sky. At the base of the tower, a dense city with various buildings and structures is visible. The overall style is reminiscent of a classical painting or a detailed engraving.

Babel

**South Carolina Councils of Governments
Annual Training Conference**
Embassy Suites, Kingston Plantation
Myrtle Beach, South Carolina

Monday, November 21, 2022

Katie Turner

Budget Director, House Ways and Means Committee

Mike Shealy,

South Carolina Department of Administration

Topics

- Budget Review, Highlights and Preview (Katie)
- Babel – The Effect of Social Media on Governance (Mike)
- The Take Away

The Fiscal Year 2022-23 Appropriations Act



FY 2022-23 Budget

New Recurring Revenues

• Revenue Forecast, FY 2022-23, Board of Economic Advisors	11,876,877,415
• Less: FY 2022-23 Transfer to Tax Relief Trust Fund	(661,952,631)
• Net General Fund Revenue Forecast, FY 2022-23	11,214,924,784
• Less: FY 2022-23 Appropriation Base	(9,270,619,765)
• "New" Recurring Revenue	1,944,305,019
• Subtotal, Enhancements and Adjustments	(712,854,000)
• "New" Recurring Revenue available for Appropriation	1,231,451,019

FY 2022-23 Budget Non-Recurring Revenue

• Contingency Reserve Fund	1,023,777,259
• FY 2021-22 Projected Surplus	2,853,646,014
• FY 2021-22 Debt Service in Excess of Obligation	16,832,497
• Litigation Recovery Account	53,898,508
• Savannah River Site Litigation	525,000,000
• FY 2022-23 Debt Service in Excess of Obligation	100,000,000
• Comprehensive Tax Cut of 2022 (S. 1087) - Individual Income Tax Rebate	(1,000,000,000)
• Comprehensive Tax Cut of 2022 (S. 1087) - Reduction in FY 2022 Revenue	(15,121,000)
• Non-Recurring Revenue available for Appropriation	3,558,033,278

FY 2022-23 Budget

Total Revenue Available for Appropriation

• Recurring Funds	\$1,231,451,019
• Non-Recurring Funds	\$3,558,033,278
• Capital Reserve Fund	\$183,584,490
• Total Revenue Available	\$4,973,068,787

AND ... \$\$\$\$ left on the TABLE!

FY 2022-23 Budget Total Revenue Available for Appropriation in FY 23-24

• Recurring Funds Not Appropriated	\$ 160,729,109
• Non-Recurring Funds Not Appropriated	\$ 295,275,313
• Capital Reserve Fund Not Appropriated	\$ 0
• Total Revenue Available Not Appropriated	\$ 456,004,422

WHERE DID THE \$\$\$\$ GO?

Fiscal Year 2022-23 Budget (H.5150)

Recurring Revenue:

TOTAL \$1,231,451,019

Federal Infrastructure Investment and Jobs

Act (State Match) \$120,000,000

Appropriations:

State Aid to Classrooms \$173,700,000

Capital Reserve Fund \$ 25,609,941

State Employee and Teacher Benefits \$ 211,635,461

Higher Education Tuition Freeze \$ 62,307,684

Aid to Subdivisions \$12,583,080

Medicaid Maintenance of Effort \$ 200,000,000

Provider Rate Adjustments \$ 18,590,000

Total Allocated \$903,304,513

Caring for SC Children \$ 39,278,347

Left Unallocated \$ 160,729,109

Law Enforcement Retention \$ 18,800,000

Residual Balance \$ 167,417,397

Correctional Officers Retention \$ 20,800,000

NOTE: The Councils of Governments budget line was increased by \$1M recurring plus \$1M non-recurring.

WHERE DID THE \$\$\$\$ GO?

Fiscal Year 2022-23 Budget (H.5150)

Non-Recurring Revenue:

TOTAL \$3,558,033,278

Appropriations:

General Reserve Fund \$116,323,459

Employee Bonus \$ 45,793,437

Capital Funding for Disadvantaged Schools \$100,000,000

Higher Education Deferred Maintenance \$252,685,207

HHS – Behavioral Health Capacity \$ 61,500,000

State Veterans Nursing Homes \$ 30,600,000

Commerce – Closing Fund \$ 200,000,000

Commerce – Strategic Economic

Development Infrastructure \$ 100,000,000

Land Conservation \$ 40,000,000

Conservation Grant Funding \$ 25,000,000

State Park Enhancements \$ 16,000,000

Destination Specific Grants \$ 15,000,000

DPS – Body Cameras and Vests \$ 20,000,000

Statewide Airport Growth \$ 53,000,000

Rural Interstate Funding \$ 133,636,230

CTC Acceleration Funds \$ 250,000,000

Naval Base Intermodal Facility \$350,000,000

SRS Funds \$ 367,631,042

Total Allocated \$2,177,169,375

Left Unallocated \$ 295,275,313

Residual \$1,085,588,590

Comprehensive Tax Cut Act of 2022

- Reduces the Top Rate from 7.0% to 6.5%
- Combines all other rates into a 3.0% rate
- Keeps the 0.0% Bracket
- Will reduce the top rate to 6.0% over time
- \$600 million first year and \$1.2 Billion once fully implemented
- Eliminates income taxes on military retirement income
- Reduces the assessment ratio on manufacturing property to 6.0% (local governments are reimbursed for the revenue)
- Allocates \$1 BILLION from the Contingency Reserve Fund to provide rebates to taxpayers in December

Reserve Fund Bills

- S.1106 and H.3346 increase the General Reserve Fund from 5% to 7% and the Capital Reserve Fund from 2% to 3%.
- There were two Constitutional Amendment Questions on the November Ballot. They both passed with 62% approval.



QUESTION: Why is an increase in the Size of the General Reserve Fund and Capital Reserve Fund Important?

ANSWER: Because an increase in the Size of the Reserve Fund means that it is less likely State Government (and revenue sharing with local governments) will suffer a mid-year budget cut.

A little context



FY87
through
FY11



3%

General Reserve Fund

Used at the close of
fiscal year books if
revenue is not adequate
to pay all bills.

2%

Capital Reserve Fund

Used for mid-year
forecasted shortfalls in
revenues before
budget cuts by the
Budget and Control
Board.

5%

TOTAL RESERVES

Total Reserves are **5%**.

FY12
through
today

5%

General Reserve Fund
Used at the close of
fiscal year books if
revenue is not adequate
to pay all bills.

2%

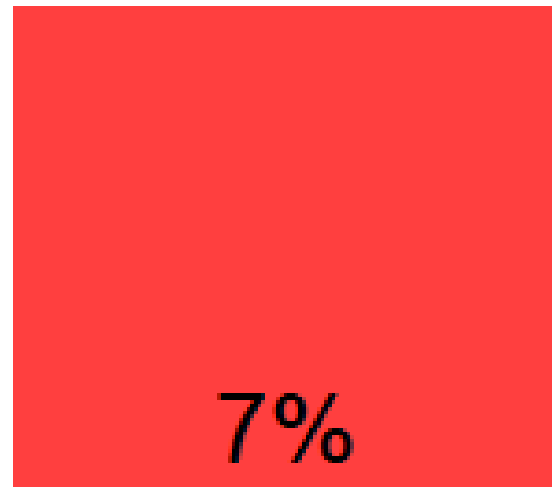
Capital Reserve Fund
Used at the close of
fiscal year books to
protect the General
Reserve Fund.

7%

TOTAL RESERVES

Total Reserves are **7%.**

S1106
& H3346



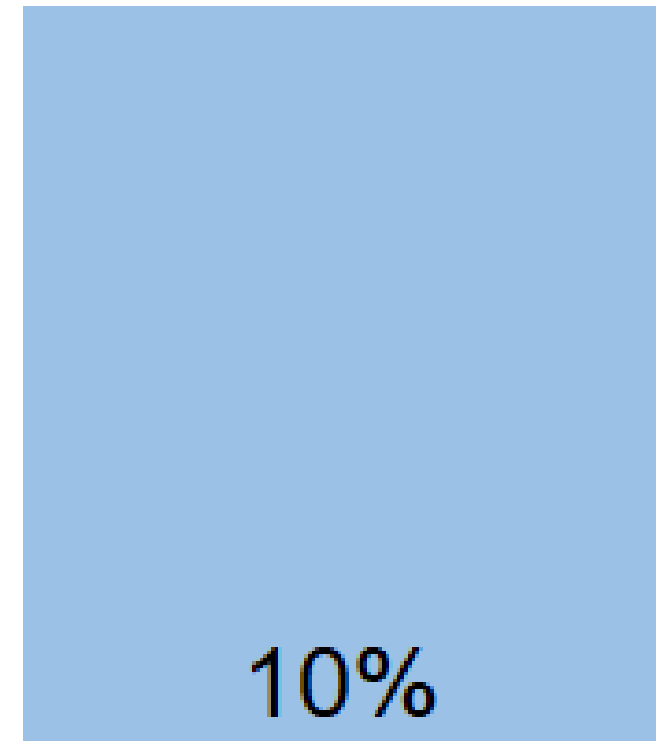
General Reserve Fund

Used at the close of fiscal year books if revenue is not adequate to pay all bills.



Capital Reserve Fund

Used for mid-year forecasted shortfalls in revenues before budget cuts by the Executive Budget Office.



TOTAL RESERVES

Total Reserves are **10%.**



What is the
Size
of South
Carolina's
Budget?

FY 2022-23 Appropriations

• General Fund	\$10,341,341,675*
• Federal Funds	\$11,434,958,560
• Other Funds	<u>\$12,920,550,365*</u>
Total	\$34,696,850,600**

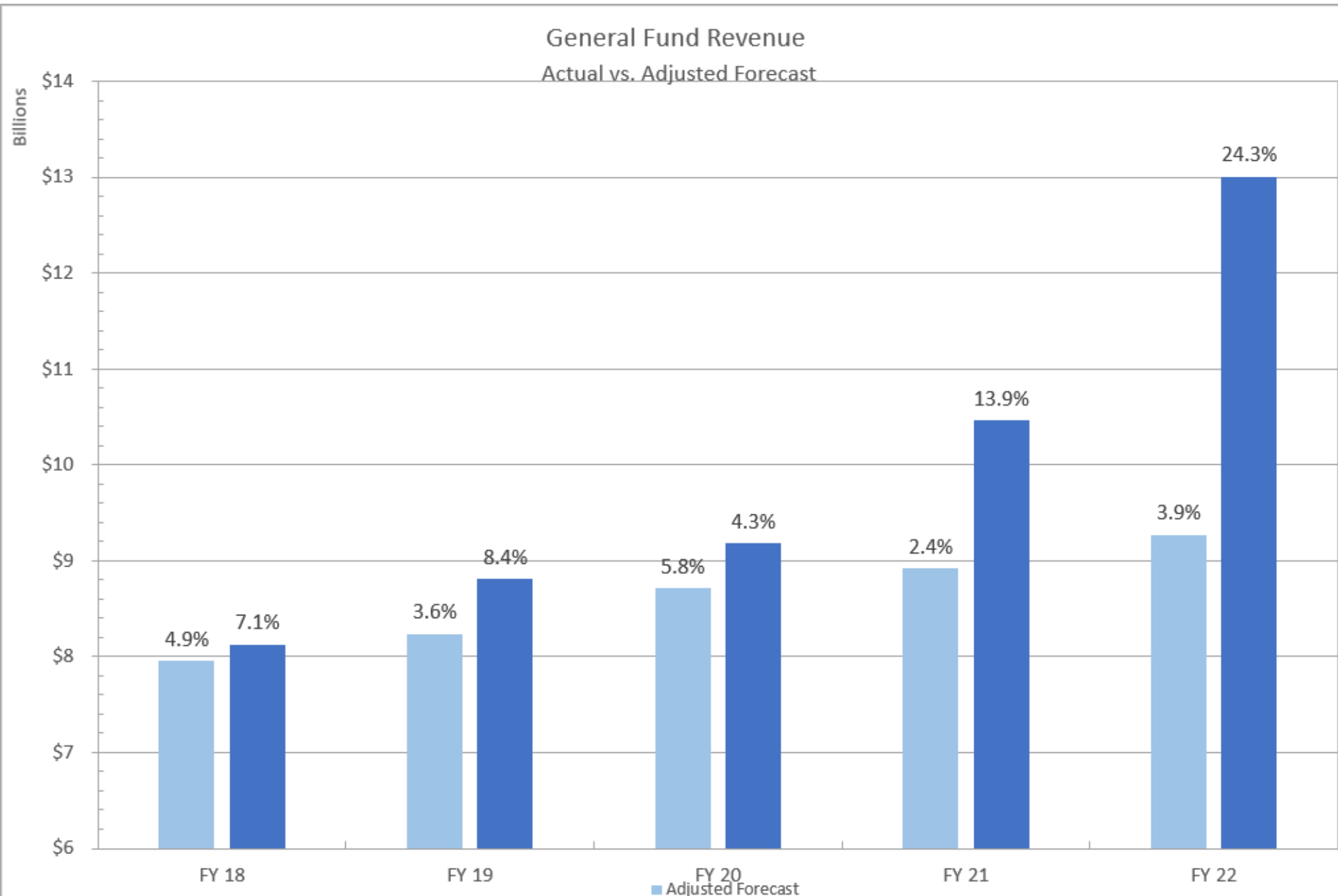
*Net of \$662 Million required transfer to the State's "Tax Relief Trust Fund"; amount included in "Other Funds" above.

**SC Total Personal Income in 2020 is \$247.9 Billion. So, the State Budget represents about 12.5% of economic activity in SC.

What about Next Year???



In FY 21 &
FY 22,
Actual
Revenue
Far
Exceeded
Estimated
Revenues



The BEA Estimate has been adjusted for any legislative actions that occurred during the planning process that would impact revenue.

FY 2023-24 Budget Outlook – Recurring General Fund

(Dollars in Millions)

BEA Revenue Estimate (11/16/2022)	\$12,299.8
FY 2022-23 Appropriation Act Revenue	(\$10,341.3)
Tax Relief Trust Fund	(\$795.9)
Incremental Income Tax Rate Reduction	<u>(\$87.5)</u>
Estimated “New” General Fund Revenue	\$1,075.0
 Reserve Fund Contributions	
Incremental General Reserve Fund (5.5%)	(\$140.0)
Incremental Capital Reserve Fund (3%)	<u>(\$180.9)</u>
 Estimated “New” General Fund Revenue	
Available for Appropriation (less Reserve Fund Contributions)	\$754.1

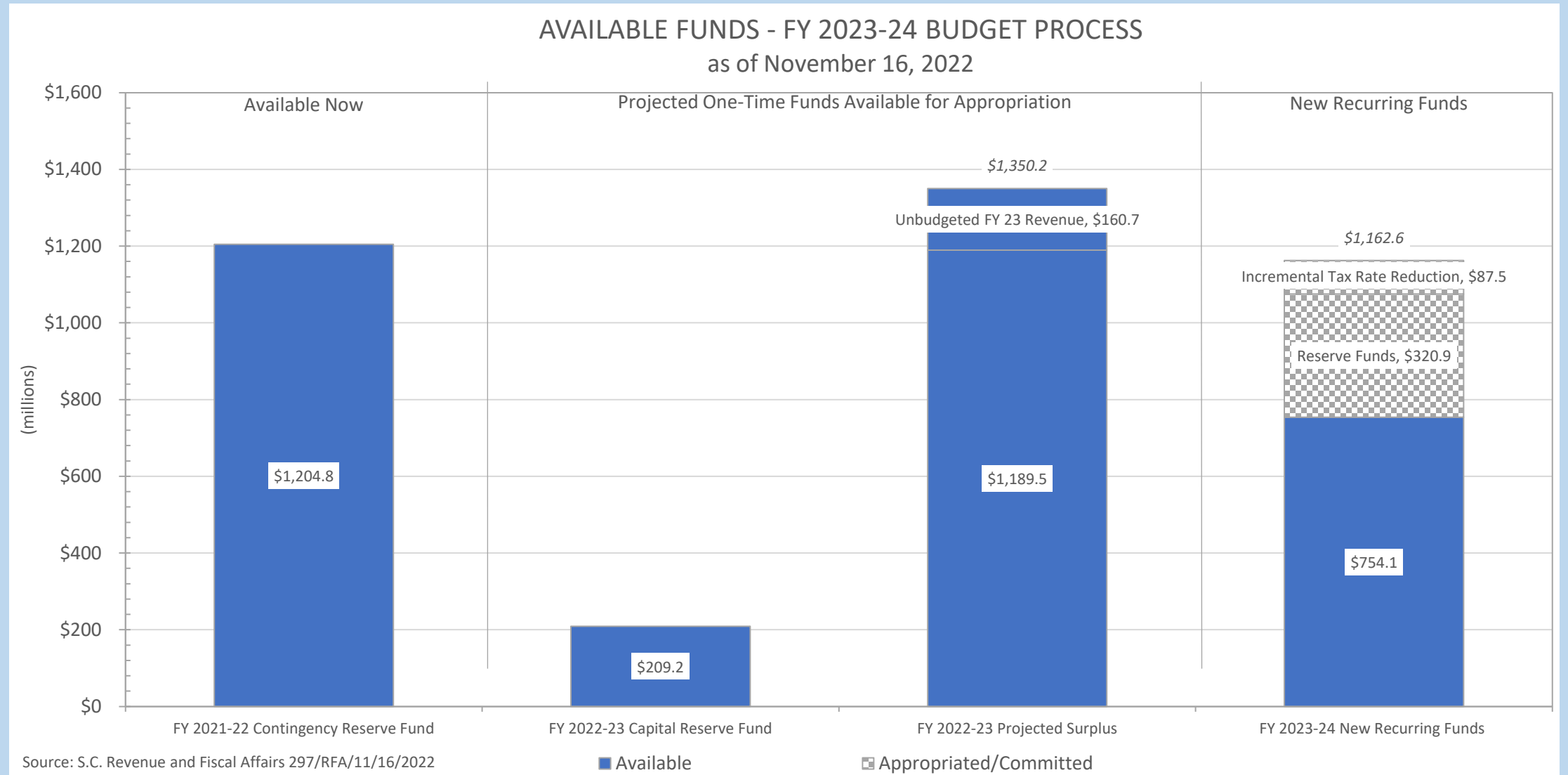
FY 2023-24 Budget Outlook

Nonrecurring Revenue

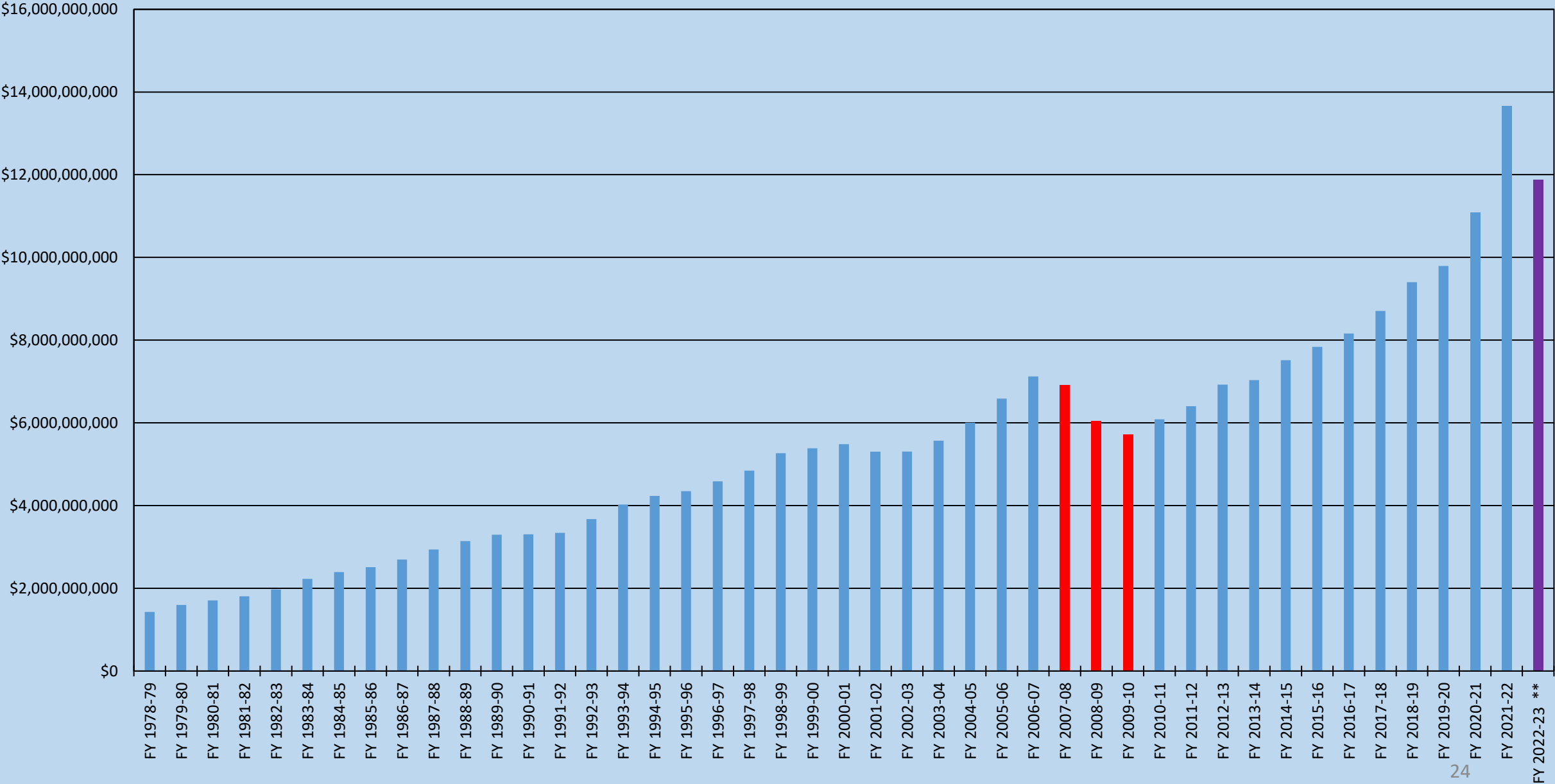
(Dollars in Millions)

Projected FY 2022-23 General Fund Surplus (11/16/2022)	\$1,350.2
FY 2022-23 Capital Reserve Fund	\$209.2
FY 2021-22 Contingency Reserve Fund	<u>\$1,204.8</u>
Total Non-Recurring Revenue	\$2,764.3
Other Non-Recurring Revenue	
Litigation Recovery (preliminary)	\$72.8

FY 2023-24 Available Funds



Total General Fund Revenue



Contingency Reserve Fund balance 6/30/22

Budgetary surplus:

Actual revenue over estimated revenue.....	\$ 3,733,155,126
Unappropriated estimated General Fund revenue.....	617,212
FY 21-22 Debt Service lapse to General Fund per FY 22-23 Proviso 118.19.....	16,832,497
FY 21-22 appropriations lapsed by agencies to General Fund at June 30, 2022.....	19,805,955
Funding of "open-ended" appropriations.....	(5,194,077)
Available to fund supplemental appropriations per Proviso 118.19.....	3,765,216,713

FY 22-23 transfers from other sources to fund supplemental appropriations per Proviso 118.19:

Contingency Reserve Fund.....	1,023,777,259
Litigation Recovery Account.....	53,898,508
Savannah River Site Litigation.....	525,000,000
FY 22-23 Excess Debt Service above projected expenditures.....	100,000,000
	1,702,675,767

Total available for distribution..... 5,467,892,480

Distribution of surplus and transfers:

FY 22-23 supplemental appropriations per Proviso 118.19^(a)..... (4,263,057,964)

Excess Budgetary General Fund balance at June 30, 2022 after funding supplemental appropriations^(b)..... \$ 1,204,834,516

WHY DID THIS HAPPEN?

- Federal CARES Act (Coronavirus Aid, Relief and Economic Security Act March 27, 2020) of \$2 Trillion.
- Federal ARPA (American Rescue Plan Act March 11, 2021) of \$1.9 Trillion.
- H.3411 (May 19th, 2020) – Budget Continuing Resolution that continued the FY 19-20 budget into FY 20-21.

An interesting change in budget practice.

In the Fiscal Year 2022-23 General Appropriation Act, the General Assembly consolidated a number of very large detailed budget line for public education funding.

State Aid to Classrooms

- The new funding formula is a hybrid funding model.
- The hybrid funding model incorporates a resource-based allocation formula and a student-based formula that provides more total funding to the state's foundation program as outlined in the Education Finance Act.
- The new funding formula simplifies and updates various features of the old formula to provide more transparency and accountability.

State Aid to Classrooms

Resource-Based Allocation Formula

The state then allocates state revenues equivalent to 75 percent of the cost of hiring 67,097 teachers at \$69,153 per teacher:

$$67,097 \times \$69,153 = \$4,639,973,495$$

$$\begin{aligned} 75\% \times \$4,639,973,495 &= \$3,479,980,121 \\ 25\% \times \$4,639,973,495 &= \$1,159,993,374 \end{aligned}$$

The Fiscal Year 2022-23 General Appropriation Act contains two line items for State Aid to Classrooms, which total \$3.7 billion:

General Fund	\$3,161,425,448
Education Improvement Act (EIA)	\$ 557,686,435
TOTAL:	<u>\$3,719,111,883</u>

State Aid to Classrooms

Resource-Based Allocation Formula

The Fiscal Year 2022-23 General Appropriation Act further simplified budgeting by consolidating the following five EIA line item appropriations into State Aid to Classrooms + \$100 million additional dollars for EIA State Aid to Classrooms

Aid to Districts	\$24,401,779
Students at Risk of School Failure	\$79,551,723
Alloc EIA - Teacher Salaries	\$181,230,766
Alloc EIA - Employer Contributions	\$43,533,934
SC Public Charter Schools	<u>\$129,162,798</u>
Total:	\$457,881,000

State Aid to Classrooms

Resource-Based Allocation Formula

- The additional \$239.1 million ensures that no school district receives less funds in Fiscal Year 2022-23 than in the prior fiscal year.
- The additional funds also include allocations for special school districts, career centers and alternative schools.

Weights

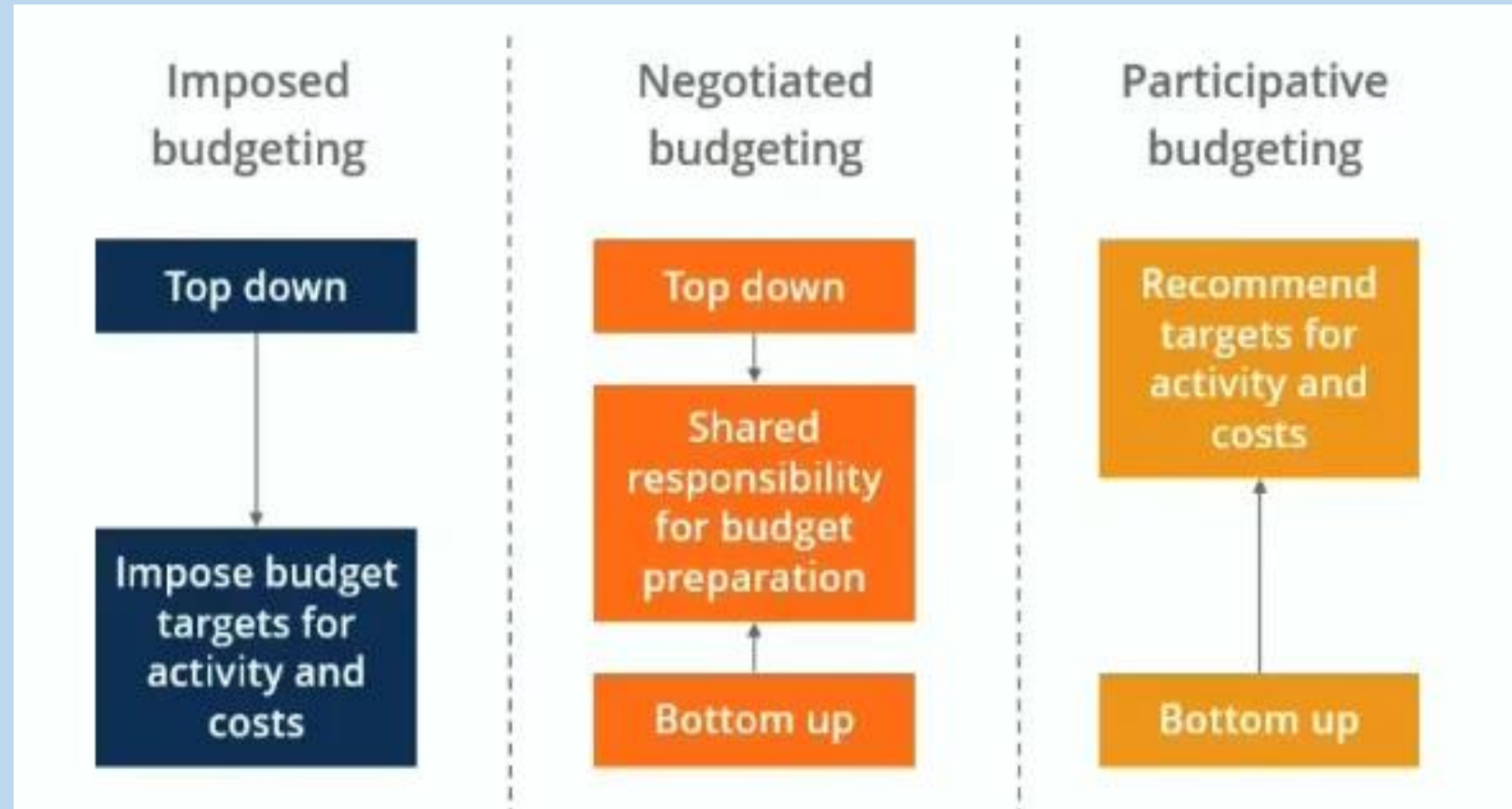
Weights	Prior Weights	Revised Weights FY2022-23
K-12 Pupils	1.00	1.00
Residential Treatment Facility	2.10	2.10
Students with Disabilities	From 1.74 to 2.57	2.60
Pre-career and Career Technology	1.29	1.20
Charter Districts	\$3,600 per WPU \$1,900 per WPU	1.25 0.65
Brick and Mortar		
Virtual School		
Additional weights are added to the above for:		
Gifted and Talented	0.15	0.15
Academic Assistance	0.15	0.15
Limited English Proficiency	0.20	0.20
Pupils in Poverty	0.20	0.50
Dual Credit Enrollment	0.15	

Why is this important?

What signals are being sent?

By moving to a budget display with fewer line items, more flexibility is offered to the School District. But, with this flexibility comes more responsibility for outcomes.

The focus is shifted from the number of inputs being purchased to the attainment of desired outcomes.





BABEL

/ˈbāb(ə)l, ˈbab(ə)l/

a confused noise made
by a number of voices.

The Tower of Babel

Genesis 11: 1-9

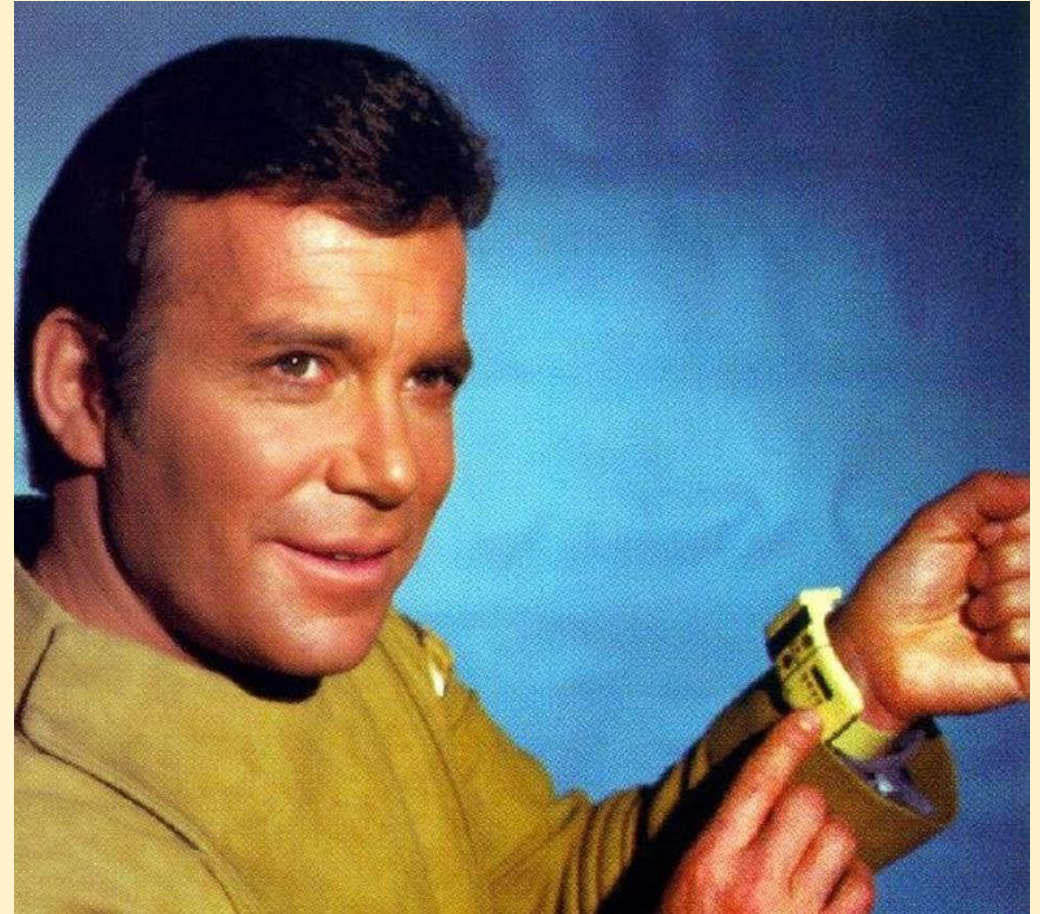
1 Now the whole world had **one language and a common speech**. ² As people moved eastward,^[a] they found a plain in Shinar^[b] and settled there.

³ They said to each other, “Come, let’s make bricks and bake them thoroughly.” They used brick instead of stone, and tar for mortar. ⁴ Then they said, “Come, let us build ourselves a city, with a **tower** that reaches to the heavens, so that we may **make a name for ourselves**; otherwise, we will be scattered over the face of the whole earth.”

⁵ But the LORD came down to see the city and the tower the people were building. ⁶ The LORD said, “If as one people speaking the same language they have begun to do this, then nothing they plan to do will be impossible for them. ⁷ Come, **let us go down and confuse their language so they will not understand each other.**”

⁸ So the LORD scattered them from there over all the earth, and they stopped building the city. ⁹ That is why it was called **Babel^[c]—because there the LORD confused the language of the whole world**. From there the LORD scattered them over the face of the whole earth.

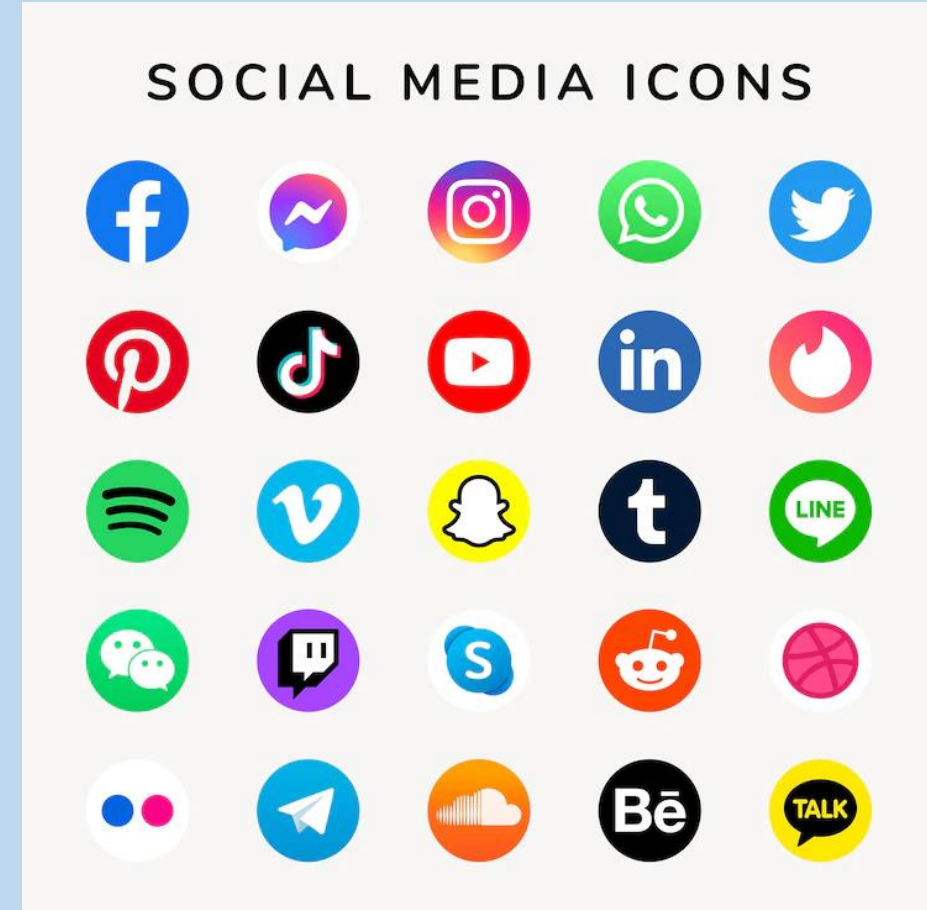
My Grade School Vision of Future Communication



Now Extinct



The 2022 Reality of Communication



Sword of the South Carolina State Senate

The growth of social media as a central form of communication has been a “two edged sword.”

From one side, governments have become much more transparent and citizens have multiple access points to make their voices heard.

From the other side, the progression of social media has eroded trust in norms, institutions and the rule of law upon which a functioning democracy is built and maintained.



WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

Democracy After Babel

- We can never return to the way things were in the pre-digital age. The norms, institutions, and forms of political participation that developed during the long era of mass communication are not going to work well now that technology has made everything so much faster and more multi-directional, and when bypassing professional gatekeepers is so easy. And yet American democracy is now operating outside the bounds of sustainability. If we do not make major changes soon, then our institutions, our political system, and our society may collapse during the next major war, pandemic, financial meltdown, or constitutional crisis.

WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

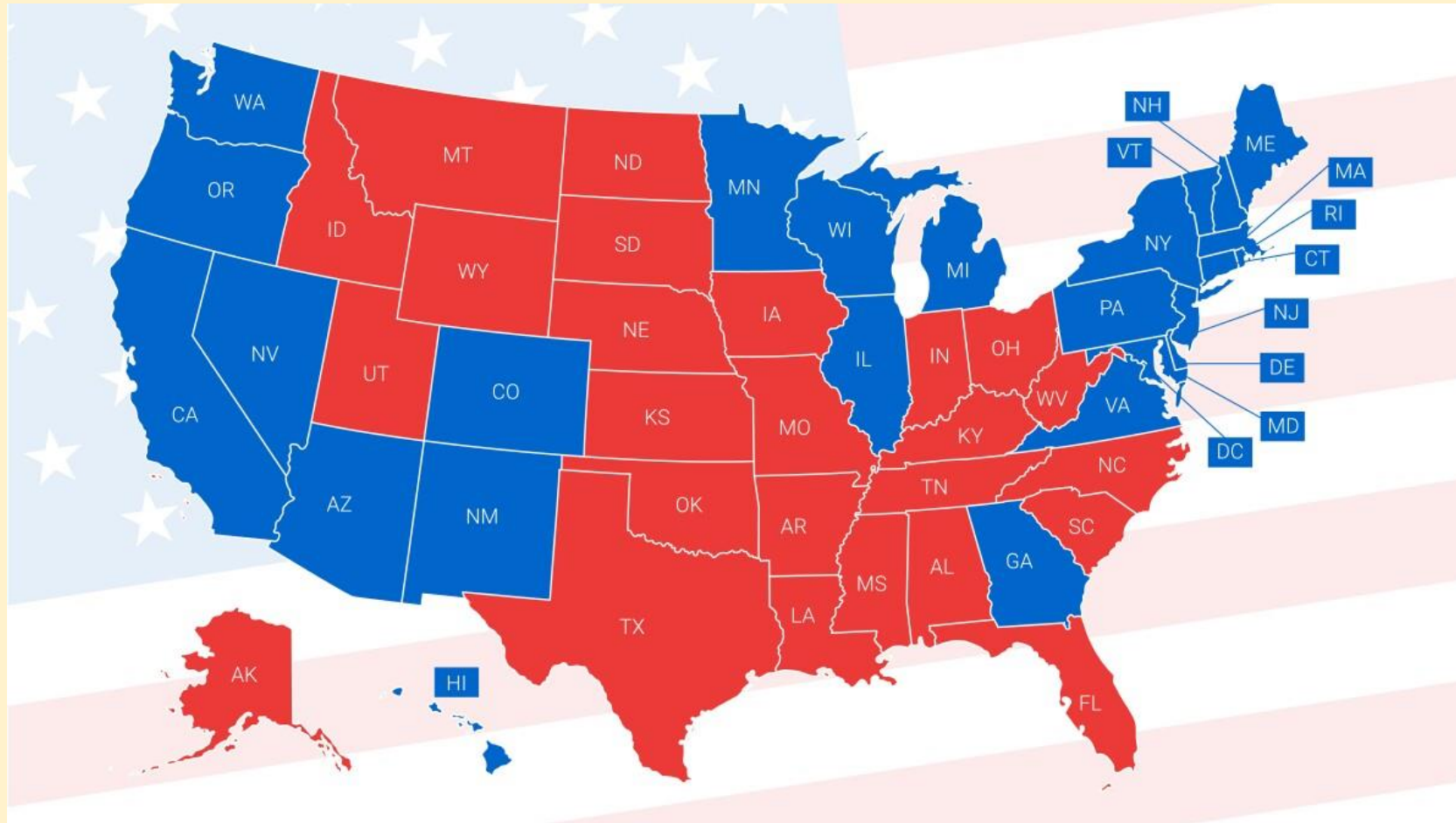
By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

Red and Blue States

- Two Different Versions of the Constitution (Originalist v. Living Document)
- Two Different Versions of Economics (Laissez-Faire v. Planned)
- Two Different Versions of American History (Critical Race Theory v. American Exceptionalism)

This fragmentation show up within the right and left, within universities, within companies, within professional associations, within families.

Red States and Blue States: 2020 Election



YouGov America Poll

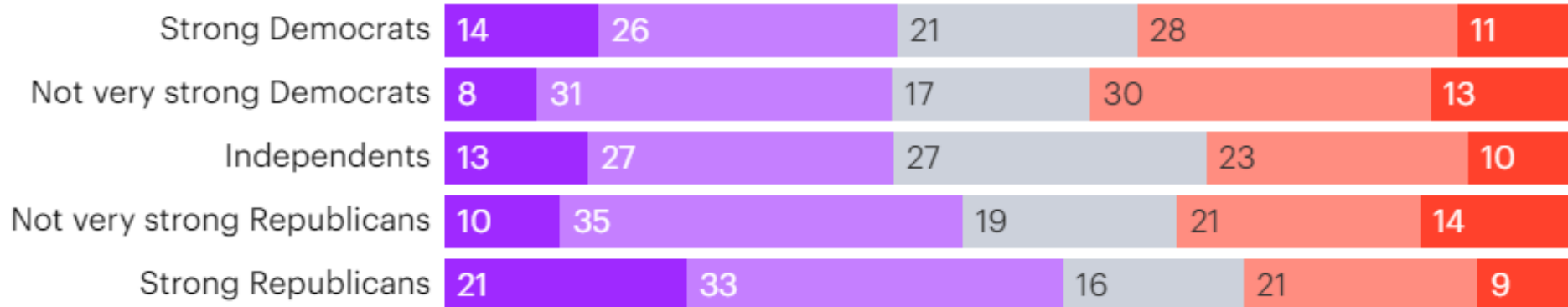
Politics and Elections | Economist/YouGov Poll: August 20 - 23, 2022

Looking ahead to the next 10 years, how likely do you think it is that there will be a civil war in this country?
(%)

Very likely Somewhat likely Not sure Not very likely Not likely at all



Among people who identify as...



WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

Babel is a metaphor for what some forms of social media have done to nearly all of the groups and institutions most important to the country's future --- and to us as a people.

How did this happen?

And what does it portend for American Life?

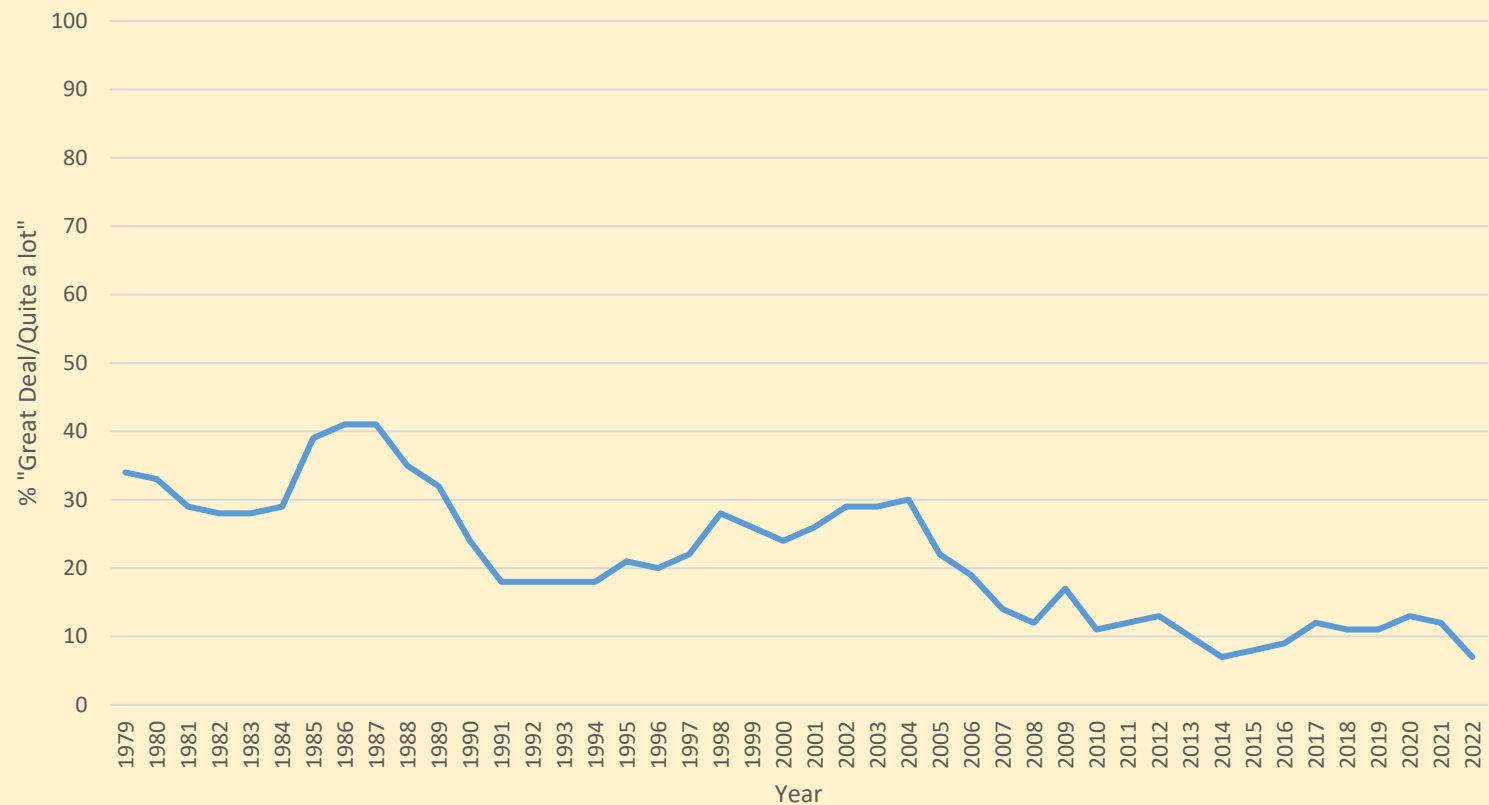
Erosion of Confidence in Institutions

Pritchards Island near Fripp Island in Beaufort County



Confidence in Institutions: Congress

Congress (All surveyed)



Partisans' Confidence "Great Deal/Quite a Lot" (2021)

Republicans/Leaners

7%

Democrats/Leaners

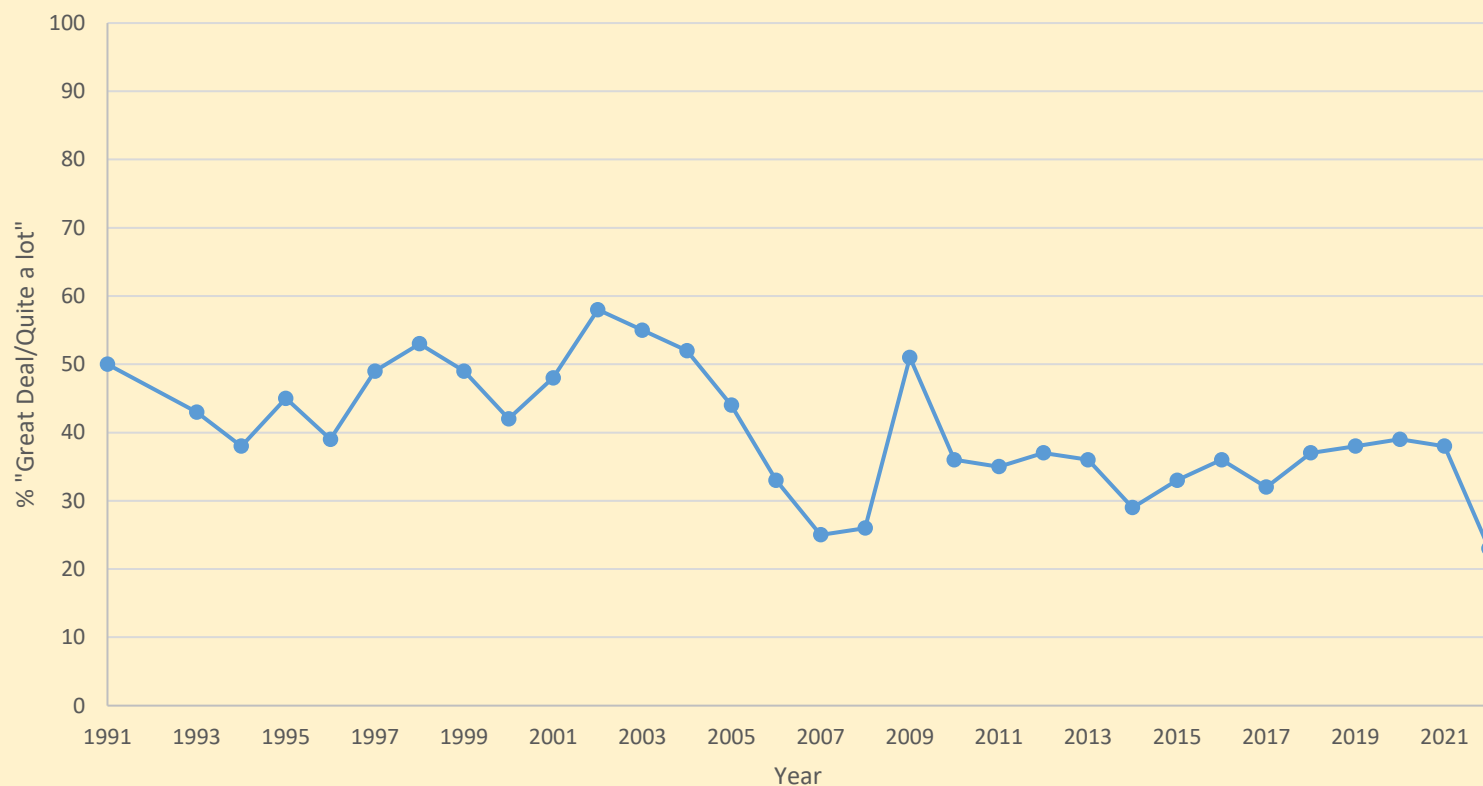
17%

Gallup. "Confidence in Institutions." <https://news.gallup.com/poll/1597/Confidence-Institutions.aspx>

Gallup. "Americans' Confidence in Major Institutions Dips." <https://news.gallup.com/poll/352316/americans-confidence-major-institutions-dips.aspx>

Confidence in Institutions: The Presidency

The Presidency (All surveyed)



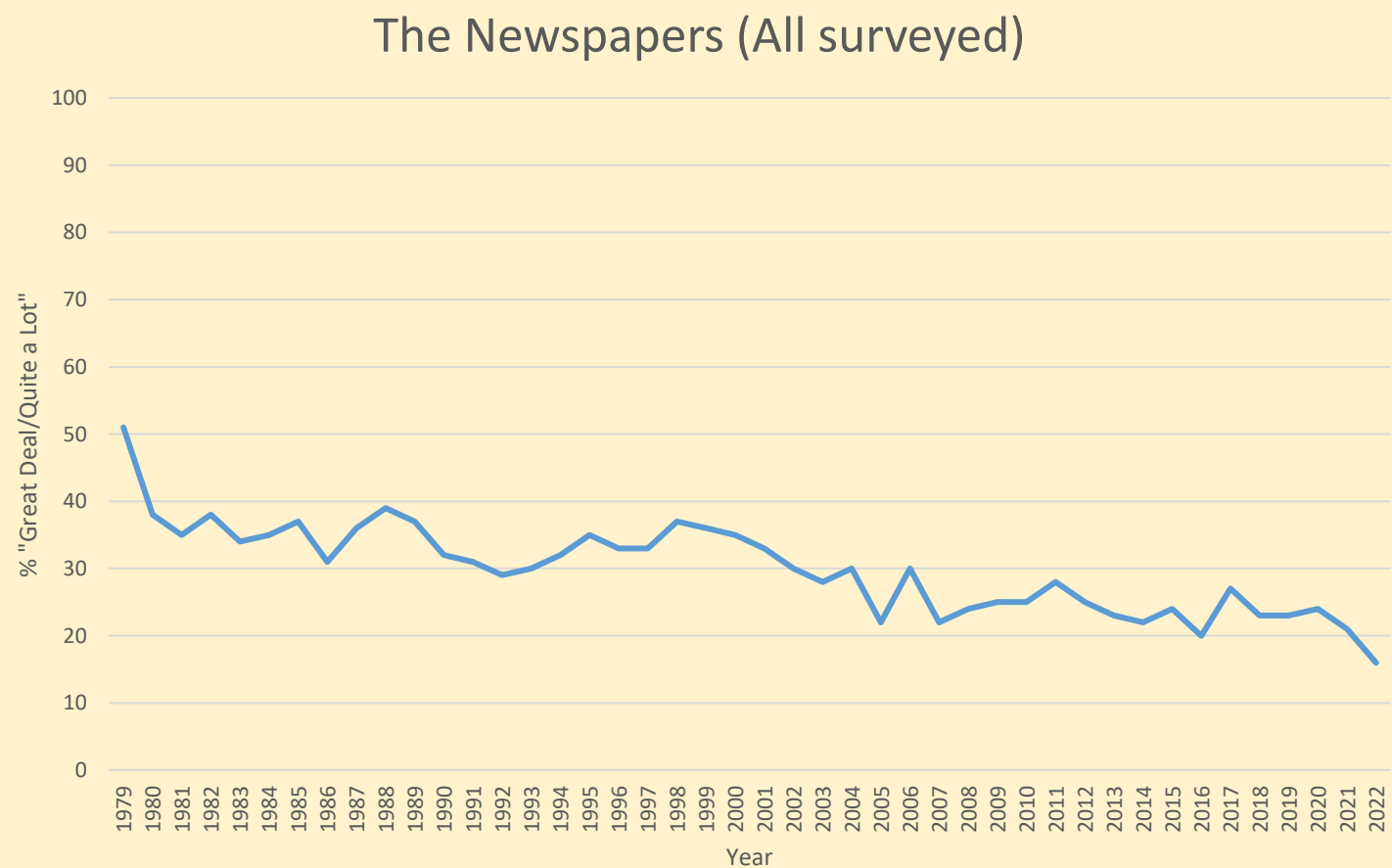
Partisans' Confidence "Great Deal/Quite a Lot" (2021)

Republicans/Leaners	13%
Democrats/Leaners	62%

Gallup. "Confidence in Institutions." <https://news.gallup.com/poll/1597/Confidence-Institutions.aspx>

Gallup. "Americans' Confidence in Major Institutions Dips." <https://news.gallup.com/poll/352316/americans-confidence-major-institutions-dips.aspx>

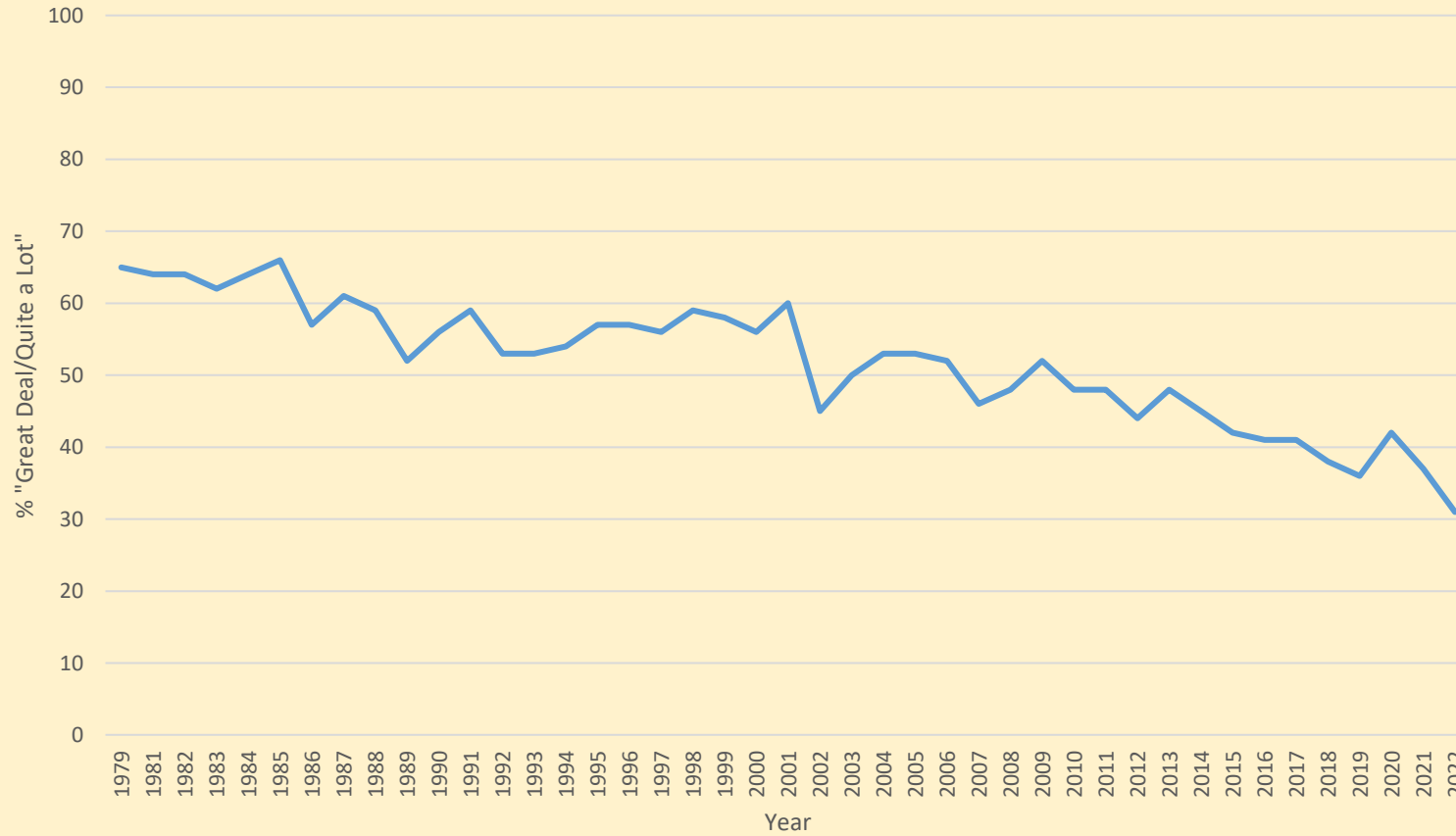
Confidence in Institutions: The Newspapers



Partisans' Confidence "Great Deal/Quite a Lot" (2021)	
Republicans/Leaners	8%
Democrats/Leaners	35%

Confidence in Institutions: The Church/Organized Religion

The Church/Organized Religion (All surveyed)



Partisans' Confidence "Great Deal/Quite a Lot" (2021)

Republicans/Leaners

51%

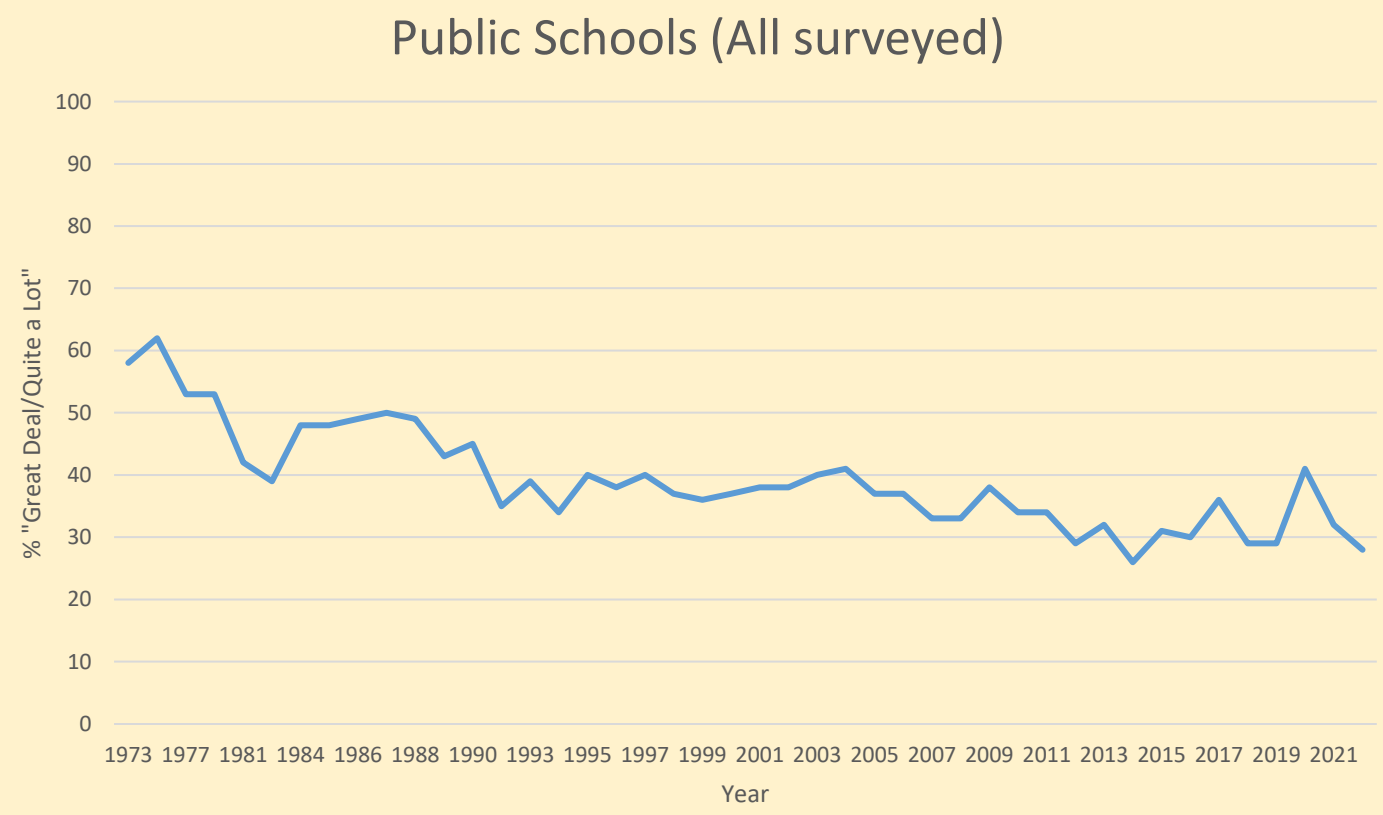
Democrats/Leaners

26%

Gallup. "Confidence in Institutions." <https://news.gallup.com/poll/1597/Confidence-Institutions.aspx>

Gallup. "Americans' Confidence in Major Institutions Dips." <https://news.gallup.com/poll/352316/americans-confidence-major-institutions-dips.aspx>

Confidence in Institutions: Public Schools



Partisans' Confidence "Great Deal/Quite a Lot" (2021)	
Republicans/Leaners	20%
Democrats/Leaners	43%

Why is Erosion Occurring?

There are many answers, and one is Social Media.



THE DARK PSYCHOLOGY OF SOCIAL NETWORKS

“Why it feels like everything is going haywire”

By: Jonathan Haidt and Tobias Rose-Stockwell,
December 2019

- The internet, of course, does not bear sole responsibility for the pitch of political anger today. The media have been fomenting division since Madison's time, and political scientists have traced a portion of today's outrage culture to the rise of cable television and talk radio in the 1980s and '90s. A multiplicity of forces are pushing America toward greater polarization. But social media in the years since 2013, has become a powerful accelerant for anyone who wants to start a fire.

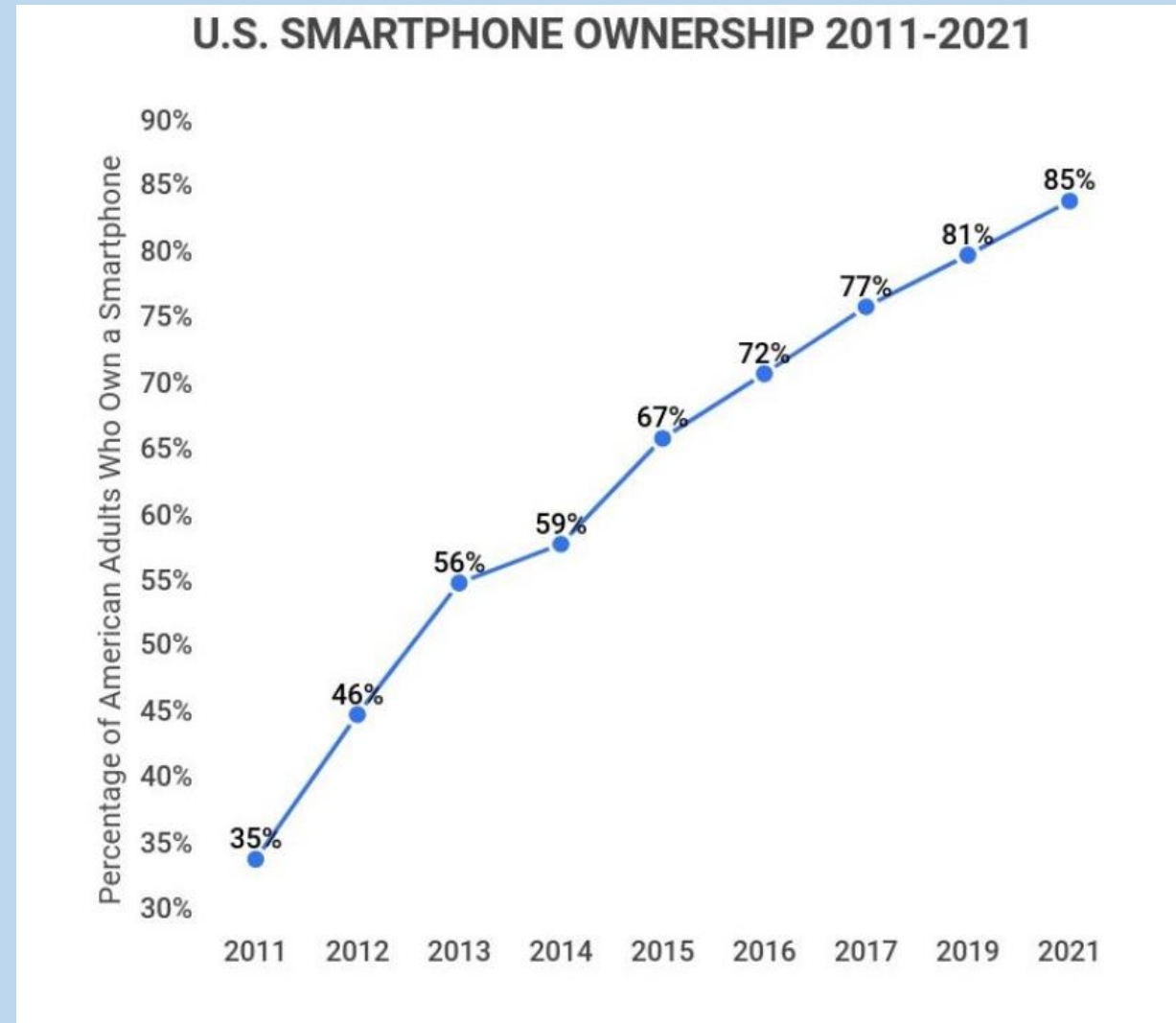
The Prevalence of Smart Phones and Social Media



U.S. SMARTPHONE INDUSTRY STATISTICS [2022]: FACTS, GROWTH, TRENDS, AND FORECASTS

By: Chris Kolmar - Jan. 30, 2022,
[Zippa.com](https://zippa.com)

- There are 294.15 million smartphone users in the U.S.
- 85% of American adults use smartphones.
- Approximately 47% of web traffic in the U.S. originated from mobile devices.
- Apple is the top smartphone in the U.S., with more than 113 million iPhone users.



Most popular mobile social networking apps in the United States as of September 2019, by monthly users (in millions) Statista.com

• Facebook	169.76	• WhatsApp	25.58
• Instagram (Meta)	121.23	• Messenger by Google	17.46
• Facebook Messenger	106.4	• Tumblr	16.74
• Twitter	81.47	• Discord - Chat for Games	15.01
• Pinterest	66.88	• Google Hangouts	14.19
• Reddit	47.87	• GroupMe	10.75
• Snapchat	45.98		

The Growth of SmartPhone Technology has Reshaped the American Economy

Top 10 Market
Companies in USA
by Market Cap:

1980

2000

2021



Top 10 Companies in USA by Market Cap (1980)

Rank	Company	Market Cap
1.	IBM	39,159 Million US \$
2.	AT&T	36,569 Million US \$
3.	Exxon	34,280 Million US \$
4.	Standard Oil of Indiana	22,774 Million US \$
5.	Schlumberger	21,875 Million US \$
6.	Shell Oil	17,665 Million US \$
7.	Standard Oil of California	16,846 Million US \$
8.	Mobil	15,893 Million US \$
9.	Atlantic Richfield	13,918 Million US \$
10.	General Electric	13,823 Million US \$

*Chichael, M. <https://www.youtube.com/watch?v=kfMFDcuDKYA>. Calculated from <https://etfdb.com/index/sp-500-index/#2013>

Top 10 Companies in USA by Market Cap (2000)

Rank	Company	Market Cap
1.	Microsoft Corporation	492,462 Million US \$
2.	Cisco Systems	453,879 Million US \$
3.	General Electric	417,175 Million US \$
4.	Intel	391,817 Million US \$
5.	Exxon Mobil/Exxon	268,598 Million US \$
6.	AT&T (original)	236,704 Million US \$
7.	Oracle	217,258 Million US \$
8.	Lucent	214,185 Million US \$
9.	WalMart Stores	212,666 Million US \$
10.	IBM	193,810 Million US \$

*Hoover, G. "20 Most Valuable Fortune 500 Companies 1995-2020"

<https://americanbusinesshistory.org/most-valuable-companies-the-last-25-years/>

Top 10 Companies in USA by Market Cap (2021)

Rank	Company	Market Cap
1.	Apple	2,510 Billion US \$
2.	Microsoft Corporation	2,268 Billion US \$
3.	ALPHABET	1,933 Billion US \$
4.	Amazon.com	1,757 Billion US \$
5.	Facebook	1,069 Billion US \$
6.	Tesla Inc.	736 Billion US \$
7.	Berkshire Hathaway	646 Billion US \$
8.	Nvidia Corporation	557 Billion US \$
9.	VISA Inc.	502 Billion US \$
10.	JPMorgan Chase & Co.	478 Billion US \$

*Dash, S. "US Top 10 Companies by Market Cap" <http://www.electronicandyou.com/blog/us-top-10-companies-by-market-cap.html>

THE DARK PSYCHOLOGY OF SOCIAL NETWORKS

“Why it feels like everything is going haywire”

By: Jonathan Haidt and Tobias Rose-Stockwell, December 2019

What Social Media Changed

- Facebook’s early mission was “to make the world more open and connected”—and in the first days of social media, many people assumed that a huge global increase in connectivity would be good for democracy. As social media has aged, however, optimism has faded and the list of known or suspected harms has grown: **Online political discussions (often among anonymous strangers) are experienced as angrier and less civil than those in real life; networks of partisans co-create worldviews that can become more and more extreme; disinformation campaigns flourish; violent ideologies lure recruits.**

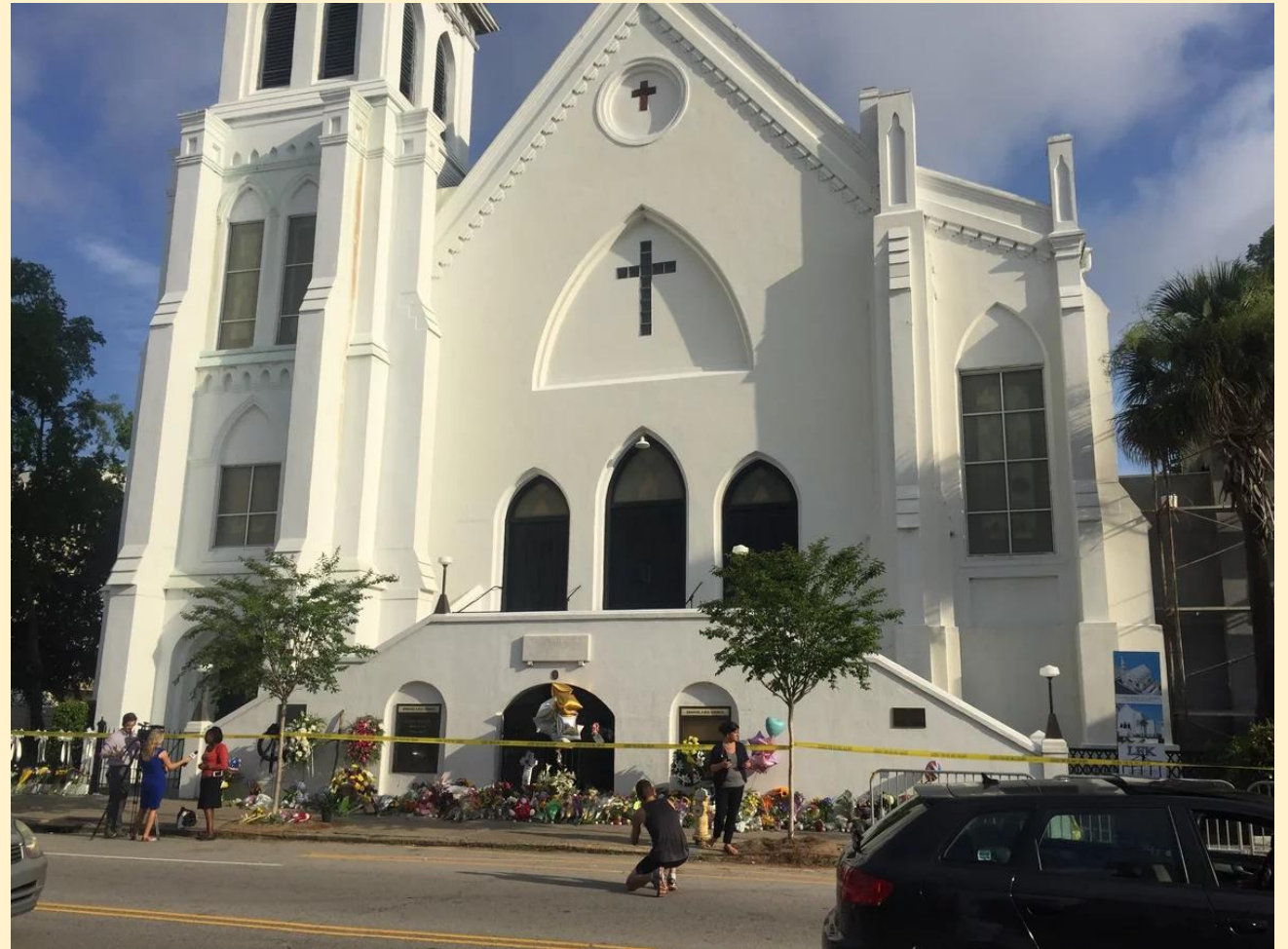
In South Carolina, we understand this all too well.

“Prosecutors say Dylann Roof ‘self-radicalized’ online, wrote another manifesto in jail” by Mark Berman

The man accused of killing nine black parishioners in a Historic Charleston, S.C., church last year “self-radicalized” online, absorbing violent white supremacist beliefs from the Internet, according to federal prosecutors.

Rather than adopting such convictions “through his personal associations or experiences with white supremacist groups or individuals or others,” prosecutors said these viewpoints were self-taught from material found online and elsewhere.

Washington Post, August 22, 2016



THE DARK PSYCHOLOGY OF SOCIAL NETWORKS

“Why it feels like everything is going haywire”

By: Jonathan Haidt and Tobias Rose-Stockwell, December 2019

- Human beings evolved to gossip, preen, manipulate, and ostracize. We are easily lured into this new gladiatorial circus, even when we know that it can make us cruel and shallow.

As the Yale psychologist Molly Crockett has argued, the normal forces that might stop us from joining an outrage mob—such as time to reflect and cool off, or feelings of empathy for a person being humiliated—are attenuated when we can't see the person's face, and when we are asked, many times a day, to take a side by publicly “liking” the condemnation.



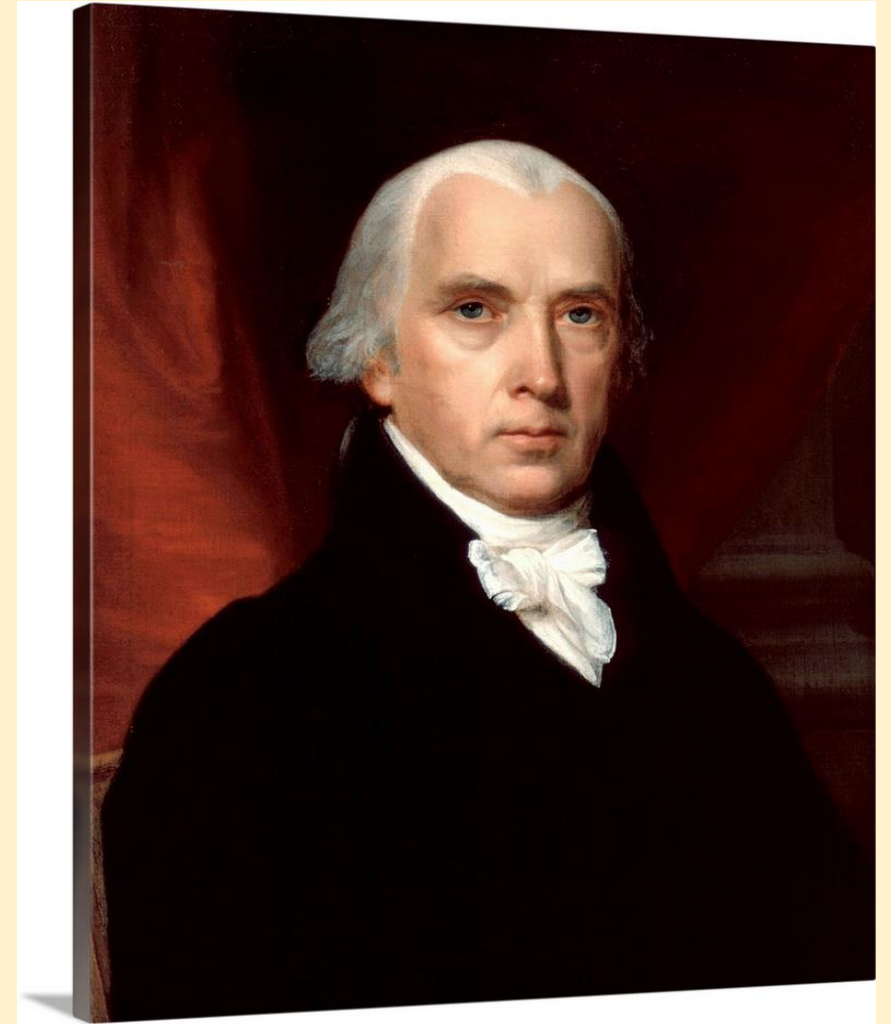
Palmetto State Example

- Every one of us has friends and family with allegiance to one university or the other. We cherish these people.
- Yet, set within the context of these two symbols, this can mean war.
- Our SC Education Lottery is using this rivalry to increase ticket sales which then fund scholarships for the students attending these institutions.

This Social Phenomenon has also affected the Exercise of Governance

James Madison (1751-1836)

- Fourth President of the United States of America
- “Father of the Constitution”
- Author of numerous Federalist Papers
- Author of “Notes on Debates in the Federal Convention of 1787”



Federalist 10 – James Madison, 1787

- A zeal for different opinions concerning religion, concerning government, and many other points, as well of speculation as of practice; an attachment to different leaders ambitiously contending for pre-eminence and power; or to persons of other descriptions whose fortunes have been interesting to the human passions, have, in turn, **divided mankind into parties, inflamed them with mutual animosity, and rendered them much more disposed to vex and oppress each other than to co-operate for their common good.** So strong is this propensity of mankind to fall into mutual animosities, that where no substantial occasion presents itself, the most **frivolous and fanciful distinctions** have been sufficient to kindle their unfriendly passions and excite their most violent conflicts.

WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

- It's not just the waste of time and scarce attention that matters; it's the continual chipping-away of trust. An autocracy can deploy propaganda or use fear to motivate the behaviors it desires, but a **democracy depends on widely internalized acceptance of the legitimacy of rules, norms, and institutions**. Blind and irrevocable trust in any particular individual or organization is never warranted. But when citizens lose trust in elected leaders, health authorities, the courts, the police, universities, and the integrity of elections, then every decision becomes contested; every election becomes a life-and-death struggle to save the country from the other side.

EROSION

A tactile
version
looks like
this:



EROSION

A metaphorical
version looks
like this:



EROSION

Public polling suggests an erosion of trust in Public Education.



ARE THERE REMEDIES?



WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

Actions by META

- The Facebook whistleblower Frances Haugen advocates for simple changes to the architecture of the platforms, rather than for massive and ultimately futile efforts to police all content. For example, she has suggested **modifying the “Share” function on Facebook** so that after any content has been shared twice, the third person in the chain must take the time to copy and paste the content into a new post. Reforms like this are not censorship; they are viewpoint-neutral and content-neutral, and they work equally well in all languages. They don’t stop anyone from saying anything; they just slow the spread of content that is, on average, less likely to be true.
- Perhaps the biggest single change that would reduce the toxicity of existing platforms would be **user verification** as a precondition for gaining the algorithmic amplification that social media offers.

WHY THE PAST 10 YEARS OF AMERICAN LIFE HAVE BEEN UNIQUELY STUPID

By: Jonathan Haidt, *The Atlantic Magazine*, May 2022

Harden Democratic Institutions

- End closed party primaries, replacing them with a single, nonpartisan, open primary from which the top several candidates advance to a general election that also uses ranked-choice voting.

Note: A version of this voting system has already been implemented in Alaska and Maine.

- Reduce the power of either political party to game the system in its favor, for example by drawing its preferred electoral districts or selecting the officials who will supervise elections. These jobs should all be done in a nonpartisan way.

Note: More than a dozen states have implemented this approach, some with all state and local districts and others with specific levels of government.

The Age of Social Media Is Ending (It never should have begun)

By Ian Bogost, *The Atlantic*, November 10, 2022

“On social media, everyone believes that anyone to whom they have access owes them an audience: a writer who posted a take, a celebrity who announced a project, a pretty girl just trying to live her life, that anon who said something afflictive. When network connections become activated for any reason or no reason, then every connection seems worthy of traversing.

That was a terrible idea. As I’ve written before on this subject, **people just aren’t meant to talk to one another this much.”**

The Take Away

- **Fiscal Year 2022-23 Appropriations Act** – The current year's budget is unlike anything ever previously experienced given the dramatic increase in available funds for appropriation. Look for the Fiscal Year 2023-24 budget growth to somewhat lesser but still very strong.

In Fiscal Year 24-25, if revenue growth is still in the double digit range, then this means that the Federal Reserve was unable to tame inflation.

- **Babel** – The corrosive effects of social media on daily governance are likely here to stay. Governmental organizations must be highly disciplined to survive. In the long run, increased transparency will expose vitriol and propaganda.

Tim Challies

Canadian Theologian, Pastor and Blogger

“We may well find that if we are to fulfill God's mandate on earth, we will need to communicate less often so we can communicate more. We will need to forsake the ease and the pace of quantity for the reflective significance of quality.”

