



INDEPENDENT SECTOR
A vital voice for us all

Opening Plenary **"Election 2008: How the Election Results** **Will Shape Our Future"**

Independent Sector Annual Conference
Philadelphia
November 9, 2008

Panelists:

- JONATHAN CAPEHART, Editorial Writer, *The Washington Post*
- THE HONORABLE HENRY CISNEROS, Executive Chairman, CityView
- ANDREW KOHUT, President, Pew Research Center; Director, Pew Research Center for the People and the Pew Global Attitudes Project
- JIM VANDEHEI, Co Founder, Politico.com
- JUDY WOODRUFF, Senior Correspondent and 2008 Political Editor, *The NewsHour with Jim Lehrer*

Panel Moderator:

- ALBERTO IBARGÜEN, President and CEO John S. and James L. Knight Foundation

ANNOUNCER: Ladies and gentlemen, please welcome the chair of the Host Committee for the 2008 Independent Sector Annual Conference and president and CEO of The Pew Charitable Trusts, Rebecca Rimel.

[Applause.]

MS. RIMEL: Good afternoon. Welcome to Philly and the home of the World Series champions for 2008. Go Phillies.

[Applause.]

MS. RIMEL: Well, Philadelphia is a city of historical firsts, site of the first continental congress, first hospital, first university, and home to the nation's first capital, but Philadelphia is also home to more contemporary firsts, the first digital computer, the first modern skyscraper right across the street from here at the Loews Hotel. And now in 2008, I am thrilled that we can lay claim to another first. This is our first-ever Independent Sector conference.

I want to be the first to welcome you to Philly, and I am delighted that our city is hosting the 2008 Independent Sector conference. I believe we have more than 900 registrants from almost 40 States, and so I welcome each and every one of you.

Between the jam-packed lineup of stimulating sessions, I hope that all of you have time in your schedules to sample some of Philadelphia's many historical, cultural, and culinary treasures. To get you started, don't forget your run up the Museum steps. Do a Rocky run. Visit Independence National Historic Park. It is America's most historic square mile, and take a walk to the Reading Terminal, only a block away, where you can taste everything from cheesesteaks to Tasty Cakes. And in case you don't have time to do all of that, which I am sure you won't, just remember that Philly is the place that always loves you back.

We are gathered here at a critical moment for our nation and our sector following a historic Presidential election in which our President-Elect pledged major change, and in the midst of --

[Applause.]

MS. RIMEL: And we are also in the midst of enormous volatility in the worldwide economy. Uncertainty about the best course and the unsettledness about our organization's future is probably the highest we have ever experienced, but it is in challenging times like these when we all face the prospect of doing more with less, that the ability to learn from our peers at a conference like this is particularly valuable.

It has been an honor to chair the 2008 Annual Conference Host Committee. I want to thank the 40 non-profit leaders on the Host Committee who joined us and worked so hard to make this conference a success, and I especially want to recognize Andrew Sweeney, president of the Philadelphia Foundation.

Andrew, where are you? Are you here, I hope?

[Applause.]

MS. RIMEL: Andrew led our fund-raising efforts.

And Meryl Levitz, I am not sure whether Meryl is here, but if you are, please stand up. Meryl Levitz is president and CEO of the Greater Philadelphia Tourism Marketing Corporation, and she did a terrific job in promoting this conference.

[Applause.]

MS. RIMEL: I would also like to acknowledge our colleagues on the Conference Program Committee who have pulled together a first-rate schedule of sessions.

Finally, I want to thank and introduce my Host Committee vice chair, Judy Vredenburg. Judy is president and CEO of Big Brothers Big Sisters of America, headquartered right here in Philly. Judy?

[Applause.]

MS. VREDENBURGH: Thank you.

I would like to add my welcome to our hometown, Philadelphia. It seems to fitting after the election that was of the people, by the people, and for the people that we are here in Philadelphia.

[Applause.]

MS. VREDENBURGH: I would especially like to thank the leadership of Rebecca Rimel and The Pew Charitable Trusts for making it possible for us to have a fantastic conference. Their generosity, their sponsorship, their leadership has made it possible for more than 900 people to be with us this weekend and this week. Thank you.

[Applause.]

MS. VREDENBURGH: And please, I encourage you to go tonight to the Constitution Center. Again, thanks to The Pew Charitable Trusts who have made it possible for us to take the bus, although it is a short walk, just a few blocks east and then a little bit north to the Constitution Center. It is really, really where our rule of law began, and please enjoy that tonight, thanks to The Pew Charitable Trust.

I especially also want to thank the William Penn Foundation, The Annenberg Foundation, Bank of America, Comcast, The Lenfest Foundation, and the Marguerite Casey Foundation. Thank you very, very much for making this conference possible.

[Applause.]

MS. VREDENBURGH: We are also grateful to those who supported our New Emerging Leaders program that we are launching here today. We are calling this initiative the "NGen Program." NGen program.

It is part of the Independent Sector's commitment to developing the next generation of non-profit leaders. This program is designed to provide opportunities for non-profit leaders under the age of 40 to network with each other and to meet more seasoned -- we don't say "older leaders" -- more seasoned leaders and to explore issues of particular interest to the leaders of tomorrow. We are delighted to welcome more than 125 of those NGen participants, more than two-thirds of whom are actually here on scholarship thanks to six different generous donors.

[Applause.]

MS. VREDENBURGH: We hope that all of you will take advantage of the wonderful opportunity this conference offers us to connect not just across the generations, but to connect with organizations of different size, different scope, and different mission.

Enjoy and partake the next couple of days. Thank you for being with us.

[Applause.]

MS. RIMEL: Well, it is my particular privilege and honor to introduce the Honorable Michael Nutter, Mayor of Philadelphia. Mayor Nutter is a native Philadelphian, and yes, he is CEO to this great city, and yes, to the World Series champions.

You will hear a little theme on this. We are really proud. It took us 28 years to win a World Series again.

[Applause.]

MS. RIMEL: Prior to his election as Mayor last fall, he served nearly 15 years in Philadelphia City Council where he spearheaded ground-breaking ethics reform, legislation, and led successful efforts to implement cuts in the wage tax, to enhance the city's competitiveness, as well as a citywide smoking ban.

After graduation from the University of Pennsylvania's Wharton School, the Mayor began his career as an investment manager at one of the country's leading minority-owned investment banking and brokerage firms. While his campaign focused on four key areas -- crime, education, job creation, and ethics reform -- his election was perhaps most notable -- and this may be a common theme after our recent election. It was most notable for the tremendous surge in optimism, and it inspired all of us as city residents.

So, ladies and gentlemen, join me in welcoming our Mayor.

[Applause.]

MAYOR NUTTER: Rebecca, thank you very much, and good afternoon, everyone. Welcome to the City of Brotherly Love and Sisterly Affection, but also known as -- because you probably have not heard in recent times that the Philadelphia Phillies won the World Series.

[Laughter.]

MAYOR NUTTER: I just wanted to make sure. It has been a while. So we are kind of proud, and if you just bear with us for the course of the next year or so, when we might actually stop talking about it -- or not.

[Laughter.]

MAYOR NUTTER: It is a tremendous honor to have all of you here at this incredible point in time, having the Independent Sector Annual Conference here in Philadelphia. Given the events of recent times for the moment, while you may or may not have been excited, depending on what city you are from about the Phillies winning the World Series, certainly this past Tuesday, regardless of where you are from, what party you may be a part of, this is living history, and we are tremendously excited.

[Applause.]

MAYOR NUTTER: Just being slightly prideful and partisan for a moment, we are especially excited of what happened here in Philadelphia, a record-shattering margin for a Presidential candidate, 458,000 vote margin for Senator Obama, helping him to win Pennsylvania and go on.

[Applause.]

MAYOR NUTTER: And did I mention a couple days before that, the Phillies won the World Series?

[Laughter.]

MAYOR NUTTER: So, yes, it has been an incredible week, 10 days, but then the crashing reality of all things in government and throughout the country and the world came when this past Thursday, I addressed the citizens of the city and the region to talk about where we are in the context of the national and international financial crisis that faces so many of us, not just in the public sector, but also all of you in the philanthropic and foundation sector.

The City of Philadelphia has a \$108-million deficit this current fiscal year and slightly over a billion-dollar deficit projected for the next five years. We have some serious challenges ahead of us, and I know that it has had an impact on many of you, your portfolios, because of the virtual collapse of the stock market throughout the country and internationally. We need your help more than ever before.

The great work that you have done in many communities across America highlights the fact that cities and municipalities working on concert with the philanthropic community is of the utmost need. We have to reengineer what we do here in the city, how we function, the services we may not provide any longer, and those that we do provide, how do we change what we are doing and how we deliver those services.

Here in Philadelphia, shortly after I came into office, we announced, of course, the creation of a Grants and Foundation Office because I thought that the city government in years gone by had not harnessed the power and the strength of the philanthropic and foundation community to the extent that we could, and whether it is here locally -- and certainly many foundations -- and you saw, of course, Rebecca on the stage and so many others here in Philadelphia, that we have a great working partnership with, but I think that there are so many more that we could outreach and let them know what our needs are in a more coordinated fashion.

And I am sure many of you have faced the situation whether it is a government or groups, individually chasing after you, all going after the same dollars in a somewhat confused and uncoordinated fashion. We are trying to change that here in Philadelphia, and we will need your continued help and support and guidance for how to make those best approaches, the kinds of things you may be interested in, and how we can better serve the constituents that all of us represent.

I am looking forward to the future, and we will get through this very, very tough and difficult time. It is a challenge for all of us, and some certainly will be hurt in the process, but I believe that in a coordinated fashion, working together, being optimistic but also realistic, we can get through what many economists estimate may be an 18- or 24-month rough period of time.

This City Government will downsize. We will become more efficient and more productive in what we do, but evermore, as I mentioned earlier, we need your help and your support in order to provide great service to the citizens of this city.

You will have a wonderful conference here in Philadelphia, and I am very excited that you are here. Over the course of the next couple days, the information you receive, the dialogue that takes place, the panel that I know is coming up with just some great speakers and folks with great information, you will have a wonderful time in our wonderful city here in Philadelphia. And over the course of the next couple days, given our financial situation, I would strongly encourage, please spend and shop and just enjoy yourselves. We have a tremendous amount of history and culture and assets.

I know many of you were out at some of our restaurants last night. Did I mention that we have great shopping and wonderful opportunities for you to spend here in Philadelphia?

Lastly, this is an incredible sports town, and as much as we have talked about the Phillies, of course, that season has come to a conclusion. I know there may be some New Yorkers here in the audience tonight and this afternoon. I want to welcome you as well. I wish you the best but not too well this evening as the Philadelphia Eagles take on the New York Giants.

[Applause.]

MAYOR NUTTER: Thank you again for being in our wonderful city, the city of the birthplace of liberty and democracy, the little place that we call Philadelphia. Thanks for being here.

[Applause.]

MS. RIMEL: Well, let us now turn to the Opening Plenary Session of the 2008 Annual Conference. We will begin by examining the implications of this week's election and the impact on the work of the non-profit sector, public policy, and the new political realities, and what a stellar lineup we have.

And to lead us in this effort, I am going to turn the podium over to Alberto IBARGÜEN, president and CEO of the John S. and James L. Knight Foundation, but not before saying a few words of introduction about a dear friend and a colleague.

I was with him a few minutes ago. I said, "What is the most important thing you would like me to mention?" He said, "I'm a big Phillies fan."

A native of Puerto Rico, Alberto holds degrees from Wesleyan University and the University of Pennsylvania Law School, and has followed an interesting and highly successful professional path.

This has included traversing the Amazon jungle as a Peace Corps volunteer, selling newspapers on a Philadelphia street corner to help pay his law school bills, and serving as a legal aide lawyer before embarking on a highly successful career as a newspaper executive.

During his tenure as publisher of the Miami Herald, they won three Pulitzer Prizes, and the Spanish Language Edition won numerous awards as well.

While all of those accomplishments are most impressive, it is his steadfast commitment to the vital role of a free and robust press and a healthy democracy that has inspired many of us who have had the good fortune to be his partner.

For his key role in serving the public interest, we thank him, and I ask you to join me in giving him a warm Philly welcome. Alberto.

[Applause.]

MR. IBARGÜEN: Good afternoon. It is great to be back in Philadelphia, and yes, I did sell the Inquirer on a street corner, and I want you to know that I tripled the circulation of the Inquirer, even though I also sold the Bulletin at that time.

It is still exciting five days later to have been part of history and to step back and say wow. We really have done something so extraordinary. We have truly come a long way in all the ways we know and all the ways we read about and in all the ways we might, each of us, remember from our own private stock of memories.

We come to this new day and hopeful beginning at a time of the worst economic crisis most of us can remember and at a time when the United States of America, the country we love and are used to thinking of as a beacon of freedom and principle, stands low in world esteem. And we come to this after decades of increasingly intense political divisiveness.

So the logical question five days later and the question Diana Aviv wants us to answer is how these elections will shape our future, not an easy question, not one we will be able to answer definitively, obviously, but we have some terrific minds here, and what we can do is offer a framework for how to think about the challenges on the domestic and international fronts, what we might expect from Congress, and what kinds of opportunities all of that will offer to the non-profit sector.

We will begin with a review of the election and how we got here by Andy Kohut of the Pew Research Center and follow that with commentary from our distinguished panel.

I really couldn't help but feel as I watched this morning's talk shows that in the rush to figure out what is next, maybe we have moved away just a little bit too fast from analyzing what actually happened last Tuesday, and we are very, very fortunate to have Andy guide us through that.

I would like to quickly introduce each of the members of the panel, so that we can then get right into the discussion as soon as soon as Andy has finished, and then I encourage all of you to be writing questions on the cards that should be on the table, so that you can participate in the discussion.

I will start with Jim VandeHei who is the co-founder of Politico. He is currently the executive director. His previous experience before Politico includes stints with The Washington Post, Roll Call, The Wall Street Journal, and first with the Berlin News in Oshkosh, Wisconsin. I probably mispronounced that awfully. I apologize to Oshkosh, his hometown, which means the Green Bay Packers mean to him what the Buffalo Bills meant to Tim Russert.

If you are a political junkie, there is no place better than Politico.com. If you want to find out this morning what is going to happen with the GOP as they head toward 2012, they are already discussing it. It is absolutely incredible.

Judy Woodruff. No one in this room doesn't know Judy Woodruff. I will remind you that she is from Georgia. She went to Duke University where she was a trustee, and after years as a CNN news anchor has returned to the Lehrer NewsHour where she had earlier served as Washington correspondent when it was McNeil-Lehrer's NewsHour.

Judy has covered every Presidential campaign since the mid '70s with grace and insight and with the kind of access to the players that you only get when they trust your track record as a consummate professional.

And I would point out, since I am giving such brief introductions of people with long bios, that if you want to know more about Politico, it is www.Politico.com. Judy is at www.PBS.org/NewsHour.

Henry Cisneros. My friend Henry has been a leading figure in national politics since he was first elected Mayor of San Antonio, the first Hispanic mayor of a major American city. He went on to serve as Secretary of Housing and Urban Development, later was president of Univision, the country's leading Spanish language media organization.

His activities have ranged from being a member of the Federal Reserve of Dallas to membership on the Rockefeller Foundation board. He has also sat on the boards of companies like Countrywide Financial and American City Vista and is currently executive chairman of CityView, a housing funder focused on facilitating housing for America's working families, and you can find out more at www.CityView.com.

Jonathan Capehart is an editorial writer for The Washington Post, specializing in national politics and environmental issues. He is also a blogger on TheWashingtonPost.com and a regular participant on George Stephanopoulos' ABC Sunday Morning.

He joined the editorial board of the Post in 2007, after serving on the editorial board of the Daily News earlier in his career, and was part of a Pulitzer Prize-winning team that saved the Apollo Theater. He also was an advisor to Michael Bloomberg and his successful campaign for Mayor of New York.

I happen to know Jonathan since he was an intern at WNYC in New York when I was a trustee, and so I still think of him sometimes as an intern, although I know he is really an adult.

[Laughter.]

MR. IBARGÜEN: He keeps telling me that. His blog is at <http://Voices.WashingtonPost.com/PostPartisan>.

Now, Andy Kohut. In Philadelphia, anything that has to do with Pew is obviously first class and well known. Before joining Pew, Andy was president of the Gallop Organization, and he was also

the founder of the Princeton Survey Research Associates, an attitude and opinion research firm specializing in media, politics, and public policy issues.

He was the founding director of surveys for the Times-Mirror Center for People in the Press, now known as the Pew Research Center for the People in the Press. Over the many decades that he has been a master of opinion in research, you have seen and heard him on the best of NPR, on public television, have read his op-eds in many publications, and has authorized four books, most recently "America Against the World" and the "Diminishing Divide: Religion's Changing Role in American Politics."

We are genuinely fortunate to have you with us, Andy. Tell us what you saw last Tuesday.

MR. KOHUT: I am delighted to be here. I was struck by Alberto's talk. He used the "W" word. The "W" word is "wow," and this has been a wow election, wow in terms of its outcome and wow in terms of the way the result of this election unfolded.

I could spend an hour and a half talking to you about what we saw in the preelection polls and the exit polls, but I am going to just try to give you the highlights from my point of view as we look at the most important elements of voter opinion.

I think the thing that struck me most was that this was not a base election. It was the middle of the electorate asserting itself. Republicans and Democrats were 90 percent loyal to their candidates, but it was the independents and the moderates who made a difference. The independents broke 52 to 44 for Barack Obama. Four years ago, they pretty much split their vote. The moderate vote went 20 points in the direction of Barack Obama. So it was the middle, more than the left and the right of the Republicans and the Democrats.

The second big thing about this election is that the political landscape had changed. What we saw in the exit polls mirrored what we had been seeing in the preelection polls for two years, and that was that there are considerably more Democrats than Republicans in the electorate.

In '04, it was an even breakdown between Republicans and Democrats, but in this exit poll, it was 39 percent Democrat, 32 percent Republican, a very significant shift. I would call this the "Bush effect," this party advantage that the Democrats have enjoyed since early '06, led to the Democratic takeover of Congress, and the problems that the Republican brand has had ever since. And all of these problems were in place well before the financial crisis, credit Iraq, credit Katrina, and credit the way that the public faults the Bush administration on a range of domestic issues for the party, the change in the political landscape.

The third important element of this election was the biggest age gap I have ever seen in voting preferences. Young voters backed Barack Obama by a two-to-one margin. This is the third consecutive election in which the 18-to-29 voters went more Democratic than they did, that age cohort did in the previous elections we had in '04, '06, and '08. Young voters are Democrats, like young voters have not been in many, many years.

Clearly, the young voters have also been -- this Democratically oriented group was also swept away by Barack Obama. He swept them off their feet. It is among this group that his charisma, his ability to inspire really came home, you really see that, and it is most evident.

What was surprising about young voters in this election was their level of turnout was high, but not disproportionately higher than four years ago. They made up the same percentage of the electorate, but the whole electorate increased in size. So young turnout did increase, but not much more than across the board.

At the other end of the spectrum, we have older voters who were one of the few groups that did not back Barack Obama more than they backed Kerry four years ago, 45 to 53 versus 47 to 52 that is a McCain lead.

I think the older voters brings us to the issue of race. It is still a complicated story and one that we don't fully understand. We can really tear these exit polls apart.

While Obama achieved a sweeping victory among many groups, it was most apparent among blacks and Latinos. Blacks, he increased his margin by 8 percentage points over Kerry. Among Latinos, it was even more profound, 13 points compared to Kerry's showing four years ago, but whites on balance still backed John McCain and gave Obama only a little more support than they gave John Kerry, a modest 3 points more, but overall they supported McCain.

However, you have to unpack the white vote to really understand what was going on because Obama carried the white vote by very huge margins among young people, among well-educated people, among affluents, but there were no gains but no losses either when in comparison to the Kerry vote among white working class voters, among white seniors, and among white Southerners. They voted about Democratic as much as they did '04.

Now, these are the groups that have the highest incidence of racially intolerant views, and while they did not follow the Democratic tsunami, they didn't really buck against it as much as they might have.

If we de-construct these groups a little bit further and look at older white seniors, I am sure we can find groups that even went more in favor of McCain, but on balance, they didn't buck it.

Overall, if you look at race as an overall factor, it was certainly there, but on balance, more of a positive than a negative for Obama. Black turnout was much higher. It was 13 percent of the electorate this time. It had been 11 percent four years ago. That is a 20-percent increase, and as I said earlier, blacks almost went universally, I think 95 percent, for Obama. So that alone adds a few percentage points to the bottom line.

The exit polls showed that there was an admittedly intolerant white vote. Seven percent of the white voters said that race was a consideration, and they voted almost two to one for McCain. The other 92 percent gave McCain just a very small margin; the other 92 percent of whites, that is.

Clearly, the economy was a dominant issue, and it was a much more dominant issue. It was the single issue to a much greater extent than any one issue in any campaign that I can recall. It just about obliterated and took out of the public's consciousness almost all other issues, and from a Democratic point of view, it took foreign policy and national security off the table. That hurt the Republicans and helped the Democrats.

But at the same time, you can't underestimate Obama's achievements in this election. It wasn't only the economy. He started out with a huge, huge disadvantage in terms of having the judgment and the right stuff to be President compared to John McCain.

In September, I don't remember what the margin is. It was pretty substantial, but by Election Day in the exit polls, we had 58 percent of the voters saying Obama had the right judgment to be President and only 49 percent saying that about John McCain.

The campaign, specifically the debates mattered, and I also think that the selection of Governor Palin mattered too, but we won't go into those details. Maybe we can talk a little bit about that with the panel.

I am going to wrap up by talking about the number-one question going forward. Does this selection signal realignment? Are we moving to the left?

In my view, there is no sign of that in what we saw on Election Day. There was no change in the way voters described themselves, 23 percent liberal, 44 percent moderate, 33 percent conservative, almost identical to four years ago.

Moving to attitudes and not just labels, we did find that this electorate was a little bit more inclined to say they wanted government to solve problems, but only a little bit, from 46 percent four years ago to 51 percent this time.

On the other hand, the public expressed some pretty conservative attitudes, attitudes associated with conservatives. Sixty-eight percent favored offshore drilling. This was a public that passed bans on gay marriage in Arizona, Florida, and California.

And if you look more broadly than the exit polls, look at the longitudinal value surveys that we have been conducting over the past 20 years, we have shown the public drifting prior to the selection in the direction of wanting a more activist government, but it was mostly a correction or erasing the anti-government, anti-social safety net attitudes that developed in the mid 1990s. So we are sort of back. If you look at the public, we are back where we were in the 1980s, and we have moved away from the conservative trend of the mid '90s, but we are not in a decidedly more liberal direction.

I think whether the public will follow Obama and the Democrats further left, if that is the way they go, will depend on performance, performance, performance. Reagan only succeeded in getting his ideas accepted after mourning in America, not before it, and we know the challenge for the Obama administration will be difficult, given the economy and the foreign policy environment that he inherits on January 20th. Certainly, the public's patient is going to be tested, and he will be judged most crucially, but he will be judged most crucially by the least ideological and most pragmatic elements of the electorate, the independents and the moderates.

Whether they will be disgruntled or satisfied by his performance will tell us which way the ideological and partisan winds will blow in the future.

One final point, though, is the Democrats, should Obama and the Democratically controlled Congress succeed, are in really terrific shape in terms of demographics. They have this 18-to-29 cohort that three times in a row has shown itself to be more Democratic, and they have the Latino

vote which is growing very, very substantially and has moved from flirting with the GOP to becoming solidly Democratic, at least for the last two cycles or last two elections, national elections.

Thank you.

[Applause.]

MR. IBARGÜEN: Thank you. Thank you very much, Andy.

I guess an election -- the cards are already coming in. I was going to remind people to write their questions. I guess an election that is decided by the middle can't lead to a realignment, but to your last point, I wonder if a President and a First Lady who have spent so much of their lives in civil society kinds of activities and who speak so fondly of days as community organizers and so forth, I wonder if you would comment for this group of Independent Sector members whether you expect that there is going to be a difference in stature of the not-for-profit sector in this administration and a difference in the way that we talk about government as a place for service as opposed to government as something that ought to be cut back.

MR. KOHUT: You know, I don't know the answer to that.

I think that the public will be receptive to more government, not too much more. We have to always remember 1995 wherein the public was in a more conservative, more anti-government mood. Gingrich pushed it too far, and it was a tremendous backlash.

Looking at independent groups that do social service, I am not sure I have a good point of view. Maybe somebody else on the panel will have a better opinion on that.

MR. IBARGÜEN: Henry, I will ask you.

I am going to ask all of the panelists to tell me, a real lightning round, what is your one or two salient points about the election, but I did want to follow up on this point.

You have devoted most of your life to public service.

MR. CISNEROS: Well, I would say that it may not be about realignment, but I think this is the first demonstration of what we have been seeing in terms of the diversity of the country manifest itself, and all across the country, there was this huge upsurge of new voters, including many minority voters, that begins to resemble their proportion in the population, African Americans, Latinos, many young people of mixed ethnic background, and I think that is a theme here.

But to your point specifically about the independent sector, the non-profit sector, I think the signals are very strong that there will be deeper utilization of the independent sector in this administration.

First of all, Barack Obama is the first urban President -- and I sort of went back ticking through the recent Presidents -- since Harry Truman, who was a public official in Kansas City. I mean, you have to go back that far that you don't have Presidents who were either rural overtly, Jimmy Carter, Lyndon Johnson, or had spent so much time being broad leaders, like John Kennedy, for example. You go back literally to the Harry Truman period to find someone who was urban.

Now, there were a lot of new things in this election, Barack Obama's use of technology, Barack Obama's fund-raising, but certainly, one of them is his community organizing experience as it applied to the election. It is very interesting, and I will close with this thought, this sentence.

This was not an election in which they campaigned in the normal way. It was more like a community organizing endeavor because of his experience with the Olinsky-style organizing organizations, but also labor. And when you tried to tap into this organization in the normal ways, there just wasn't a way to tap in, in the normal ways. It was very much bottom up. They get it. The whole leadership structure gets it in terms of the role of independent organizations. I think there will be a much bigger role.

MR. IBARGÜEN: I confess I never thought of Harry Truman as an urban President, but --

MR. CISNEROS: He was a county official in Kansas City.

MR. IBARGÜEN: Okay, that counts. That counts.

[Laughter.]

MR. IBARGÜEN: It is just that Bess hated Washington so much.

Well, let me ask you to -- Judy, you can go ahead.

MS. WOODRUFF: Well, I was just going to pick up on what Henry Cisneros just said about from the ground up.

I mean, the Obama campaign put together something, the likes of which we have never seen in American politics, grass-roots efforts in all 50 States. I think I saw the number, 35,000 organizations that were, you could say, almost spontaneously created. The Obama camp worked on it very hard, but people who came together in their local communities to work for him, and the campaign or the post-campaign period, they are saying they want to use this grass roots, extraordinary grass-roots organization that is out there down the road.

Now, we are not clear yet on exactly how they are going to use it, but I wouldn't at all be surprised to see the White House focusing on ways to get real people at the local, local level involved in supporting administration initiatives, and we really haven't seen anything like that before.

MR. IBARGÜEN: The Journal reported the other day that the mailing list tops 10 million names and goes on to make essentially that point. That could be awfully threatening to a Congressman who votes against the President.

[Laughter.]

MS. WOODRUFF: It could be.

MR. IBARGÜEN: Just to think of one possible use of that list of 10 million names.

MS. WOODRUFF: The other quick point I was going to make, I think there is no question that Barack Obama sends a signal that it is okay to be involved in government, that government is not a bad thing, that government can do good things working with people. Government doesn't have all the answers, but it is part of the solution.

And just reading the Obama website during the campaign, which they have kept up, by the way, and they said they are going to maintain, they talk very openly about his commitment to national service, building on everything from AmeriCorps, the Peace Corps. They talk about creating a new agency to reach out to non-profits. So I think this is very much a part of a very full agenda.

MR. IBARGÜEN: We will want to talk some more about that.

Let me ask you what you would list as the top one or two things that stunned and amazed you about this campaign. Jim?

MR. VANDEHEI: Well, I think what stunned me most was what a terrible campaign that McCain ran. At the end, it became -- it might be obvious from looking at the results, but from the moment he made that Palin pick at the convention, it was an extraordinarily erratic campaign and a very inefficient campaign in a way I think that wowed even many Republicans, who had expected more. They thought that there were enough smart people around him that they would be able to come up with a campaign strategy that would penetrate.

I think one of the great stories going forward -- there has been so much focus on Obama, and I think there will be a tremendous amount of focus on Obama, but it is what is happening with the Republican Party and how they react to the results of this election.

You have a whole generation of leaders who have moved on, and Republicans are really struggling with how to interpret these results.

On the one hand, you could look, as Andy pointed out, and say okay, just as many people consider themselves conservatives today as they did four years ago. They expected to lose this election because it is such a toxic political environment because of Bush for Republicans, but at the same time, you have another group of Republicans who are looking at that same data and saying we cannot continue to lose 95 percent of the African-American vote, we cannot lose two-thirds of Latino, Hispanic vote, we can't lose the same percentage of the Asian-American vote and become an all-white party that only has success in a shrinking part of the South.

And I think tracking and tracing that ideological struggle is going to be fascinating because you are going to see new people emerge, and you are going to see new ideas emerge because the center of the country is so fickle, politically I mean. We are at a time of great change for the media, for business, for Wall Street, and for politics.

So it would be easy to over-interpret the results and say that there is this emerging Democratic majority, but it is clear from the swing we have seen just in the four years that there is real opportunity for parties that put together a smart infrastructure, that train their people, and that adapt to the issues.

We just have a different set of issues than Republicans had success with for so long. It is not that tax cuts and national security aren't as powerfully resonant as they once were. They probably will remain so in politics, but you have to also adjust to what is happening in Wall Street, what is happening with global warming, and what is happening with everything from auto-makers to just a transformation of our economy. If they can do that, you can start to make a comeback. If you don't, it could be devastating.

MR. IBARGÜEN: I wonder. You have used the phrase. You said something I am not quite sure I understand. I think I know what you mean, but you said the center is so fickle politically. Usually, you think of the center as sort of solid, and it is the extremes that --

MR. VANDEHEI: I mean that it is very persuadable. There is no doubt that the middle went with Obama this time. It went with Obama and Democrats very powerfully, but if you look and talk to those voters, it is not that they have been completely turned off by conservatism and completely turned off by Republicans. They were turned off by the Bush administration. They were frustrated by the economy.

That doesn't mean that Republicans, therefore, had surrendered the center for elections to come. It is all about being able to, I think, adapt to the changing needs and demands of voters, and that is what you hear Republicans wrestling with.

Right now, we have a story up already where they are talking about the sort of different factions breaking out inside the Republican Party, those who say, "No. We have to remain very conservative, focus on social issues. Let's look at someone, at Sarah Palin as our leader in the next generation," and there's others that rally around someone like Bobby Jindal in Louisiana and say, "No. Let's start looking at more of like a solution-based conservatism." I think it will be a fun story to watch.

MR. IBARGÜEN: Do you read the middle the same way, Andy?

MR. KOHUT: Yeah. I mean, I think the fickleness that Jim was talking about is the middle doesn't have the ideological rooting of the left and the right, and so they are more persuadable, whether we call them "fickle" or "flexible."

[Laughter.]

MR. IBARGÜEN: Jonathan, what stood out for you?

MR. CAPEHART: Well, before I get to that, I do think that the independent sector or NGOs, the non-profit world, the statute cannot help but go up.

Folks, when they hear that and not folks in this room but folks outside this room, everyday real Americans, as we heard, you know, during the campaign, but I think --

[Laughter.]

MR. IBARGÜEN: I think there are a couple of plumbers in the audience.

MR. CAPEHART: I think that when people hear that, they think that there are going to be a bunch of non-profit organizations going up to Washington looking for funding, and I think that might be true, but I also think that where the stature will increase will be the ideas that you generate and the talent that you have.

Some of you very well might lose some of your best people because they want to go and take the ideas that they have been generating inside your walls and bring them to Washington and help change the country because you care about the country so much that you want to change things and change the way things work.

I have been so wowed by the election that I have already moved beyond being wowed and sort of thinking about what happened.

There are a couple of things. One, in our editorial board meeting on Thursday, we had a discussion about just in an industry that is losing circulation and losing millions of dollars every month, every minute it seems, it was extraordinary to see people lined up outside The Washington Post to get the paper.

There is a person on our board who looked at those lines. We talked about how we felt about seeing those lines outside, and for me -- and most of the people in line were African American. And for me, the big signal there was for the longest time, African Americans had been used or portrayed as the other, a group of people who did not share the same values and interests and concern of the nation, that he had been used many, many times as a wedge to keep good people from public service or to keep bad people in public service, loosely defined.

Suddenly, you have an election where an African American has broken the biggest, baddest glass ceiling there is, and suddenly, you have a group of people whose history with this country is inexorably linked, suddenly having their hopes and dreams validated, that their belief in this country has been affirmed and confirmed. That for me has been the most powerful thing out of this entire election.

So what does that mean for the African-American community? I think that is what is going to be most extraordinary. Here you have a President-Elect who was deemed by National Journal to be the most liberal Senator in the United States Senate. Yet, he espouses some of the most conservative ideas when it comes to family and decorum and demeanor.

It was terrific. On Election Day, he said he didn't agree with laws that would tell guys to pull up their pants. I can't remember what -- there is a term of art for it, but that is a very conservative notion. So it will be interesting to see --

MR. IBARGÜEN: Wait a second. Wait a second. You lost me. There is a law of telling guys --

MR. CAPEHART: Oh, yeah, yeah, yeah.

MR. IBARGÜEN: -- to pull up their pants? It is a conservative notion?

MR. CAPEHART: Yes, there are. Yes.

MR. IBARGÜEN: So a liberal notion would be telling guys to pull down their pants? What's the deal here?

[Laughter.]

MR. CAPEHART: Gosh, Alberto, I didn't know this was going to be that kind of discussion, but in terms of --

[Laughter.]

MS. WOODRUFF: Who ever thought at Independent Sector, we would be discussing this?

MR. IBARGÜEN: This is Independent Sector. We talk about everything here.

[Laughter.]

MS. WOODRUFF: Moving right along, the point I am trying to make is here we have someone who is deemed a liberal with a big L who has conservative notions of family, personal responsibility that I think the African-American community has been having amongst itself for the longest time, and now it is out in the public realm, in the public sector, and it will be terrific to see how having him and Michelle and the two girls in the White House, how that will impact the African-American community.

Also, I echo what Jim says. I think that the next fascinating thing will be to see how the Republican Party pulls itself back together.

The most amazing graphic I saw was on The New York Times election front page, that map where it showed a sea of blue except red that was Louisiana, Arkansas, most of Tennessee, and then everything along the Appalachian mountains, and that is the dilemma for the Republican Party. It cannot be a national party if it clings to the voters in those States. It has got to broaden its appeal.

I will just throw out this little stink bomb. If the Republican puts its hopes and dreams in the hands of Sarah Palin, it will remain a small, regional, reactionary party.

[Applause.]

MR. IBARGÜEN: Henry?

MR. CISNEROS: Just a couple of quick other signals I think about what it might mean specifically for the non-profit sector, if I may.

First, we have seen hostility at some points in the last eight years to the non-profit sector. In fact, several times, Republicans have actually had a strategy they called defunding the left, and overtly, we are seeking to stop funding for particular non-profit groups. That is over. So that is step one, I think. You won't see that kind of thing happening, just a more recognition of what the capabilities are of this network across the country and how necessary it is.

Secondly, I have been part of kind of an informal transition group that is sort of looking at the first hundred days or so, and it is clear that the first agenda is to deal with the two crises, Iraq and the economy, and then the next question was, well, what of the things that are promised come up next, health care or education or immigration. And it is not clear that any of those can be started right away because the crises are so significant, but what the administration people are saying is the non-compromisable thing that will come up, irrespective of how much time is accorded the crises, is changes in governance, changes in reforming government and the relationship between the government and the people. That is Barack Obama's, like, number-one legacy question is that question of the relationship between the people.

Finally, thirdly, some of the structural things that he advanced during the campaign speak to the involvement of people across the country.

For example, as you may know, the Brookings Institution has this huge effort on metropolitan areas as the basis of prosperity for the American economy. He has said -- he said to the Conference of Mayors, the President-Elect as candidate in June -- that he would create a White House Office of Urban and Metropolitan Policy like the Economic Policy Council that worked so well in the Clinton years to coordinate kind of from the bottoms up, Federal policy, rooted in metropolitan and urban and community settings.

One element of that is the so-called "promise neighborhoods," which he has indicated he wants to create, which are based on Geoffrey Canada's Harlem Children's Zone, which is the classic kind of non-profit, bottom up, really deal with the needs of an entire community, so lots of signals to an audience like this that this is a new day for this sector.

MR. IBARGÜEN: And lots of signals that people ought to be thinking about as opportunity, not just what is the administration going to do for the civic sector, the independent sector, but in what ways can we help the government, help the administration meet its goals where they coincide with our own and think of it as perhaps more proactively than the Independent Sector has in the last few years because there is more invitation.

We have gotten a number of really interesting questions, and a number of them are about the philanthropic community and what the Independent Sector can do in terms of promoting the grass roots, the dealing with grass-roots issues, and a question about whether there should be a White House Office of Civic Engagement and about what advice you would give to people who are going to deal with this administration.

I wonder if you could give some advice as people who are in Washington. Most of the rest of us are not. Not thinking so much about K Street lobbyists and so forth, but on issue and mission-based organizations, what advice do you give people when they ask you how should we approach an administration like this one?

MS. WOODRUFF: I am not sure I am in a position to give advice, but what I would say about what it appears so far that is going to be distinctive about this administration is that this is a transition team, which has fallen into place very quickly. They have been working at it for six months. They have looked at previous transitions, and they have decided there are some things they don't want to do. They don't want to repeat, among other things, what they thought was a poor transition under Bill Clinton from 1992 to '93 where it took several weeks before they were even

able to make the first announcement, before they were able to announce the Cabinet. So they are moving quickly.

We already know they have announced the White House Chief of Staff. We are almost certain that the gentleman who was the chief strategist for the campaign is going to be in the White House as a senior advisor to the President. That is David Axelrod. I think he and Rama Manuel will be playing a hugely important role in terms of the shape of the next administration.

And what I read from what they are doing is that, yes, all of these Cabinet appointments, no question they are important, and we are all having a lot of fun right now guessing who is going to be put at Treasury and State and will Bob Gates be asked to stay on at Defense and all these other Cabinet offices, but it is the White House that is going to play a dominant role in this administration.

I think just the fact that the President-Elect is moving so quickly to put people in place, you just get the sense from talking to them that that is the kind of administration they want to run.

MR. IBARGÜEN: There was a lot of talk in this morning's show, Jim, about Obama maybe not even showing up in Washington very much between now and January 20th, maybe not wanting to be seen as a person who is on the floor of the Senate making deals, but rather as the leader of the nation. How do you think that is going to play out?

MR. VANDEHEI: Well, one, he doesn't really have to be there because what he has to do is put together his team.

The truth is everything that we are hearing is there is more cooperation by necessity between the Bush administration and the incoming, what is there so far, Obama and his staff, than ever before. Why? Because they are going to inherit the \$700-billion bailout fund. They have to be able to not start in late January and then learn all the steps and staff it up.

There is already talk that the Bush administration has offered to fill some of those slots with picks that the Obama campaign would make to ease that transition because the economy is not getting any better, and it is only going to get trickier to solve, and then the terrorism component, I mean I can't imagine. Obama got his first security briefing. It had to be a pretty profound moment for him to sort of deal with a reality that we are probably only vaguely aware that the President has to look at each and every day, and that transition has to go smoothly and efficiently. So there is a lot of cooperation already.

A couple of things have happened. I think in the campaign, I think a lot of people think, well, Obama is a fairly liberal guy. There was a National Journal survey that said he voted more liberal than most Senators.

I think by picking Rama Manuel, it sends a pretty clear signal. Rama Manuel is not a liberal. He is a centrist. He is a pragmatist. He sort of understands what can and cannot be done in Congress. There is no doubt, he's a brawler, but he is being brought in because they are going to try to move very quickly on the economy.

My guess is they are going to end up putting health care off and working on energy and the environment because it is easier to appeal to at least some Republican support, do it in a way that

you are not driving up the deficits, in such a powerful way that you would if you dealt with health care. So I think they are going to move quickly.

There's some stories out this morning, this debate about whether we move fast or move slow. They are going to move fast. When you have mandate, when you have the support, you go in and you govern with muscularity. They are going in. Undoubtedly, I think that is what he is going to do, and I think that is what the Rama pick signaled.

MR. IBARGÜEN: So they will move fast in setting up, but do you think they will try to move fast in terms of legislation before January 20th?

MR. VANDEHEI: Not before the 20th. I think what will happen is, the minute he gets in, they will move very quick to do something on tax.

MR. IBARGÜEN: Okay. So from January 20 on.

MR. CAPEHART: Tax for the 95 percent, do something on energy right after that, try to have a very aggressive and ambitious hundred days, knowing that you are very much confined by the reality of the moment.

His Presidency for the first couple of years is going to be dictated in large part, not necessarily by him. It is going to be dictated by the economy that is melting around him and the money that we have already said we are going to put into that and by what is happening in Iraq.

Regardless of what he said during the campaign, it is clear that he is going to probably listen to what his generals tell him on the ground. There are still 150,000 troops over there. There are still calls that we need to take big chunks of those troops and move them over into Afghanistan. Those are two mammoth issues that few incoming Presidents have ever had to grapple with. They will dictate much of what he can do.

MR. IBARGÜEN: I see Pelosi and Reid as temperamentally more liberal than he. Do you?

MS. WOODRUFF: I do, but I think that Reid in particular is a pragmatic liberal, and I think Pelosi, sure, she's a liberal, right out of San Francisco, no question. She fits the stereotype.

At the same time, if you look at the Democrats who were either reelected or elected for the first time, many of them come out of swing districts. They are not as far left as, say, Nancy Pelosi is.

So I don't think it is going to be in the interest of either Nancy Pelosi or Harry Reid to run off to the left and not to think about protecting some of these members who come from these, what we call, swing districts, that aren't so clearly Democratic. They have got to think ahead about that.

MR. CISNEROS: Alberto, I want to get back to your point about how folks in this network plug in and how their ideas are tapped.

First of all, I think there will be lots of opportunities to plug in because this is an administration that will set up lots of conferences and lots of summits and lots of places in every area of work, the

housing problems, educational issues, health care issues. You name it, and there will be opportunities to plug in.

Secondly, it is a whole lot easier to plug in today with the technology, and they use the technology brilliantly, and I expect that they will use it in government.

I had the opportunity to visit Obama Headquarters in Chicago which was in the twentieth story of an office building in Chicago that had no signs or kind of street signs or anything, but when you walked in there, it was four big rooms, each of them about a quarter of the size of this room, with hundreds of computer banks, hundreds in each one, no exaggeration, little cubicles, 21-year-olds.

One of them was a room where they were raising money. Another one was a room where they were setting up events. Another one was a room where they were doing quid pro quo, like if you want to come to the Invesco Field event, you have to have an event for 10 people and prove that you did it, and the third one was just to communicate with people, just to respond to their e-mails, as if you were communicating with a candidate directly instantaneously. It was phenomenal. Now, you employ that mechanics in relationship to the country, it is huge.

One of the things that I read the last few days is that that bank of names is a way to communicate directly with people around the press, not just around the Congress, but around the press --

MR. IBARGÜEN: Absolutely. Yeah.

MR. CISNEROS: -- and communicate directly with folks. So the technology will be there, and smart people will tap into that.

Finally, I would say there will be a big emphasis on clearinghouses of best practices. President Clinton used to tell us in the Cabinet, you know, we don't have to come up with new ideas. Someone out in the country is already doing it. We just have to find out what is replicable and do it.

And I think we are in a phase in our country, kind of third wave or even beyond, where we understand that the only way we are going to get things done is not through bureaucracies, whether they be Federal or even schools or at the local level, but it is going to be a network of viral organizations.

I mean, it's in our genetics now, and the kinds of people he will name, some of the names, Judy, that are being mentioned are like Shirley Franklin for Housing and Urban Development. She is a mayor. Marc Morial, he was the Mayor of New Orleans, at HUD. Colin Powell at Education, that's one of the names that's being rumored. He served as the president of America's Promise, for example, which is involved in community-based educational initiatives.

So the early signals are anybody who comes to a modern administration is going to have some kind of rootedness in tapping the vast energies of non-profits across the country.

MR. IBARGÜEN: Well, Rebecca will tell you that I am something of a Johnny One Note in terms of Independent Sector foundations supporting the use of new media to meet and in doing the work of civic and civil society. It seems to me that meeting the information needs of our communities is

absolutely essential if you really expect the people to determine their own true needs. They have got to have that exchange of information.

And it occurs to me, as I look at what this campaign did in organizing by using new media and organizing by being Meetup.com on steroids and having processes like the ones you just described, that ought to give us all an indication of how best or how this group of leaders communicate, how they think.

I think you need to start thinking about how to use that same kind of technology, that same new media to organize in and around your issues, in and around communities, and then link that up with a system that is there and ready to accept it.

We have a number of questions that are about the analysis of the numbers that we saw and what it means going forward.

I would like to ask just a couple of them, one about the South and the West and the other about religious groups, Andy. It was such a strong force in the last two elections. How do you analyze the impact of religion and religious groups in this election?

MR. KOHUT: Well, the religious voters, the people who attend church on a regular weekly basis or more often, voted on balance for McCain, but they gave Barack Obama more support than they gave John Kerry by 4 or 5 points, but clearly, the symbolic issues, the social issues were off the table.

You can't underestimate the impact of a problem as bad as our economy and just overwhelming everything else in terms of what is on the voters' minds, and it also gives a little hope for a decline in the sharp partisanship in Washington going forward because the economy is going to marginalize all of these other issues, just as it did in the election.

So I don't think it would be we are likely to see in this transition an argument about -- what was it? -- gays in the military in 1992?

MR. IBARGÜEN: That was Clinton, yeah.

MR. KOHUT: I don't think that the environment is right for the equivalent of that, whatever it is here, because people want to get down to the economy and dealing with these major problems, not that concern about those issues is not legitimate, but it has been so disproportionate at times relative to other problems, and that is not likely to occur.

Getting back to what we saw, religion did not play the forceful role that it played in the previous campaigns, the gay marriage bans passed in Florida and California, but Florida and California voted for Obama.

MR. IBARGÜEN: Actually, I read an analysis of a vote in Florida that suggested that the gay marriage ban that was thought to be in trouble actually got quite a lot of support from the significant increase in the African-American community that came out to vote for Obama.

What about the South, Judy? Your background is there. What are your thoughts on the South, on an African American having broken the stranglehold the Republicans have had for 30 years?

MS. WOODRUFF: Well, the two States that we are looking at changing in the South, of course, in North Carolina and Virginia, when it comes to North Carolina, this is not your grandmother's or even your mother's North Carolina because what happened, the good news for John McCain and for Elizabeth Dole who lost is that the native-born North Carolinians went heavily for them, for the Republican candidates, but the new arrivals in the Southern States who congregate and live heavily around the four metropolitan areas, Charlotte, Raleigh, Durham-Greensboro, and Winston-Salem, they voted heavily for Barack Obama.

Ultimately, the margin was a relatively small one, very small. We didn't know the results until a couple of days after the election, but it was the African-American vote, no question, as Jonathan pointed out, but it was white professionals and the new Latino community that have built up in a number of these cities.

Virginia, somewhat similar. We have already seen in Virginia. This has been happening for several years as counties right around Washington, D.C., Northern Virginia, have been moving Democratic, but what changed this year was the outer suburban counties, Loudon County, Prince William County. If you live in Washington or you travel through there, you heard about these communities, heavily suburban, but mixed in terms of Hispanic, African American, and again, the white professionals, young people in both of these States. It is the new people moving into these States. They are changing the face of the South.

And what I kept thinking on election night, Alberto, is Virginia, this is a State that last went Democratic in 1964 when Lyndon Johnson was on the ballot. When Barack Obama's, I guess, parents were -- they could not have married in the State of Virginia because of the laws there. So what a change we have seen in the South.

MR. IBARGÜEN: It's phenomenal, absolutely phenomenal.

And what about the West? What did you see? Did Sarah Palin make any difference at all as a regional candidate, or does that not matter at all?

MR. VANDEHEI: She may have in some States, but the large Western States were strongly Democratic, and the Democrats have been doing very well out there, doing well in places like Colorado, which traditionally they have not for sometime.

MR. IBARGÜEN: Where do the Schwarzeneggers and the middle of the Republican Party -- where do they go?

MR. VANDEHEI: There is not much of a home right now for them because if you look at the House seats that the Republicans lost, you end up with not only a smaller Republican minority in the House, you end up with a more conservative and smaller Republican minority in the House. So there is no real leader of the moderate wing, and the truth is that moderate wing of the Republican Party has been shrinking for sometime.

They have had a tremendous amount of trouble keeping any of those seats in the Northeast corner of the country, and it is something they are going to have to reckon with as a party.

On the Southern thing, the one caveat I would add to that is I believe McCain outperformed Bush in some rural parts of Virginia, did better than Bush did in Tennessee, did better than Bush did in Louisiana, and I think what I read from that is there is still obviously a very big, durable conservative base in some of these States, but if they continue to lose all those independents because they cannot find a way to connect with those, there's a lot of people in Loudon County that should probably be voting Republican if you go by indicators that we have used in past elections, given their demographics, given they're married, given the fact that they are making a lot of money. He lost all of those, and the Republican Party has lost all of those. Somehow they have to pull those back into the fold.

One other quick point on Sarah Palin, there has definitely been this pile-on effect of Sarah Palin post election. I am not entirely convinced that she was a negative for John McCain.

I think people are forgetting how much conservative activists distrusted John McCain. When he made that pick, one of the things that he was thinking is I am going to have a heck of a hard time winning the middle, I am going to have a heck of a hard time getting any of the core conservatives to even turn out because they don't like me because of immigration, they don't like me because of campaign finance reform, they just don't like me personally, and there is no doubt that there was an enthusiasm that flowed from here, and I also think there is no doubt that she probably cost him a lot of independent voters. I just think it is going to take some time and some dissection of the numbers to find out if, in fact, it is true that she was a net negative.

MR. IBARGÜEN: Henry?

MR. CISNEROS: I don't want to be parochial, but I would like to just put the Latino overlay on some of these State and regional trends because I think it is important beyond the election to the work that many in this audience do.

Florida probably changed from red to blue because the Cuban vote was not as solidly Republican, and then half of the Latinos in Florida now are not Cubans, but they are Nicaraguans, Colombians, Mexicans, and others, and they voted blue.

MR. IBARGÜEN: A very significant amount are Puerto Rican.

MR. CISNEROS: Very significant, Puerto Ricans in Tampa, Orlando, which Bush's salvation in Florida last time was the I-4 Corridor, it wasn't there for him this time.

MR. IBARGÜEN: Yeah.

MR. CISNEROS: Similarly, Virginia and North Carolina, you are right, substantial Latino vote, very heavy, 70 percent for Obama in North Carolina and Virginia.

You mentioned the west. What keeps California blue is this massive Latino vote in the 70-percent range which Pete Wilson put in place for perpetuity with Proposition 187 and the wedge politics against Latinos. That is what makes California blue now.

This election, you add Nevada, New Mexico, and Colorado, again, huge Latino numbers in all of those places. New Mexico has the greatest percentage of Latinos of any State in the country. So it is a real factor, and it is going to be a factor from now on.

This was the first election in which it was, quote, "contributed to the decisiveness," and we will see that now forever, forever in the American story.

Finally, let me just say there is a lot more here than election numbers. This is just indicative of the size of this population, and my view that America cannot progress in the way we would like through the remainder of this century if we don't address some of the issues related to education, dropout rates, lack of income, and integration of this population. It is now clear that this is essential to the American people.

[Applause.]

MR. IBARGÜEN: Andy?

MR. KOHUT: I have two quick follow-ups. First of all, on the Palin thing, I have a somewhat different view than you do, Jim.

This is the first Vice President where you could put attitudes toward the Vice Presidential candidate into a mathematical model, and she made a difference.

If you put views about Joe Biden into the model, just like all other previous Vice Presidents, it didn't matter. Opinions about Biden didn't matter. Opinions about Palin did matter.

So I think you can establish pretty empirically that she really hurt. She really hurt McCain.

The second thing is I think we can over-read the problems of the Republican Party because we have to take into account that the Democrats have improved their position because of Republican problems, not because the public has essentially a very much better opinion of the Democrats.

The favorable ratings of the Democratic Party have only increased modestly. The disadvantage on party affiliation, the gap on party affiliation is that people are so far down on the Republicans, which is bad for the Republicans, but what is good for the Republicans is the Democrats still have to prove themselves for those ratings to go up.

MR. IBARGÜEN: Jon?

MR. CAPEHART: And that gets to something I want to talk about which is expectations. The expectations for the Obama administration are sky high, and I think that he did himself and the nation a service on election night in tone and demeanor and in words by saying flat out, we have got a lot of problems, it is going to take a lot of tough decisions, and we are going to have to sacrifice. And he did it again at his press conference on Friday.

I know everyone is excited and elated and thrilled by the opportunity that now presents itself to get a lot of the ideas and implement a lot of the ideas that many of you have been working on, but Brother Man has got some problems.

[Laughter.]

MR. CAPEHART: And his In Box is full.

As much as he would like to fulfill a lot of those promises that he made on the campaign trail, he is just not going to be able to do it, and that gets to your point. If he falls down, if the administration falls down, then who knows? We could see in the 2010 election, which congressional elections, the mid-term elections, where he might get smacked back in the way that President Clinton was smacked back in '94.

MR. IBARGÜEN: And Reagan too.

Judy?

MS. WOODRUFF: I would just say that he needs to repeat every day, not just the speech on election night and the first news conference, every day that it is going to be hard, but I also believe that he and the people around him know that. They know the expectations are high.

They know that they have got to find a way to deliver and deliver in a way that is meaningful, but at the same time, we are living in a real world of knowing what the deficit is going to be, where the economy is, the financial crisis, and all the rest of it.

MR. CISNEROS: On the other hand, if things are so bad that if he can move --

MR. IBARGÜEN: Been down so long, it looks like up to me.

MR. CISNEROS: -- out of Iraq on an honorable basis, over a reasonable span of time and we are making progress --

MS. WOODRUFF: Even if it is not 16 months.

MR. CISNEROS: Even if it is not 16 months, and if we can begin to deal with the credit crunch and some of the economic issues on a responsible basis and the numbers begin to turn -- and I think they probably will by next summer and so forth -- you can build up some political capital and be honest with the people that you are going to have to postpone some of the other things a little bit because the budget is in worse shape than you thought, but walk the people through it.

He can look a lot like Franklin Roosevelt through this and be in very good shape.

MS. WOODRUFF: And this is where I believe his communication skills are so important.

MR. CISNEROS: Right.

MR. IBARGÜEN: Yeah.

MS. WOODRUFF: Not every President has the ability to get that across, and I think Obama is particularly gifted in his ability to convey.

MR. CISNEROS: And humble, by temperament, a person who seems to be -- understand how to calmly explain to people. That is I think the number-one attribute that I would say.

I mean, you look at different human beings, Bill Clinton, you know, his sort of empathetic capabilities and his intelligence, but what I see in Barack Obama --

MR. IBARGÜEN: And just keep going, and George Bush.

[Laughter.]

MR. IBARGÜEN: I want you to tell me.

MR. CISNEROS: What I see in Barack Obama --

[Laughter.]

MR. CISNEROS: I am from Texas. I have a hard time with this one.

MR. IBARGÜEN: I know. That is why I pressed.

MR. CISNEROS: What I see in Barack Obama is really a sense, a fine antenna for how to explain to people.

MR. IBARGÜEN: Jon?

MR. CAPEHART: And we saw that very visibly the day or that week when the economy just fell out from under us. There was John McCain, "I am suspending my campaign. I am not going to the debate. I am parachuting into Washington, even though I haven't been there in six months, and I am not on the committee of jurisdiction."

Meanwhile, there was Senator Obama who for the longest time being beat up by people like me saying he has got to get in there and fight, he has got to fight. If he wants the Presidency, he is really going to have to shake things up, but then, suddenly, that cool demeanor suddenly looked exactly like what the country wanted. They wanted someone calm in the face of the storm, and I think that, plus John McCain saying that the fundamentals of the economy remain strong as the Dow was plummeting 500 points and then some, I think it gets to your point and Judy's point that Senator Obama, just his demeanor, his oratory, is something that the country I think really hungers for.

MR. KOHUT: Is that the day the election turned? I think if we look back at the spreading of the polls, that is about right where it happened.

MR. VANDEHEI: There is no doubt that the economy, I think as Andy pointed out before, just completely up-ended pretty much any chance that McCain had for winning.

I mean, imagine for a moment that we didn't have the economic turmoil and that there was some disruption in Iraq, for instance, and national security, more powerful issue. I mean, Andy's numbers have shown and exit polling data has shown that McCain at the end did pretty well with people who cared most about national security. So that could have changed the dynamic of the race, but there is no doubt.

I mean, if you talk to the McCain people, that is the first thing they say. The minute it was clear that the economy was going to dominate the final two months of the campaign, they thought they had very little chance of winning.

MS. WOODRUFF: But it was also his handling of that, that I think made it even worse.

MR. IBARGÜEN: Well, let me ask you two questions, one that has come up in a number of these very good cards that I keep getting. One is about communication, and the other is about money.

Campaign finance. Does it have a future in light of how much money Obama raised, and if you were not so well disposed, as you might be, toward Obama as a fair and judicial sort of person, might you be very, very nervous about his ability to have the most powerful office and to have the most amazing capacity to raise money outside of anything that can be controlled?

MS. WOODRUFF: I think what Obama did throws everything up in the air in terms of what we believed about campaign finance reform, campaign finance.

You have all read it by now, how much money he raised. It was \$750 million, oodles and oodles of small givers. Yes, there were big givers too. Plenty of people wrote big, fat checks to the Democratic National Committee and other committees that were set up and you could give more money to, but I don't think anybody knows where it is going from here.

McCain-Feingold looks antiquated.

MR. VANDEHEI: He would be nuts as a Presidential candidate to say I am going to take matching funds, and you would be booed out of your party in every election going forward because it has been proven that you don't have to do it in the primary process, and you don't have to do it in the general election process, and it will be a sign of strength that you don't have to do that. Therefore, it will be the expectation.

MR. KOHUT: But, Jim, the Democrats have been so much better at this than the Republicans. Are the Republicans going to come up to speed on the use of the Internet?

MS. WOODRUFF: Sure, they are.

MR. VANDEHEI: The thing is because of technology, Republicans, they relied on the comfort of talk radio and of direct mail for so long and were so much better than the Democrats, that they didn't grapple and reckon with the technological sweep as quickly as Democrats did. So Democrats have been so much more effective and efficient in using technology as an organizing tool, but more importantly, as a fund-raising tool, and Republicans have to figure out a way to adapt the party, but in particular, their fund-raising apparatus to technology because it is a great opportunity for those that can exploit it effectively.

MR. KOHUT: The problem is it is a market research problem. The people who use the Internet are disproportionately Democratic. Those older voters who are Republican just aren't as capable and able and facile with the Internet.

MS. WOODRUFF: But Republicans are nothing, if not adaptable. When something like this has happened in the past, they moved and changed and adapted, and I predict that is what they are going to do. It may take them a few years.

MR. CAPEHART: It gets to what kind of party the Republican Party wants to be going forward.

If it is an older party, a rural party, much more parochial party, well, then they are not going to reach the folks who are using the Internet and who are willing to give money, but the only way you are going to get those younger voters is if you reach them somehow and give them an alternative to the Democratic Party.

MR. IBARGÜEN: So new technology makes old notions about campaign finance, about public financing of campaigns outdated is what I am hearing.

Does it also make old notions of news coverage and news media outdated? If the President can speak to 11 million people and get them to each send something to three other people, does that mean that he stops doing press conferences or that he stops dealing with The Washington Post?

MR. CAPEHART: I hope that President-Elect Obama would never stop dealing with The Washington Post or Judy or Jim.

But you know, having access to this, to new media, and having this army of people that he now has, it is a double-edged sword, and we saw it during the campaign.

I don't know if you remember. Once he secured the nomination, he went back on, I think it was, a surveillance.

MS. WOODRUFF: It was a surveillance.

MR. CAPEHART: Yeah. I think it was the surveillance bill.

MS. WOODRUFF: It was the FISA, the eavesdropping.

MR. CAPEHART: The FISA bill, the eavesdropping bill. All of a sudden, the candidate, who has this army of people using the Internet to support him, they were now using that very same instrument to attack him. He was being attacked on his own site.

So it is great to have 11 million people who are going to march in lock step with you on one thing, but the moment those people turn on you because you have made a decision that they don't like, that is really fun for us because we get to talk about, once again, how this new technology is -- well, I was going to say a virtue and a vice, but that is not right. It can be good, and it can be bad from his perspective.

MR. IBARGÜEN: Well, it wasn't that long ago, I think, in rooms like this, I heard an awful lot of conversation about -- it really was laden, loaded with fear because Republicans and right-wing conservatives had figured out how to use the radio, and that was six years ago.

Is this not some left-of-center version of the same thing, or is this really a fundamental change in the way we are going to communicate going forward?

MR. KOHUT: It is both. I mean, this is a vehicle that the Democrats use, and I was shocked by a number that we found. We found something like 27 percent of the people who we had sampled in the third week of October saying they had read political blogs, wow, and they were disproportionately liberal Democrats, but it is a vehicle that will have to be mastered.

MR. CAPEHART: And there are conservative blogs. From time to time, I get an alert when one of them has attacked me for being part of the liberal elite or someone who is not being fair to John McCain or to Sarah Palin.

I think that while new media and the blogs tend to be liberal, I think the conservatives and Republicans are learning very quickly that it is a tool for them too.

MR. IBARGÜEN: The democracy is messy, communications is a problem, but it is all flexible. What is not flexible is the clock and my timekeeper, who has just put up a big zero for the number of minutes we have left.

Thank you, Jim. Thank you, Judy. Thank you, Henry. Thank you, Andy. Thank you, Jonathan. Thank you.

[Applause.]