

WEEK IN REVIEW

Week In Review: Uncertainty Everywhere We Turn

By ARIELLE LEVIN BECKER

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UCONN STUDENT AMANDA STAUBLE speaks to students last week during a rally against sexual violence. About 400 students attended the rally in the aftermath of the rapes of two UConn students last month. Stauble urged students not to tolerate sexist jokes and unwanted advances. (MARK MIRKO / HARTFORD COURANT / October 15, 2008)

About the only thing that seemed certain this week was uncertainty.

The stock market didn't offer much stability, with the Dow industrials up 936 points Monday, down 733 Wednesday, then up 401 points Thursday. That was enough to sustain an overall gain for the week, despite a 127-point drop Friday.

A drop in retail sales — the biggest in three years — and other indicators led economists to speculate that we could be in for a long, severe recession.

The presidential candidates weighed in during their third and final debate Wednesday as they vied for the support of "Joe the Plumber" and the other 300 million of us. [Illinois Sen. Barack Obama](#) plugged his plan to offer tax incentives to companies that create American jobs and let people tap into their retirement accounts without penalty during dire times. Arizona [Sen. John McCain](#) advocated his own plan to buy up bad mortgages to allow homeowners to stay in their houses.

In their feistiest debate, McCain may have gotten off the most memorable zinger, reminding Obama that if he wished to run against [George W. Bush](#), he should have run four years ago. Still, most post-debate polls indicated that viewers gave Obama the edge.

At least this much is certain: The marathon election will be over — at least the voting — in less than three weeks.

But what effect that will have on the financial woes isn't clear, and towns throughout the state have been trying to plan for uncertainty.

Municipal Reactions

Bristol officials put off plans to build two 900-student schools that were scheduled to open in 2012. The schools were intended to replace four schools built before the (last) [Great Depression](#), but fears of high borrowing costs led city leaders to informally agree to delay plans for the \$130 million project until at least 2015. The project is not totally scrapped; some work on the plans is slated to begin next year. This will allow the city to secure aid from the state, which is picking up about 73 percent of the tab. But construction and financing will be on hold until at least 2012.

The [West Hartford](#) Town Council also made cuts, canceling \$25 million in projects and trimming \$600,000 from its budget in the wake of another budget defeat. The cuts included maintenance projects and equipment purchases, as well as savings from a hiring freeze.

Hartford schools chief Steven J. Adamowski warned that the city's school reforms may be imperiled because of a budget shortfall and a drop in state funding. The district, which relies on state funding for about two-thirds of its current \$284 million budget, expects to receive about \$20 million less in state funds in fiscal year 2009-10. Adamowski said the district could face a budget shortfall of between \$4.3 million and \$25.5 million next year.

He laid out some potential responses: shortening the school year, eliminating 60 to 345 jobs, or charging tuition to school districts that send children to Hartford magnet schools. He pledged to maintain progress in the schools, despite the economy.

Avon fared better, with good news Tuesday. In spite of the troubled bond market, the town managed to sell bonds to pay for \$26 million in short-term notes that had been used to pay for renovations to Avon High School and municipal buildings. Despite the town's perfect [AAA](#) credit rating, officials had worried that the town wouldn't be able to sell the bonds, landing it in default.

Credit, And Relief

Southern Connecticut Gas Co., meanwhile, had a different kind of problem — it made too much money over a yearlong period. The gas company, which serves [New Haven](#), [Old Saybrook](#), [Bridgeport](#) and 19 other Connecticut municipalities, earned a 14 percent rate of return, higher than the 10 percent limit allowed by the state Department of Public Utility Control. On Tuesday, the DPUC ordered Southern Connecticut Gas to credit customers, who could see as much as \$9.32 in credit on their bills beginning next month.

Seniors, social service providers and schools could also get some relief on their heating bills under proposals Gov. M. [Jodi Rell](#) floated last week. Rell said she would ask legislators to approve a plan that would give seniors — 65 and older — who earn the state median income or less up to \$500 this winter for their heating bills. That would be on top of any other heating aid programs available to low-income seniors.

Rell also asked legislators to allocate \$10 million to help social service providers and schools with their heating bills — \$3.5 million for nonprofit and community agencies and \$6.5 million for municipal school districts. She said homeless shelters, group homes, adult day-care providers and other agencies would be especially strapped to cover heating costs.

Actually, they're hurting from more than just heating costs, according to a survey released Thursday, which laid blame for some of the private, nonprofit social service agencies' woes on flat funding from the state.

The Connecticut Community Providers Association survey said some agencies are delaying building repairs, leaving jobs unfilled and cutting programs for the elderly and mentally ill. In addition to the flat funding, some nonprofits also face increased demands for services because of the troubled economy.

The association wants state funding increases to be tied to the Consumer Price Index — and a \$65 million increase in each of the next two fiscal years. Rell's budget chief, Robert Genuario, said he opposes automatic funding increases and warned that increases could be difficult given the state's budget deficit.

Political Economy

Economic and other forms of uncertainty played a big role in the state's congressional races.

In the 4th Congressional District, self-proclaimed "endangered species" U.S. Rep. Christopher Shays, New England's only Republican in the U.S. House of Representatives, faced off twice Tuesday with Democratic challenger Jim Himes, a former [Goldman Sachs](#) vice president who works for a nonprofit housing developer. Their district covers Fairfield County, a wealthy area that's been hit especially hard by the banking collapses.

The two candidates disagreed on just about everything. Shays supports extending the Bush tax cuts, which are set to expire. Himes says they shouldn't be called tax cuts, just additional burdens on the next generation.

Himes called Shays out of touch on the war and the economy, while Shays touted his maverick credentials by underlining how often he breaks with his party and the president.

Meanwhile, 1st Congressional District candidates U.S. Rep. [John Larson](#), Steve Fournier and Joe Visconti staked out their sides during a debate arranged by Courant columnist [Rick Green](#). The time was filled with dire talk about the economy.

Visconti, a West Hartford Republican, warned that the middle class could be extinct without new leadership in Congress. He called for tax deductions for energy, college tuition and credit-card bills.

Larson, the incumbent Democrat, called the economic situation unlike anything other than the Great Depression, and laid blame on deregulation and the Bush administration. Larson backed a proposal by Obama that would increase taxes on those earning \$250,000 or more, and a tax cut for everyone else.

Stephen Fournier, the Green Party candidate and Hartford resident, called for a \$700 billion New Deal-style works program to rebuild bridges, schools and public transportation, paid for by taxes on securities transactions. He warned that the rule of law is at stake in the election, and urged a crackdown on "criminals in government."

UConn Rallied

Some things last week didn't have to do with dollars and cents.

University of Connecticut students spoke out against sexual violence and pushed for a campuswide focus on the problem during a Wednesday night rally attended by 400 students. The rally, called "What Will You Do?" followed two cases in which UConn students were raped last month.

By a narrow margin, state residents endorsed the Oct. 10 state Supreme Court ruling legalizing same-sex marriage, according to a poll conducted by the Center for Survey Research and Analysis at the University of Connecticut. Fifty-three percent of state residents polled said they supported the ruling, while 42 percent said they did not.

•Information from the Associated Press is included in this report.

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