

Technology Committee Members Decry Downgrading of Panel

Some say administration's plan to centralize would lessen accountability

By PAUL CHESSER  
Associate Editor

RALEIGH

Members of the state's panel that oversees technology policy are challenging changes recommended by Gov. Mike Easley's budget director, saying his ideas would overly centralize information technology and eliminate agency accountability.

The Information Resources Management Commission's 23 members consist of many of the state's top elected and agency officials, in addition to appointees of the governor, the speaker of the House, and the president pro tem of the Senate. They are statutorily charged to exercise oversight of the state's strategic information technology planning and management. Recommendations by State Budget Director David McCoy would downsize the IRMC to 12 members and downgrade its role to advisory status.

According to drafted meeting minutes of the IRMC's meeting June 1, member Rufus Edmisten said that he had served on more than 42 advisory boards, and that none of them amounted to "a hill of beans." He also said, according to the meeting record, that such panels "were considered a nuisance to most of the people they advised."

The General Assembly had not decided by mid-June whether to implement McCoy's recommendations this year.

OSBM required to review, advise

In the state budget legislation passed by the 2003 General Assembly, lawmakers called upon the Office of State Budget and Management to study information technology expenditures across all of state government. The budget office, which reports directly to Easley, was to identify duplicate IT expenditures and functions, and recommend potential cost savings. The legislature expected McCoy to answer two questions by April 1:

1. Is state government's IT budgeting and organizational structure the most efficient approach?
2. What alternative IT budgeting and organizational structures could help North



Problems and overruns in the Department of Public Instruction NC WISE program were partly responsible for questions about excessive bureaucracy in the state's technology management.

Carolina realize cost savings?

Lawmakers wanted McCoy to produce at least three options for alternative budget plans for the state Office of Information Technology Services and IRMC. Both are currently funded by service charges to state agencies for IT services.

Lawmakers wanted to know about the feasibility of making portions or all of the ITS and IRMC budgets part of General Fund appropriations, which might include funding from a nontax revenue source. Another option legislators wanted explored was whether to keep the current service compensation arrangement, but to transfer budget approval authority for the two technology agencies from the IRMC to OSBM and the General Assembly.

According to the OSBM report, the state's ITS budget for fiscal 2004 was \$146.1 million, and the proposed budget for 2005 as of late June was \$141.25 million. Of that, the proposed IRMC budget was about \$618,000.

**McCoy's recommendations**

In his report to the General Assembly, McCoy recommended that IRMC be virtually stripped of all its power, with much of the responsibility and authority statutorily provided to it to transfer to the state chief information officer — a post that is filled by

Easley appointee George Bakolia. McCoy said that the CIO should work with the state budget officer and the state controller on all technology financing issues. He said the transition should be completed by June 30, 2005, in time for the next budget cycle.

"Currently the IRMC has a policymaking or approval role in program management and budget areas that are the responsibility of the executive branch and appropriately should be managed by the state CIO," McCoy wrote in the report. "For whatever reason, the management structure of IT in state government has become excessively bureaucratic. When problems arise, the assignment of accountability is extremely difficult to determine."

Because of the burdensome "bureaucracy," McCoy advised that the IRMC be reduced to an advisory board. He also would eliminate the budget for the IRMC.

Saying that all his recommendations should be implemented as a package, McCoy suggested seven total changes that would further centralize the state's IT management. Among those, he called for the state CIO, the state budget officer, and the state controller to develop a plan to consolidate all agency IT operations and functions that are common to all agencies into the

Continued as "Turf Battle," Page 3

NC WISE budget, contract soar as deployment approaches in schools

By PAUL CHESSER  
Associate Editor

RALEIGH

When Carolina Journal interviewed Bob Bellamy, associate superintendent for accountability and technology for the N.C. Department of Public Instruction for CJ's April issue, he acknowledged that the statewide NC WISE (Window of Information on Student Education) computer system could cost up to \$150 million to implement in all schools throughout the state.

But documents obtained in May by CJ say the expected costs, as of Jan. 23 this year, are expected to climb to \$234 million by the time the project is completed in 2010.

The project started in 1999 as a \$54 million contract with PricewaterhouseCoopers to replace the public schools' aging computer system. In 2002, IBM bought that arm of PricewaterhouseCoopers and inherited the project. The state has a contract with IBM until 2009.

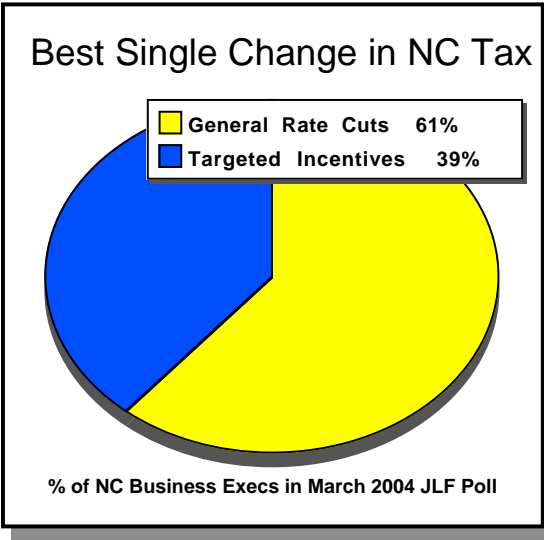
NC WISE has had its share of critics, many from teachers at pilot schools who have had to deal with the initial rollout of the program. But Bellamy says that is part of the growing pains, and things are improving.

"That's the point of a pilot," he said. "What we're hearing now is those districts are very pleased with NC WISE — it's getting the job done."

Bellamy explained that the original \$54 million contract with PWC was only for the pilot program. When IBM took over the project, the company renegotiated with the state to include costs for the deployment of NC WISE. That raised the contract to \$78.6 million.

But a summary document of estimated costs to install NC WISE statewide, created by DPI in January, showed \$76.4 million in new costs related to the contract. Accounting for other projected contract personnel costs; computer hardware, software and hosting costs; and DPI internal costs added another \$35.8 million. Costs for upgrades in local schools were expected to add another \$63.8 million.

CJ  
Kathleen Keener contributed to this report.



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# Calendar

## Civil War Historian to Speak on Ulysses S. Grant in August

On Monday, Aug. 23, historian Edward Bonekemper will discuss his new book, *A Victor, Not a Butcher: Ulysses S. Grant's Overlooked Military Genius* at a John Locke Foundation Headliner luncheon in Raleigh.

Bonekemper received his bachelor of arts cum laude in American history at Muhlenberg College, Allentown, Pa., where he won the DAR prize for best American history average and the Alumni Association Award for best historical paper. He earned a master of arts degree in history at Old Dominion University in Norfolk, Va. and his doctor of law degree from Yale Law School.

Bonekemper has served as an instructor in American constitutional history and maritime law at the U.S. Coast Guard Academy, and is currently a visiting lecturer in American Military History at Muhlenberg College, as well as an adjunct professor of constitutional history at the Internet American Military University. In January 2003, he retired after 34 years as a federal government attorney, including 16 years as the lead hazardous-materials attorney for the Department of Transportation and four years as the lead coal strip-mining regulatory attorney at the Department of the Interior. He is also a retired Coast Guard Reserve commander.

Bonekemper's honors include the Distinguished Career Service Award, the Sec-



Edward Bonekemper

retary of Transportation's Silver Medal, Coast Guard Commendation and Achievement Medals, and the Federal Bar Association's Younger Federal Lawyer Award and Transportation Attorney of the Year Award. His first book, *How Robert E. Lee Lost the Civil War*, was nominated for the Virginia Book of the Year Award.

Despite the fact that Gen. Robert E. Lee lost the Civil War, historians have repeatedly named him the greatest general of the war and dismissed Ulysses S. Grant as a callous soldier who needlessly butchered his troops. On the contrary, according to Bonekemper, Grant was a shrewd military strategist and an inspired military leader.

Bonekemper identifies the key elements of Grant's successes as a general and traces his "unparalleled" record. He explains how as a military strategist and leader, Grant surpassed his much-lionized rival, Lee.

Bonekemper endeavors to prove how it is no historical accident that Grant accepted the surrender of three entire Confederate armies.

Bonekemper said Grant was a military genius who issued lucid orders, maneuvered his troops skillfully, and made excellent use of his staff. He believes Grant's perseverance, decisiveness, moral courage, and political acumen place him among the greatest generals of the Civil War.

Bonekemper's extensive research and analysis also explores the paradoxes of Grant's early years and his struggles in

civilian life—particularly the allegations of alcoholism—personal battles that led his contemporaries to underestimate him and allowed him to fall victim to pro-Lee historians and Southern partisans.

The cost of the luncheon, to be held at noon at the Brownstone Hotel, is \$15 per person. For more information or to preregister, call (919)828-3876 or send an e-mail message to events@JohnLocke.org.

## "Carolina Journal Radio"

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# Turf Battle Ensues Over Centralization of State's Technology

Continued From Page 1

Office of the CIO. McCoy also recommended that the state convert the full-time equivalent of what it pays technology contractors into state IT employees.

## Excluded, IRMC wants explanation

Once McCoy issued his recommendations April 19, IRMC Executive Director Woody Yates scheduled for the OSBM to present the report to the full IRMC at its meeting May 4. McCoy was not pleased, as he expressed in a letter to IRMC Acting Chairwoman Janet Smith dated April 27:

"Let me begin by saying how frustrated I am that I am having to take precious time away from preparing the Governor's recommended budget to write this letter and deal with this matter," McCoy wrote. "...My office and I must remain focused on preparing appropriate recommendations for the Governor's consideration and cannot take time away to deal with other matters.

"I called Mr. Yates and asked who from this office agreed to make this presentation (to IRMC). He responded, 'no one.' I made it clear to Mr. Yates that I expected him to take the appropriate steps to correct this matter. OSBM is proud of the IT report and stands by its findings and recommendations; someone from this office will be available to present its findings and recommendations to the IRMC at a time when this office is not otherwise committed. I encourage the IRMC members to read the IT report; it stands on its own."

McCoy is one of the IRMC members. In her response, Smith acknowledged that she requested the presentation's placement on the agenda May 4, and asked McCoy for a presentation "at your earliest convenience."

"This will aid the (IRMC) in its understanding of the report," Smith wrote. She informed McCoy that his report remained on the agenda "given its potential significant impact on the IRMC, our state agencies, and current IT processes."

## IRMC discusses OSBM report

In the view of many IRMC members, McCoy forgot one important requirement as he put together his report to the legislature: to consult with them. The budget statute stipulated that "OSBM shall work in conjunction with (ITS) and the (IRMC) to study the ITS and IRMC budget structures." At the meeting May 4 IRMC members asked each other whether OSBM had been consulted for the report.

"Was anybody on the IRMC contacted by the [OSBM] to have input in this report?" asked state Insurance Commissioner Jim Long. "I was not... was anybody?"

"I think a number of us got an opportunity to fill out a questionnaire that was put out by [OSBM]," said Lee Mandell, director of information technology and research for the N.C. League of Municipalities. "I don't know how many people actually did that, but I did. The questionnaire didn't cover all the things that are actually in the report."

Smith told her fellow IRMC members that she received three or four specific questions about how the commission budgets IT. Both she and Long briefly mentioned a short meeting two months before about understanding what OSBM was doing. "I wouldn't call it an input-gathering meeting at all," Smith said.

Long then brought up McCoy's letter to Smith, and told the IRMC that he was "personally embarrassed" about the "tone of this letter," and apologized for it. Smith is a volunteer for the IRMC and has her own consulting firm.

Other commission members expressed



State Budget Director David McCoy

reservations about McCoy's report.

"I feel like I need to go on record in objecting to a lot of aspects of this report," said Secretary of State Elaine Marshall, who referred to unspecified "inaccuracies" in the report. "I have a certain measure of accountability that is due to the user community and the public, and believe that if this... proposal were to be implemented, that the accountability would be removed from me as the CEO of one of the state's vital agencies."

Long, and others, had stronger feelings about McCoy's findings.

"The elimination of the control of the IRMC does not represent good business practices," he said. "This steps towards centralized control and mandated systems... I do not believe this serves enterprise well."

"I have the utmost respect for [Bakolia] as the State CIO, but... this is headed toward a czar situation, and we don't need a czar," said state Revenue Secretary Norris Tolson. "Now that may put me at odds with my own administration colleagues, and if it does, so be it."

"In all due respect, Mr. CIO, I do believe that this committee needs to be consulted a bit more than it has been so far."

"The report... with my background from IT... seems to be written by someone who really doesn't understand IT very well," said John McCann, professor emeritus at the Fuqua School of Business at Duke University. "There seems to be... the feeling that central IT is good. I think if anything in the history of the last 40 years has told us... is that that's not necessarily true."

Some members of the IRMC said McCoy produced several ideas without providing details about how they would be accomplished.

"A lot of us around the table have talked for a long time about the need to transition from being too contractor-dependent," said Mandell about one of McCoy's points. "The trouble is that this recommendation doesn't deal with the issue of the reform in the state personnel system that would be necessary to accomplish that — to be able to recruit and retain the quality of North Carolina government IT workers to take the place of these contractors."

The IRMC members also wondered, without getting an answer except to discuss rumors, whether the legislature would take up the changes in the current short session. Bakolia said it would be impossible to meet McCoy's timetable. The group decided to ask OSBM not to request any legislative action on its report.

On May 5, Smith again wrote McCoy asking for a presentation as soon as possible because "many expressed concern and numerous questions were raised about information in the report that no one could answer."



Deputy Budget Director Charles Perusse

"IRMC respectfully requests that no statutory changes or actions be submitted to the General Assembly for its consideration until the IRMC has had an opportunity to receive a full report presentation," Smith wrote.

## IRMC writes response and votes

Because of IRMC members' concern that the legislature would act quickly on McCoy's report, the group composed a response before OSBM could make a formal presentation. The response May 13 was sent to Senate President Pro Tem Marc Basnight and the Co-Speakers of the House, Jim Black and Richard Morgan.

The IRMC response, which appeared to hold back little of the criticism discussed in the meeting May 4, requested that both chambers of the legislature appoint a task force to study the OSBM report and the IRMC response, and to consider options in the longer 2005 session.

"The issues brought up in the OSBM report are important; so important that a 'rush to judgment' should be avoided," the IRMC response read. "The IRMC members... are very concerned that the absence of standards, accountability, compliance, and IT governance in any of the recommendations will serve to produce many undesirable and damaging outcomes. Further, a number of the recommendations violate 'good practice' and will fail to achieve their directives."

In its response, IRMC objected to the idea of a stronger state CIO with responsibility for operational support services in addition to authority over all state government IT.

IRMC also opposed the removal from its power the approval of the state's IT budget.

"The IRMC independent IT policy review and approval process works," the response said. "Over its existence, the IRMC has modified and improved most (over 50) of the draft policies submitted to it by the state CIO."

IRMC argued in its response that removal of its authority would diminish IT accountability.

"It appears (under McCoy's recommendations) that many of the IT policy and budgetary decisions that are now made in a public forum... will now be made away from public scrutiny," the panel wrote. "The sunshine in which significant IT policy and budgetary decisions are now made would be replaced by private meetings of three powerful members of the executive branch. Important checks and balances will be eliminated."

IRMC denied that the current system, as McCoy claimed, is excessively bureaucratic.

"By decreasing the authority of the IRMC at a time when it should be increased, the independent evaluation and oversight of IT decisions is diminished."

McCoy's recommendation to centralize all IT operations that are common to all state agencies was also criticized.

"Simply put, this is not a good idea," the IRMC said. "It removes accountability for IT services from the agency heads. This recommendation reflects a belief in the long-discredited philosophical approach of total centralization of IT."

The IRMC also said the quality of McCoy's report was lacking:

"All the recommendations suffer from a lack of detail and specificity that makes it very difficult to fully judge them on their merits... Many assertions appear in the findings without evidence or supporting documentation. This makes it very difficult to test the accuracy of the finding and the validity of any inference made from it."

McCoy, in his report, cited an article published by the Gartner Group that warned that advisory boards should not make decisions "that are the purview of a central IT organization or CIO."

However IRMC, arguing that it is not an advisory board, cited another Gartner document that claimed "North Carolina has developed the [IRMC], an enterprise-wide governance structure whose policies and procedures have successfully helped to manage IT resources in the state government."

The contentious nature of the response led to a divided vote by IRMC members over support for it. Seven voting members — including Long, Edmisten, Marshall, and Martin Lancaster, president of the state community college system — supported the response's content. Five members, most of them close to the Easley administration, voted against the response.

As many as six members, some of whom owe their jobs to Easley, abstained from a vote that could have killed the IRMC response.

## Perusse presents report to IRMC

After IRMC submitted its response to the legislature, Deputy Budget Director Charles Perusse presented the agency's report at the IRMC meeting on June 1.

Lancaster told Perusse that OSBM's reasons for IT change were similar to those given when the state consolidated its mail service.

Lancaster complained that it now takes one or two weeks for him to send or receive letters through state government, and according to meeting minutes, "he shudder(ed) at the thought of what that will do to IT in state government."

Marshall said she thought OSBM wanted to "eliminate checks and balances that the IRMC affords," but Perusse said OSBM "didn't see it that way." He said the state CIO would still be required to consult with IRMC in its advisory capacity. Marshall, and others, disputed that an advisory status equated to a legitimate "check and balance."

"So, you're going back to the good ole' days when the techies run the show and not the business crowd, right?" Long told Perusse. "That's exactly what you're doing."

Edmisten said IRMC members would have no incentive to be put in an advisory capacity, and called it "foolishness." "Nobody is going to pay attention to an advisory board," he said.

Addressing Perusse directly, Edmisten said, "What you are talking about is efficiency... and that's what everybody argues when they don't want to pay attention to the little steps along the way to have accountability." CJ



## Around the State

• Both chambers of the North Carolina General Assembly approved another \$20 million for the One North Carolina Fund, which Gov. Mike Easley ostensibly uses to help seal economic development deals with businesses moving or expanding in the state. The House supported the bill on a 99-14 vote May 20, which came soon after a *Carolina Journal* (June 2004 issue) report that large companies are now banding together to learn how to extract as much public incentives money as possible from elected officials. Rep. Paul Stam, R-Wake, opposed the legislation and cited an Ernst & Young presentation that served as the basis for the *CJ* article. Stam explained that the presentation, "Turning Your State Government Relations Department from a Money Pit into a Cash Cow," was used to teach large companies how to get more taxpayer dollars from states. He told his fellow legislators that they are "the udder" of the "cash cow."

• Two Raleigh-based research organizations with contrasting political philosophies joined forces to foster a broader and more constructive dialogue on North Carolina public policy with the debut May 26 of a regular series of online debates on key issues. Debaters from the John Locke Foundation (publisher of *Carolina Journal*) and the North Carolina Justice Center will take on a variety of fiscal, economic, and governmental issues in the new feature, which will be called "Raising the Issue" and appear frequently during the current legislative session and the 2004 election cycle. In each case, opening arguments from the two sides will be followed by a number of short responses that will include convenient links to research, proposed legislation, and other supplemental materials. Each debate will occur for three hours in real-time within the John Locke Foundation's blog, called "The Locker Room," and will then be posted in full on the main websites of both the NC Justice Center and the John Locke Foundation.

• State Rep. John Rhodes, R-Mecklenburg, requested in a letter to State Auditor Ralph Campbell that the auditor investigate North Carolina's Northeast Partnership, one of the state's seven regional economic development agencies. Rhodes based his concerns on reports published by *CJ* and by *The Daily Advance* of Elizabeth City. "A series of media reports over the past year concerning the activities of [the Partnership] ... raises questions about the ethics and the legality of some of the partnership's practices," Rhodes wrote. In March 2003 *CJ* reported the story of businessman Bill Horton, who alleged that the partnership conspired with others to thwart his ethanol production plant project in the Northeast. In February 2004 *CJ* also reported the partnership's troubled negotiations with now-defunct biotechnology company CropTech Corp. *The Daily Advance* reported in May 2003 that the partnership attempted to get a personal financial stake in a company called DataCraft. *CJ*

## Oregon city is known as "Little Beirut"

## Oregonians Are Fleeing Portland, Planner Says

By PAUL CHESSER

Associate Editor

RALEIGH

**O**nerous urban planning is driving former Portland, Ore. residents across the Columbia River into Vancouver, Wash., according to a community development director who warns that the story of those two states and two cities should serve as a caution to other urban centers.

Richard Carson, director of community development in Clark County, Wash., said Oregon's mandated state land-use planning from the 1970s has turned "the Mecca of American urban planning" into what he says the media now calls "Little Beirut." Carson was formerly director of planning for METRO, Portland's area regional government. Vancouver is located in Clark County.

"These are cities divided by good decisions and bad decisions made in the name of urban planning," Carson said at a luncheon June 9 in Cary sponsored by the Triangle Community Coalition.

According to the U.S. Census, Clark County's population grew by 45 percent between 1990 and 2000, while the three Oregon counties in Portland's metro area grew by 23 percent. But Carson estimated that about 500 people move to his jurisdiction monthly, with most of them making the short jaunt across the state line.

"We can tell they come out of [Portland] from the (drivers') licensing department," he said.

Carson chalked up Portland's problems to a statewide planning system that is centralized under the Department of Land Conservation and Development, a single state agency whose officials are all appointed by Oregon's governor.

While Washington has many similar state-mandated planning goals and urban growth boundaries, its development laws are created by its legislature and signed off by its governor.



Richard Carson

Carson called the Oregon agency heavy-handed.

"The agency literally ran away with the program," Carson told the Cary audience. "They were making their own legislation."

Carson says Oregon's government infrastructure is deteriorating, as is its quality of life. He attributed some of the state's problems to mandated density targets that require minimum numbers of housing units per acre; not permitting development outside municipally incorporated areas; and annexation allowed only with voter approval.

Additionally, recent years have seen public officials over-ride the desires of voters. According to an essay Carson composed in April 2003, Portland's failed governance consisted of several missteps:

- "One ballot measure passed in Oregon in 2000 was the most draconian property compensation law the nation has ever seen. It passed in part because voters were getting tired of the state and local govern-

ment's high-handed property takings. But government officials persuaded the Oregon Supreme Court to invalidate the vote and that subterfuge angered even more voters."

- "The voters turned down the last two attempts to increase taxes to expand the light-rail system. So the city of Portland and the local transit authority found ways to build the last 11 miles without the voters having a vote. Again they circumvented the will of the voters."

- "The defeat of a recent ballot measure was the last straw. The measure was put before the voters, in January 2003, as a last-ditch attempt by the Oregon legislature to keep the state on economic life support. Its defeat meant even deeper cuts in a state already reeling from a recession. The state then announced it was laying off 100 state troopers; releasing about 3,300 criminal prisoners; and cutting social and medical services."

- "The financial crisis has resulted in Portland being listed by CNN as one of 'America's unsafest cities.' Portland had a crime rate in 2001 of 80 crimes per 1,000 people. Across the river the rate in Clark County is half that at 40 per 1,000."

- "The schools have not fared any better. The Portland School District planned to cut 24 days off its school calendar, making it one of the shortest school years in the nation."

Oregonians are calling Washington school district officials and asking them whether they can live in Oregon and put their children in Washington schools. The answer, of course, is "no."

As a result, Carson said, Vancouver and Clark County's tax base is growing rapidly, while Portland is "having huge tax problems."

"Planning is a good thing," Carson said, adding that it should be used to accomplish reasonable goals, which other urban areas should learn from.

"Oregon's great social experiment failed to measure up to political reality." *CJ*

## New Taxpayer Advocate Established in North Carolina

By PAUL CHESSER

Associate Editor

RALEIGH

**A** national taxpayer advocacy organization based in Washington, D.C. opened its third state chapter May 18 in North Carolina.

The Americans for Prosperity Foundation, which will develop grass-roots activism that promotes limited government and individual freedom, established other chapters in Texas and Kansas.

The nonprofit organization was formerly known as the Citizens for a Sound Economy Foundation, a sister organization to the similarly themed Citizens for a Sound Economy. CSE still has a presence in the state.

"Americans for Prosperity will fight to end the out-of-control growth of big government programs," former state Rep. Carolyn Russell, North Carolina co-chairwoman of AFPF, said at a press conference in Raleigh. "When I was a legislator, I introduced the taxpayer protection bill of 1997 that limits the state spending to the growth in the economy. That safety net would have prevented North Carolina from the deficit it now faces."

The \$200 million in excess revenues the state collected during the last fiscal year does not represent a real surplus, Russell said. Lawmakers expect a shortfall next year and beyond because of the usage of onetime revenues, including temporary

sales tax and income tax increases that are scheduled to end in 2005.

"I am fearful now that we will never see this happen," Russell said.

Joyce Fernando, a longtime Wilmington activist for fiscal restraint and limited government, will serve as co-chairwoman.

## No-new-taxes pledge

AFPF plans to motivate grassroots activists to support candidates and elected officials who consistently vote for less government spending and lower taxes. Russell said the group will ask lawmakers to sign a "no new taxes" pledge, and publicize the names of those who do and don't make the promise.

AFPF's first order of business upon its creation was to criticize Gov. Mike Easley's proposed mid-biennium budget adjustments.

The budget included \$876 million in new-spending initiatives. The announcement came as the 2004 legislative session opened with analysts projecting a \$200 million state budget surplus—the first in nearly five years.

"Governor Easley should resist the urge for a spending spree and return the budget surplus to North Carolina taxpayers by cutting taxes," said Andy Lancaster, AFPF's state director. "Lower taxes will encourage greater economic growth for our state, which is the best way to ensure surpluses continue

in the future."

Last year, the legislature voted to extend "temporary" tax increases that were scheduled to sunset in 2003. In total, North Carolina taxes have increased by \$1 billion over the past three years.

"North Carolina's policymakers have been on a tax-and-spend binge," Lancaster said. "That's a recipe for disaster for North Carolinians. Now, they are squandering a surplus that will lead to even higher taxes in the future."

Under the governor's budget, North Carolina is projected to be in the red by 2005.

"The governor puts in place spending increases that North Carolina will face for years to come," Lancaster said. "If we face another deficit in 2005 when the so-called temporary tax increases are supposed to sunset, you can bet that the legislature will once again vote to extend those taxes."

National AFPF President Nancy Pfothner said one goal of the organization would be to seek the implementation of stronger state tax and expenditure limits. She said the limits that most states currently have in their laws "are paper tigers." She cited Colorado's TABOR law as the closest to the ideal such limit, because it requires surplus revenue to be refunded to taxpayers.

"It has been one of the most remarkable fiscal instruments at the state level," Pfothner said. *CJ*



*Company already identified Durham for its headquarters*

## Incentives Recipient Led 'Winner' North Carolina to Bid Against Itself

By PAUL CHESSER

Associate Editor

RALEIGH

**H**arris Microwave Communications Division, a recent beneficiary of tax rebates through North Carolina's Job Development Investment Program, was granted up to \$4 million in incentives June 3 for relocating its headquarters from Redwood Shores, Calif. to Durham.

But when the N.C. Economic Investment Committee awarded the grant, the communications-equipment company long ago had identified its location in Durham as its corporate headquarters. Under the statute that created the program, incentives may be granted only to businesses that otherwise would not relocate to the state.

According to a switchboard operator at Harris's parent company headquarters in Melbourne, Fla. — reached by *Carolina Journal* on the day the grant was awarded — the Microwave Communication Division headquarters was located in Durham. Asked how old her company directory was that identified Durham (with a Morrisville mailing address) as the headquarters, the operator said that she didn't know but that she had had it "for quite a while."

In addition, the Microwave Communications Division's website on the afternoon of June 3 highlighted its headquarters as "North Carolina, USA" and listed the Redwood Shores location as one of five "North American Offices."

Another web page on the parent company site, which listed various management officials, identified Guy M. Campbell as the Microwave Division president, which is "headquartered in Research Triangle Park, North Carolina."

Campbell attributed the website information to a quirk and suggested that other areas of the site probably say something different.

### Competing with Florida, Texas?

Campbell said that if the \$4 million incentives package had not been offered by the state, Harris Microwave would not have moved its headquarters to North Carolina. He said Florida and Texas were finalists also, but could not recall what the incentive offers from the other states were. Earlier in the day Campbell said, "Our decision to come to North Carolina was based to a great extent on this grant," the *Triangle Business Journal* reported.

"Obviously if they're saying [Durham is] their headquarters before they get the grant, then quite obviously the grant didn't cause the location of the headquarters," said Rep. Paul Stam, an Apex Republican who is on the General Assembly's Joint Committee on Economic Growth.

While North Carolina offered the package of up to \$4 million in withholding-tax rebates to Harris, it appears that Florida and Texas decided to forfeit instead of play the incentives game.

"We have no record of any inquiry (about incentives) from a company with that name," said Kathy Walt, a spokeswoman for Texas Gov. Rick Perry, who handles all inquiries about state economic development programs.

"After going through our tracking system, it appears this isn't even a project [we] worked," said Kim Prunty, communications director for Enterprise Florida, the state's economic development agency. "We handle all applications for state incentives, so there must have not been a package put together."

Both Campbell and Gov. Mike Easley



Texas Gov. Rick Perry, whose spokesman said Texas did not offer incentives to Harris Microwave to move its headquarters to the state

said the move would add 80 jobs in Durham this year, and 258 jobs over the next five years.

The company would be entitled to 69 percent of the personal state withholding taxes derived from the creation of new jobs.

### Company president's home in Cary

Campbell has maintained a home in Cary for some time, although he wasn't specific about how long it has served as his sole residence. He did say it was "less than a year."

He said he maintained an additional residence in the Chicago area at his previous job until he joined Harris in September 2003. He is registered to vote in Wake County.

A woman identified as an assistant to Campbell in the Redwood Shores office, however, said he had lived in North Carolina for some time and thought that was part of what drove the relocation decision. She said the office was already in the process of a dramatic downsizing.

Asked whether his residence led to his decision to locate the headquarters in Durham, Campbell said, "Not at all. I would have gone to Florida or Texas. San Antonio is a nice place." The Microwave Division maintains a facility in San Antonio.

But an official in San Antonio's Economic Development department had no idea that Harris Microwave was relocating its headquarters.

"We didn't know about it," said Trey Jacobson, the city agency's assistant director. "We never offered them an incentive proposal."

Jacobson said that in the mid-1990s Harris Microwave was granted incentives for an investment in its manufacturing facility. However, the company "ended up not creating a lot of jobs," according to Jacobson, so Harris and the city mutually terminated their agreement.

### One-person poker game

Rep. John Rhodes, a Mecklenburg County Republican who is on the Commerce Committee, wondered where the competition was.

"It appears that Florida and Texas didn't offer anything," he said. "It appears that we are competing against ourselves as a state. It's like a one-person poker game where we're raising the ante against ourselves,

which is not a responsible policy."

After a brief interview on the day of the grant, Campbell, or any other press relations officials of Harris Corp., did not respond to telephone and e-mail messages seeking information about the company's inquiries in other states.

Communications officials Linda Weiner and Reid Hartzoge in the state Department

of Commerce also did not return phone and e-mail messages inquiring about the JDIG award to Harris Microwave.

### Harris moved R&D in 2002

In October 2002 Easley said Harris Microwave would establish a research and development center at the Durham location, in the Keystone Business Park. He said 100 new jobs would be created in addition to between 35 and 40 employees that would relocate from California. Currently 59 employees work at the facility, according to a report on the *Business Journal* website.

In 2002 *The News & Observer* of Raleigh reported that Harris Microwave would occupy 42,000 square feet of space. Campbell wasn't sure how much of the space the company presently occupied, or what it would need to accommodate the headquarters relocation. But according to a report in the *Durham Herald-Sun*, the division's R&D operations don't currently use all the space it has, and the Keystone building it occupies has an additional 18,000 square feet it can acquire.

Tom Hausman, a spokesman for Harris Microwave's parent company, said in 2002 that the company chose Durham because of its access to major research universities, low cost of living, and reputation as a nice place to live, according to the *N&O*.

"The Raleigh-Durham area has a great reputation for high-tech development," Hausman told the newspaper. "It's certainly a good place to be recruiting people." *CJ*



For more than 12 years, *Carolina Journal* has provided its thousands of readers each month with in-depth reporting, informed analysis, and incisive commentary about the most pressing state and local issues in North Carolina. With a particular emphasis on state government, politics, the General Assembly, education, and local government, *Carolina Journal* has offered unique insights and ideas to the policy debate.

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## National News In Brief

## NCLB stands

The Bush administration has been criticized by state education officials and teachers unions over the No Child Left Behind law, which is creating new accountability standards around the nation. Schools that receive Title I funds, mainly meant to supplement the nutritional needs of low-income students, must be in compliance with academic achievement goals. NCLB sets a 2003-14 timetable for 100 percent student proficiency for all categories of students.

Teachers unions and school officials have critiqued the law on two main fronts: the inflexibility of standards built into the law, and a lack of funding to carry out the required testing and other quality control measures.

The *Washington Times* reports that President Bush is standing by the law and that he "defended the ambitious standards."

"Our reforms insist on high standards because we know every child can learn," Bush said.

On a second front, U.S. Secretary of Education Rod Paige reminded schools that they may choose to ignore the No Child Left Behind accountability standards, but that they would forgo federal funding, which is reported to amount to more than \$11 million per year.

Paige's opt-out offer was rejected by Ralph Neas, president of People For the American Way, as "devastating to public schools," "shrill," and "irresponsible."

Fifteen state legislatures have initiated bills or taken other actions in protest of some aspects of the NCLB law, the *Times* reports.

## Pledge revision fails

In a suit brought on behalf of his 10-year-old daughter, a California man challenged inclusion of the word "God" in the Pledge of Allegiance. The man is a self-described atheist who was seeking a decision from the Supreme Court on the constitutionality of the pledge as written.

The court, according to the *New York Daily News* report, "dodged a big bullet" in its decision to uphold the pledge on a technicality of the law.

The father, Michael Newdow, does not have full custody, and the court decided that he could not legally act on behalf of his daughter.

As a result, the constitutional standing of the wording of the pledge has not been decided, but both sides are predicting it is not far off.

## E-rate program abuse

E-rate, a federal program that connects poor schools to the Internet, has been riddled with problems the *New York Times* reports. Allegations of fraud involve bid-rigging and extravagant network overbuilding. The Universal Service Administrative Co., which runs E-rate, and IBM, have been identified as sources of possible program abuse. CJ

## Learning Styles Affect Student Success

*It pays to discover whether kids are in their right mind or not, some experts say*

By KAREN PALASEK  
Assistant Editor

RALEIGH  
**A**re you a left-brain learner or a right-brain learner? Are you visual, auditory, or kinesthetic? It makes a difference, experts say, in how you absorb, retrieve, and communicate information throughout life.

Although few of us are strictly one style or another, the differences between individuals who are more intuitive vs. those who are more fact-oriented can affect the early years of learning, and will carry over through the teen and adult years as well, some experts say.

In May 2004, the State Board of Education invited Dr. Mel Levine, pediatrician, author, and director of the Clinical Center for the Study of Development and Learning at the University of North Carolina School of Medicine, to address the board's monthly meeting. Levine is the founder of a nonprofit organization, All Kinds of Minds, which stresses the importance of focusing on children's learning styles. Teacher training can help each child's style work for their academic success, Levine said.

Levine developed the Schools Attuned program to train and support teachers dealing with all kinds of learners. North Carolina is the first state to adopt Levine's program as a statewide initiative. Schools Attuned receives part of its funding from the General Assembly, and Levine's pitch before the State Board is part of an effort to gain their endorsement.

State Board Chairman Howard Lee said he would like to establish "a closer relationship between the Board and Levine to take greater advantage of his expertise, especially in the area of professional [teacher] development." Levine encouraged the board to "consider systemic changes and not just professional development. This will require a change in school priorities and stronger support of the All Kinds of Minds philosophy by the state," he said.

The state's "balanced curriculum" initiative, adopted by SBE in January 2004 for K-5 classrooms, already requires restructuring some teaching methods and measurement objectives. It isn't clear how the balanced-curriculum initiative would mesh with Levine's Schools Attuned approach (*Carolina Journal*, March 2004).

## A mind at a time

Different brains are "differently wired," said Levine, whose book *A Mind At A Time* identifies eight skill areas of potential strength or weakness. Levine's plan is to attune the teacher to learning differences so that students can reach their potential in all eight areas — math, reading, writing, speaking, spelling, memorization, comprehension, and problem solving — without

expecting them to excel in all.

Levine observes that as adults, we do not perform all tasks equally well, and that children's academic skills will vary for the same reason.

At Mangum Elementary School in Bahama, N.C., a Schools Attuned location, students and teachers "collaborate in managing differences in learning," and "are given choices as to how they would like their class work evaluated."

When teaching a child with "a learning style that doesn't fit the assignment," Levine said, the teacher and parents should develop strategies that will work around the weakness.

## Which brain?

Recent theories about how children learn focus attention on the child's natural orientation toward visual, auditory, or kinesthetic signals. They also consider the child's broad preference for dealing with the world either through facts or through feelings — the left-brain/right-brain difference.

Left-brain and right-brain distinctions were identified in the 1960s after Roger Sperry, a psychobiologist, proposed that the human brain "has two very different ways of thinking." The right brain is visual and intuitive, while the left brain is verbal and analytical, he said.

In humans, the left side of the brain controls the right side of the body, and vice versa. While there aren't any hard and fast rules, people are considered to be mostly right or mostly left-brained in their approach to information. Research has divided this further, into the visual, auditory, and kinesthetic styles of listening, thinking, and communicating.

Most curriculum is designed by left-brainers for left-brain learners, educator and curriculum designer Wade Hulcy said. The quiet, visual, fact-oriented student is a typical left-brain child, Hulcy explained in a talk titled "Struggling Learners: Right-Brain Learner Suppressed in a Left-Brain World."

According to Hulcy, students who hate to read text for facts, and fail in their reading tasks, can develop a love of reading music, and thereby expand into the world of reading in general. Patrick Henry, for example, was a typical right-brain individual who didn't fit his left-brain education, Hulcy noted. Henry



Dr. Mel Levine, author of *A Mind At A Time*

did succeed eventually, but today would have been identified for special ed or medication, and headed for the dropout statistics. A rebellious spiky-haired "free spirit" who is "just plain weird" is another example of a right-brainer.

They are also artistic, intuitive, restless, and creative, research reveals. While these are traits that can make for a successful adult, they are out of place in most classrooms.

## Using the other brain

Right-brain kids can be successful in classrooms where teachers know how to work with their learning style, Levine said. Getting young right-brainers to access facts stored on the left side may take some doing, however.

Carla Hannaford's *Smart Moves: Why Learning is Not All In Your Head* and *Brain Gyms* suggests that right-brain students use movement and kinesthetic methods to help access left-brain information.

Her work is based on biological research that indicates that the two halves of the brain don't coordinate information well until after puberty.

Specific motions that cross the child's long axis, or midline, will promote left-brain right-brain coordination.

Since federal law requires schools to produce verified academic progress in students, and to measure achievement by conventional means, teaching methods and measurement have increased importance.

Researchers seem to have found an explanation for why some students don't fit. Next, teaching reform advocates will have to detail the alternative assessment methods that will also satisfy the demands of NCLB accountability.

A classroom-level approach to teaching and evaluating kids, based on individual learning styles, has yet to demonstrate that it can fulfill these tasks. CJ

**Most curriculum, educator and curriculum designer Wade Hulcy said, is designed by left-brainers for left-brain learners.**



Hulcy explains "Right-Brain Learners in a Left-Brain World."



*N.C. provides \$250,000 subsidy*

## Kids Voting Program Spreads Across U.S.

By MAXMILIAN LONGLEY

Contributing Writer

**M**any local public schools in North Carolina, and some private schools, are attempting a participatory form of civics education. The movement is encouraged by a national organization called Kids Voting. Several North Carolina counties have been using Kids Voting curricular materials for years, and other counties are just starting up.

Kids Voting started in 1987, when three friends from Arizona were in Costa Rica for a fishing trip. They were told that Costa Rica had high voter turnout in part thanks to a civics curriculum that taught students about voting and encouraged them to go to the polls with their parents to cast mock ballots. When they got back to Arizona, the three friends tried to work on something similar for the United States.

In North Carolina, Kids Voting has chapters in Buncombe, Cabarrus, Catawba, Cumberland, Durham, Guilford, Haywood, Mecklenburg, Onslow, Randolph, and Wake counties, and the program is expanding into Clay, Greene, Henderson, Iredell, Jackson, Madison, New Hanover, Onslow, and Randolph counties.

Kids Voting provides lesson plans, known as Civics Alive! and Destination Democracy. Daintry O'Brien, executive director of Kids Voting North Carolina, said Kids Voting lessons are compatible with the state-prescribed course of study, letting students meet not only some of their social studies requirements but some English, math, and character education requirements as well.

O'Brien lists some of the lessons in the Civics Alive! exercises that are favorites with teachers. There is the voting chain, an exercise with K-2 students in which they tabulate their voting preferences by making links in a paper chain. Another popular lesson with teachers, O'Brien said, is a difficult questionnaire that voters in Alabama were required to fill out when they sought to register to vote. The questionnaire was designed, of course, to keep blacks from voting. The Civics Alive! textbook erroneously refers to this questionnaire as a "literacy test".

### *Kids learn ubiquity of government*

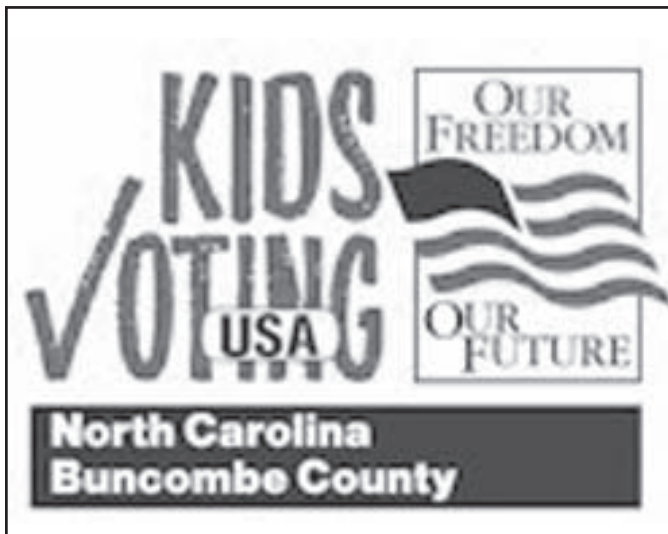
According to Amy Farrell, executive director of Kids Voting Charlotte-Mecklenburg, a popular Civics Alive! exercise with high-school students is Mindwalk, in which students keep a diary of everything they do in their everyday lives that is affected by government regulation. It's "eye-opening" for kids to learn how much the government impinges on every area of daily life, Farrell said.

There are other exercises, too, which vary in complexity according to the age of the student. One exercise for K-2 students is based on the fanciful book *Would You Rather...*, by John Burningham. For older students, Civics Alive! gets less fanciful, with assignments that include following the media coverage of candidates, keeping track of the issues and the candidates' responses, and following up on campaign promises to see whether candidates keep them.

The aspect of Kids Voting that is most obvious to the general public is the mock ballots the students cast on election day. The paper ballots are somewhat different from the ballots given to adult voters. The leading candidates have their photos next to their names, for the benefit of "voters" in the lower grades. The wording of proposed bond issues is simplified. Also, in Charlotte-Mecklenburg, the ballots are bilingual (English-Spanish) and contain opinion-poll-style questions proposed by the teachers and approved by the local Kids Voting board. Questions asked on the Charlotte-Mecklenburg ballots have included questions on school prayer (1992), a dress code for teachers (2001), and whether the FBI should read suspected criminals' email (2001) (young "voters" disapproved teacher dress codes, approved FBI surveillance, and overwhelmingly approved school prayer).

### *'Trickle-up' effect on parents*

Kids Voting seeks to encourage voter turnout among the students after they turn 18. The program also seeks to increase turnout among parents: As they help their kids with their homework and bring their kids to the polls for mock elections, the parents, the group hopes, will them-



selves become more politically active. Indeed, when two University of Kansas researchers studied the 1996 elections in several Kansas counties, the researchers found that the Kids Voting program increased voter turnout both among 18-year-olds who had participated in the program and among parents with children in the program. The "trickle-up" effect on parents inspired the researchers, Amy Linimon and Mark R. Joslyn, who wrote that "our findings support a hopeful view of educational innovation in encouraging a politically active, engaged, and informed citizenry."

The "trickle-up effect" is eagerly sought by Kids Voting officials. The Civics Alive! lesson plans contain such activities as school registration days for kids and adults alike, discussion questions about how to "encourage adults to vote" and "influence" people to register to vote, and so forth. Daintry O'Brien, the state head of Kids Voting, is glad the program gives parents the chance to get involved in the lessons. O'Brien welcomes the opportunities for "parent-child discourse."

### *North Carolina subsidizes Kids Voting*

For the past few years, the N.C. General Assembly has appropriated small sums of money for the use of Kids Voting in North Carolina. This year's budget bill includes a \$250,000 appropriation for the group. Some private schools, including religious schools, participate in Kids Voting activities in North Carolina, making the legislature's appropriations for Kids Voting a possible instance of public-private partnership in education.

Although Kids Voting officials in North Carolina, as well as the authors of nationwide Civics Alive! curriculum, seem to make a great effort to avoid political partisanship, there is some evidence that might make conservatives suspicious of the program. Karen T. Scates, then president of Kids Voting USA, said in 1998 that she had discussed

Kids Voting with Marian Wright Edelman of the Children's Defense Fund. Scates was quoted in this 1998 interview as calling Edelman "divinely inspired."

The Destination Democracy lesson plans involve kids doing volunteer work for candidates or groups, as a form of "service learning" that gets kids involved in the political process. The author of the Destination Democracy lesson plans, Rahima Wade, a professor in curriculum

instruction at the University of Iowa, is a nationally prominent figure in the service-learning field. She is also an advocate for "social justice education," teaching students to engage in advocacy for "equal opportunities and equal rights." However, Wade said that Destination Democracy lesson plans are meant as nonpartisan civic education, and do not have the "value base" of "social justice education."

One high-school level activity in the Civics Alive! curriculum provides a (defunct) link to the "Rock the Vote" Web site. "Rock the Vote" is a left-wing anticensorship organization that tries to register young voters. Another Civics Alive! high-school level exercise is entitled "Rock the Vote: Get Psyched, Get Angry, but Get Busy!" In this activity, students take a quiz to find out their ideology. Then they are divided into two groups. One group reads an appeal by Nelson Mandela to the youth of America, asking them to help build a better world. The other group reads a 1988 newspaper op-ed piece by Elliot Rosenberg, a New York social-studies teacher who said that he tries subtly to sabotage a voter-registration drive at his high school because he doesn't think all teen-agers are well-enough informed to vote.

## N.C. Spins Graduation Into Web of Confusion

**W**hile reading the media recounts of Ronald Reagan, I came across a column written by Peggy Noonan, a former Reagan speechwriter. I've always admired Ms. Noonan's way with words. A talented communicator, she describes issues and situations with words you can visualize. In the *Wall Street Journal*, Ms. Noonan described Reagan's perception of liberal intellectuals as those who "tended to tie themselves in great webs of complexity, webs they'd often spun themselves — great complicated things that they'd get stuck in, and finally get out of, only to go on and construct a new web for mankind to get caught in. The busy little spiders from Marx through Bloomsbury... were truly the stupidest brilliant people who ever lived."



Lindalyn Kakadelis

When reading these words my mind quickly turned to the June State Board of Education meeting. The "web" of "Graduation Rates and State Report Card" agenda item was quickly removed from discussion. For possibly more spinning? However, the executive summary of this agenda item was released before removal from the day's discussion.

Let's remember why this subject is touchy for the State Board. In 2003, the Department of Public Instruction said North Carolina's graduation rate was 97 percent. After this was released, two other publications made national news. In September, Manhattan Institute released a research paper on graduation rates. This paper said North Carolina's graduation rate was 63 percent. In December, Education Trust released an analysis on the accuracy of graduation rates and said, "North Carolina adopted a definition for the graduation rate that defies reason... it has complicated the issue of public reporting by adopting a different definition for its own state report card."

One would think that graduation rate is a fairly simply concept. However the liberal intellectuals again spin a web of complexity, which truly must come from the "stupidest brilliant people." Of course the discrepancy lies in formulas. DPI looked at the graduating seniors and asked how many graduated in four years. The Manhattan Institute's formula tracks a cohort of ninth-grade students and determines how many graduated after four years. The Manhattan statistic is what most people automatically think when graduation rate is being discussed, not how many graduating seniors are graduating in four years.

In the executive summary released, DPI recommends the State Board use the Manhattan Institute method for calculating graduation rates in addition to the previous definition that "defies reason."

If the public trusts the DPI figures, they are in for a rude awakening. Lexington City Schools had the largest discrepancy. DPI reported a 96.7 percent graduation rate, while the Manhattan formula reported a 38.4 percent graduation rate. That's a 58.3 percent discrepancy — and the bureaucrats wonder why the public is cynical.

DPI reported three systems with a 100 percent graduation rate, but the Manhattan calculation reported difference results: Macon County at 73.4, Clay County at 78.7, and Asheboro City Schools at 56.2 percent, instead of the "perfect score." Out of 116 systems reporting a graduation rate, only four were below 93 percent using DPI's calculation. Weldon City Schools had the lowest DPI score of 87.8 percent; the other calculation for the same system was 47.3 percent. Maybe this explains why some North Carolina counties have such a high illiteracy rate.

Will there ever be a time when reporting to the public will be straightforward? DPI states the reason for reporting the percentage of seniors graduating in four years as the graduation rate is because they did not collect data from ninth grade when the graduating cohort began. DPI states the agency will be able to give a more accurate percentage for the 2005-06 school year.



## NC News in Brief

## NCLB and transfers

Across the state, schools will soon learn of their status with the No Child Left Behind law. Schools that might be required to offer transfers or tutoring for students are wondering how many parents will make requests. In Wake County, at least two elementary schools, Hodge Road and Lynn Road, are affected so far.

The state is not scheduled to release all results for its Title I schools, the ones subject to NCLB rules, until July 19. Parents of students ready to begin kindergarten, as well as those with children in schools that have failed to meet NCLB standards, will be eligible to request transfers. If eligible, parents will be told to which schools their child may move. They can also stay in their current school and receive academic help through tutoring.

Since the new academic year begins in August, time for decisions will be short. Up to 20 percent of a school's Title I funds may be used to transport students to a nonfailing public school.

Reported by *The News & Observer* of Raleigh.

## Bye-bye bonuses

Teachers in schools that simply meet "expected" academic goals might not qualify for bonus pay after the 2003-04 school year. Starting in 2004-05, only schools that exceed expected test score goals under the state's ABCs of education can offer teachers a cash bonus, unless the N.C. Senate amends the House budget plan.

Currently, all teachers in an "exceeds expectations" school get \$1,500 extra, while those in "meets expectations" schools get \$750 each. Teacher assistants in the "exceeds expectations" schools get \$375 under the old budget, and would receive a boost to \$500 each under the new plan.

Legislators are reportedly concerned that, with almost 95 percent of teachers receiving bonuses last year, they are too easy to earn. In 2003-04, North Carolina used \$104 million on teacher bonuses in 2,095 schools.

Reported by the *News & Record* of Greensboro.

## Cuts or increases?

In Cabarrus County, some commissioners are arguing for a cut in the property-tax rate and an end to county funding of teaching positions. Commissioners Suggs and Privette realize that class size might rise if the state doesn't pick up the difference. Ninety teachers now are being paid through county funds.

In neighboring Mecklenburg County, school board members are wrangling over whether and how to shift funds the *The Charlotte Observer* reports. They have promised to relieve crowding in suburban schools, and to revitalize inner-city locations. But promises to bring city schools up to standards are proving hard to honor, and battle lines are forming between city and suburb.

CJ



Speaker Ken Ham addresses 2,600 home-schoolers during 2004 North Carolinians for Home Education convention

## Winston-Salem Welcomes Home-Schoolers

9,000 attendees cruised into town while media slumbered; politicians took note

By KAREN PALASEK

Assistant Editor

RALEIGH

It was a feat that pirate Captain Jack Swallow of the Black Pearl (*Pirates of the Caribbean*) would have envied. A horde of about 9,000 people slipped into town and took over every bed in the city's largest hotel complex, its entire convention center, and every eating establishment, and parking space in the city. They did all this while raising virtually no alarms either on TV or in the local press. Too bad for the media, because they missed several significant stories linked to the quiet coup.

## Entrepreneurs, politicians noticed

In this case, the citizens of downtown Winston didn't seem to mind the May 27-29 North Carolinians For Home Education invasion. Sidewalk placards welcomed home-schoolers and invited them in to dine. The few downtown merchants who stay open for clothing sales or services on weekends were equally friendly and inviting. For a town that tends to roll up its sidewalks from Friday evening until Monday morning, the NCHE Conference was a major event. Maybe a cutlass or two would have brought the *Winston-Salem Journal* out of its slumber — since 1997 it has reported on this event only once, in 2000 — but political candidates surely know that home-schoolers exist.

Gubernatorial candidates Dan Barrett, Bill Cobey, and Patrick Ballantine made informal appearances at the conference, greeting families in the packed registration hall and elsewhere in the convention center. Mrs. Brooke Burr, wife of U.S. Rep. Richard Burr, addressed support group leaders at a luncheon Friday on behalf of her husband and read his letter of support and congratulations on the 20th anniversary of NCHE. Jeanne Smoot, candidate for superintendent of schools in North Carolina, met with parents and offered information at her table in the candidates' area in the Adams-Mark hotel.

Multiple candidates from the 5th Congressional District also vied for the attention of home-schoolers. Jay Helvey, Vernon Robinson, Nathan Tabor, and Virginia Foxx appeared at the convention. Jay Rao, running for N.C. secretary of state, and home-school dad Paul Newby, running for the state Supreme Court, were there.

Newby's campaign was a family effort. His son rode the elevators in the hotel and handed out Newby literature to passengers. Other political attention came from Insurance Commissioner candidate Cindy Huntsberry, and Court of Appeals candidate Marvin Schiller.

Like them or not, home-school parents and former home-schoolers are informed citizens. They also use their political voice. So says Brian D. Ray of the National Home Education Research Institute in "Homeschooling Grows Up," a national survey of

formerly home-schooled adults. The adults vote, make campaign contributions, work for candidates, and participate in public forums at about twice the rate of the general population, Ray said.

As of 2003, the Department of Non-Public Education counted more than 50,000 home-schoolers in North Carolina. Since home-schooled children under the compulsory school age of 7 are excluded, the NCDNPE estimate is low. In North Carolina, home education has been growing at an average rate of 15 percent per year over the last seven years, and its appeal shows little sign of slacking.

## 20th anniversary year

This year marks the 20th anniversary of NCHE, and the conference offered several special events, including both an anniversary luncheon and a raffle for those who purchased the NCHE 20th anniversary pin. Over the past 20 years the organization has grown and developed its mission to "protect, inform, guide, and support families who undertake their children's education at home."

This year's conference was perhaps more overtly Christian in tone than in some previous years, judging by keynote speakers. Keynote talks by Christian education advocates Ted Tripp and Ken Ham on May 28 and May 23 each attracted 2,600 of the nearly 9,000 attendees, filling the main ballrooms as well as overflow seating in two adjacent areas. NCHE does not exclude non-Christian families, and speakers without an explicitly Christian message, such as John Taylor Gatto and Cynthia Tobias, have also been featured at NCHE conferences.

NCHE President Hal Young, addressing convention goers, stressed the hard work and whole-family aspects of home-schooling. Young acknowledged the role that a strong family and mutual support play, whether in an academic

setting or otherwise. Young's wife, who is expecting their seventh child, canceled her participation in the planned husband-wife presentation as she followed doctors' orders for additional rest.

"With proper training and practice," Young quipped, undaunted, "husbands can learn to operate a vacuum and perform other household tasks, even without a cheerleading section."

Other speakers' themes included right-brain/left-brain learners, multiple-learning styles, classical education, and sessions on topic areas such as math, history, language, and geography.

In all, the NCHE conference sponsored 83 speaker sessions and hosted more than 100 vendors in the 46,000-square-foot Book Fair. To help home-school consumers de-

cide what to use and how to use their curricula, vendors staffed an additional 47 workshops. At least 15 colleges and academic institutions also sponsored tables inside the hotel.

Other events included a Talent Showcase, an all-day Children's Program to free parents from child-care duties during the sessions, and a formal ceremony for several hundred graduating high-school seniors.

## Good thing it wasn't pirates

The demographics, and even the style and preferences of home-school families are shifting gradually. Many more families are home-schooling all the way through high school, as evidenced by the growing number of graduates. The NCHE *Greenhouse Report* documents that these students are entering colleges, earning scholarships, and moving into post home-school life with relative ease and success.

There is also increasing participation and support from extended family. Home-school mom Ann Siochi, who moved from North Carolina to Tennessee last year, returned in May because the North Carolina convention is bigger and has more resources.

Siochi's mom drove in from Boone to meet her and the friend she brought along from Tennessee. The meeting allowed for a visit as well as help in choosing materials for Siochi's two young children.

They aren't unusual. Grandmothers, fathers, and grandfathers were more in evidence this year than in previous years. One grandma, asked whether she did the teaching as well, said, "I'm just here to support my daughter-in-law."

Clothing and style have also shifted over the past 10 years. Home-spun-type denim jumpers no longer dominate crowd scenes. There are still plenty of conservative and very conservative looks, but there are lots of young, hip-look-

ing styles as well.

More than appearance has been changing. Wade Hulcy, developer of the "Konos" unit study curriculum, said that home-school moms used to ask of his curriculum "Is it good?" Increasingly, he said, they ask "Is it easy?" The preference for convenience has led Hulcy, along with many vendors, to offer curriculum kits alongside their traditional do-it-yourself format.

Finally, cars in the parking garage also have gone upscale. My pickup truck, once a perfect fit, looked a little sad amid the big vans, luxury SUV's, and new mobiles that arrived this year. Even so, I got my pirate treasure — an upholstered chair won as first prize in the raffle — safely aboard and quietly out of town. The other 8,999 attendees left as well, apparently without a ripple. CJ

**In all, the three-day conference sponsored 83 speaker sessions and hosted over 100 vendors in the 46,000 square foot Book Fair.**



*North Carolina Association of Educators included*

## Legal Foundation to Widen Its Investigation of Education Unions

By BOB FLISS

Contributing Editor

RALEIGH

Landmark Legal Foundation may be looking for new targets in its campaign to bring federal heat on teachers unions that illegally use member dues to fund political activities. Having investigated the powerful National Education Association since the mid-1990s, Landmark may soon be shifting its focus to some of the NEA's local and state affiliates.

The NEA is spending at least \$75 million a year on its national network of political operatives, Landmark contends. The fact that the NEA consistently backs liberal candidates is immaterial. Landmark simply wants the union to report its political activity as required by law, and segregate all its political money into its political action committee. The abuse would be just as bad if NEA was backing Republicans, Landmark says.

Landmark is a conservative public-interest law firm that has offices in Kansas City, Mo., and Herndon, Va.

### IRS, Labor Department scrutiny

After sifting through thousands of pages of NEA tax returns and other documents, Landmark's efforts paid off last year when the Internal Revenue Service launched an audit of the union's returns. The IRS was slow to act, Landmark having filed its first complaint in 2000.

A parallel investigation by the U.S. Department of Labor started in 2002, soon after Landmark filed a complaint. The Labor Department has not yet ruled on the NEA's culpability. But Landmark efforts helped push the Labor Department to tighten its financial disclosure requirements on the nation's largest unions. The new policy was supposed to go into effect at the first of this year, but the AFL-CIO sued, arguing that Secretary of Labor Elaine Chao didn't have rule-making authority. A federal judge rejected the lawsuit and the new rules go into effect in July, affecting about the top 20 percent of unions.

At 2.7 million members, the NEA is not only the nation's largest public employees union but the largest union of any kind. With all resources directed toward its probe of the national union, there's been little left over to investigate problems on the state and local levels, Landmark spokesman Eric Christensen said. But Landmark is satisfied with its case against the NEA and now is basically waiting to see what action will be

taken by the federal agencies. The investigations could take months or years. Therefore, a shift in focus toward NEA affiliates such as the North Carolina Association of Educators seems logical.

"That's sort of where we're going next," Christensen said. "We don't want to go into too much detail yet, but we feel that as more pressure is put on the national union, a lot of what had been done on the national level will be franchised out to the affiliates."

The NCAE has been mentioned in several of Landmark's federal complaints. In particular, Landmark has referenced a 1999 conference in which then-NEA President Bob Chase congratulated the NCAE for helping to unseat former Republican Sen. Lauch Faircloth and elect Democrat John Edwards. Landmark noted these remarks would have been appropriate had Chase made them before NEA's political action committee. But in a general membership meeting, they serve as more proof of Landmark's contention that NEA has never bothered to separate its political and membership activities.

Landmark argues that the NEA has for many years abused its tax-exempt status by using membership dues to pay for political campaign efforts, mainly on behalf of Democratic candidates.

Landmark's investigation revealed that the NEA's federal tax returns going back to 1994 reported zero dollars spent on lobbying and campaign contributions. NEA contends that all of its political activities have been paid for legally by its affiliated political action committee.

Under the Internal Revenue Code, unions have to report and pay taxes on money that's used in lobbying or on the political campaigns of specific candidates. The law takes a fairly broad view of what might constitute a political contribution. In-kind contributions for example, if a union were to donate staff time or advertising to a campaign, are treated the same as cash. Non-partisan activities, such as voter registration drives, are allowed, as long as they are not affiliated with a particular party or candidate.



If a union wants to get involved in partisan politics, it must set up a political action committee and pay taxes on any money it uses. Failing this, the union would be liable for taxes on any general fund money it spends on political activities.

Therefore, Landmark's view is that the existence of an NEA PAC is a smokescreen. Landmark argues that NEA's political efforts far outstrip the budget of its PAC. The union is constantly stumping for mainly liberal causes and candidates, and thousands of teacher members have no idea of how their dues money is being used.

Likewise, the NEA's failure to pay taxes on political money is tantamount to having all taxpayers subsidize the NEA to the tune of at least \$75 million a year.

Much of the NEA's grass-roots political activity is carried out by its UniServ network, which consists of about 1,800 local affiliate employees. Although NEA says that the UniServ staff performs a variety of members services, Landmark argues that they are essentially the largest group of paid political organizers in the country, outnumbering both the combined staffs of the Democratic and Republican national committees.

Based on its review of NEA budgets, Landmark estimated that the NEA spends about \$75 million a year on UniServ, mainly for salaries. But none of this expenditure has been acknowledged as political on its annual Form 990 tax returns.

NEA spokesman Michael Pons said that UniServ personnel serve a variety of functions, most of which don't have anything to do with political organization. He said their main focus is on collective bargaining and members services. For example, UniServ staff might arrange classroom management training and related professional development opportunities for teachers. Their political activities are limited to providing information to members about different candidates positions on issues affecting education, Pons said.

Overall, the NEA views Landmark's campaign against it mainly as a nuisance, and expects to be fully vindicated by the IRS and Labor Department.

"They've been raising money by telling lies about us," Pons said. "They have an interest in trashing us, we don't have an interest in trashing them."

### State and local unions

Already, Landmark has made one move that suggests it will be giving more scrutiny to state and local union activities. Although not directly related to its efforts against the NEA, Landmark last year urged the IRS to revoke the tax-exempt status of the United Teachers of Dade County, in Florida, and the Washington Teachers Union, in the District of Columbia.

Officers of both local unions have been investigated for misappropriating money for their personal use. Both unions are affiliates of the American Federation of Teachers, which ranks behind the NEA with about 1 million members.

"Bear in mind that the affiliates are often the front-line players in state and local and congressional elections. It's not like they're unimportant. They're important and likely to become more so," Christensen said.

Christensen said Landmark's efforts seem to be pushing the NEA to tone down some of its partisan rhetoric, of which Chase's comments about the Edwards-Faircloth Senate race were just one among many examples cited in the various complaints.

"Indirectly, our complaints against the union have changed some of the ways it operates in the sense that it doesn't allow some of the more flagrant things we found and reported. They have to do more to cover up their activities, and so it is costing them more," Christensen said.

Landmark can also share credit in the Labor Department's decision last year to revise the LM-2 union financial disclosure form, which had not been changed significantly since its inception in 1959.

As revised, the LM-2 affects all unions having revenues of more than \$250,000 a year. Unions will have to detail expenditures of more than \$5,000 for politics, gifts, administration, member representation activities, and benefits. For the first time, unions will also have to disclose the finances of any affiliated trusts.

The AFL-CIO and many unions have complained that the reporting requirements are burdensome. The Labor Department's position, which Landmark fully endorses, is that the old LM-2 didn't provide enough detail so that rank-and-file members could see how their dues were being spent.

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## Course of the Month

## Jeff, the Male Madam

A North Carolina State University student's online plea for help with an assignment piqued CM's interest this month.

Specifically, it piqued our interest in the following:

## SOC 206: SOCIAL DEVIANCE

*Social processes in the creation and maintenance of deviant populations: classification, objectification of social meanings, functions of subcultures and social outcomes of the deviance-ascription process. Includes core sociological concepts, methods, theories.*

Posting in the "Study Hall" forum of the student website "The Wolf Web" (www.brentroad.com), one student desperately announced that she had "misplaced my copy of the assignment that is due tomorrow" and asked whether anyone could give it to her.

Someone did, and here it was:

1) In the Netherlands are marijuana/hashish use and the sex trade, respectively, considered deviant activities? Why or why not?

2) What themes from the account of "Harry, the Debonair Drinker" and his attitudes toward drinking overlap with the attitudes toward marijuana use as presented in the documentary?

3) How does the normative, down-to-business stance of "Jeff, the Male Madam" relate to the formal world of the sex industry in Amsterdam?

4) What similarities and/or differences can you identify between the documentary and the account of "Lenny, the Laissez-faire Leatherman"?

Lastly, consider the following: Why do you think the U.S. and the Netherlands have such seemingly vastly different attitudes and policies toward drugs and sexual activities?

Next, CM used the "School Tool" whereby student users of "The Wolf Web" can report on their classes. The observations gathered on Sociology 206 span several different course sections and years. Surprising to CM, given the course topic, most students over the years declared the class "boring." Not surprising, many also said "easy."

One instructor, one "R. Stone," who taught the class in Fall 2003, was said to be "entertaining." Perhaps that was partly because "he gets strippers and dealers and stuff to come in and talk."

CJ



# Murders at UNC-Wilmington Prompt Reviews of Campus Security, Admissions Policies

By SHANNON BLOSSER

Contributing Writer

CHAPEL HILL

In the span of a month, two killings have shocked the college community at the University of North Carolina-Wilmington, leading to questions regarding the UNC system's admission policies as well as campus security.

In both cases, the accused murderers allegedly stalked their UNCW-student victims before killing them.

In May, 18-year-old Cary native Jessica Faulkner was found strangled inside her dormitory room on the last day of school. Faulkner was preparing to go home for the summer. Curtis Dixon, a 21-year-old classmate from Charlotte, was arrested and charged with her murder. Dixon allegedly had been stalking Faulkner before her murder, trying to pursue a romantic relationship with her. He also faces rape and other charges.

Then on June 4, 22-year-old Christen Naujoks, originally from Ohio, was found shot to death in front of her apartment building. She had been shot 11 times.

A former boyfriend, John Peck, 28, was wanted in connection with her death. Naujoks had believed Peck was stalking her after she broke off their relationship. A manhunt that covered several states and included officers in Ohio ended in the Great Smoky Mountains National Park. After a shootout with police, Peck shot himself and died before his SUV tumbled down a ravine.

## Criminal background checks

Apart from both being suspected of stalking their victims before murdering them, Dixon and Peck shared something else in common. They were both accused of lying on their college application in order to get into college. Both covered up their criminal histories in order to gain admission into UNCW.

According to The Associated Press, Dixon did not disclose a misdemeanor larceny conviction on his application. Peck omitted that he had pleaded guilty in November 2001 to assaulting a female and other charges. Peck's girlfriend said he had raped her at gunpoint.

Peck remained enrolled at UNC-Wilmington until the school was made aware of the apparent lack of disclosure of his criminal history. Peck was eventually expelled from UNC-Wilmington.

When the *Wilmington Star* approached Peck about the lie, he admitted to it.

"I said 'Yeah,' otherwise I wouldn't have gotten in," he told the paper.

Such is the case with most of the campuses within the UNC system, UNC-Wilmington, in its application, asks its applicants whether they had been convicted of anything more than a traffic violation. There is no requirement for an applicant to submit a criminal background check.

"This is standard practice in universities all across the country," UNC-Wilmington spokeswoman Mimi Cunningham told the newspaper. "We rely on the honor of our students."

UNCW Professor Mike Adams, who teaches criminal justice and writes for TownHall.com, thinks a university should be able to obtain criminal background checks on its applicants. Adams took the stance in a recent column he wrote after Naujoks' death.

"UNC-Wilmington needs to perform criminal background checks on all of its students instead of taking them at their honor



Kenan Hall, on the campus of the University of North Carolina at Wilmington.

in the application process," Adams wrote in his June 9 column.

"And, of course, they need to do the background checks before the students arrive on campus. While it was appropriate to expel John Peck for lying about his criminal past, it should have been done before he was actually admitted to the university, not after he was admitted and began stalking a fellow student."

There are some problems, however, in obtaining a criminal background check, UNCW Chancellor Rosemary DePaolo said at a recent press conference.

"The issue is complex," DePaolo said. "We have students from around the nation and all over the world. To do thorough and complete background checks would require searching beyond the reach of (North Carolina) court records."

DePaolo announced the formation of a task force to investigate the issue of criminal background checks as well as overall campus security. The task force is to complete a report by Dec. 17.

UNC spokeswoman Joni Worthington said that UNC President Molly Broad is also forming a task force concerning the issue, one that will include representatives from all 16 affiliated institutions to look at safety on campus. It will be chaired by Dr. Bobby Kanoy, who works within UNC General Administration.

Kanoy was out of his office and could not be reached for comment for this story.

"As you are aware, issues of campus violence are not unique to the UNC-Wilmington campus," DePaolo said. "In fact these issues are common to all UNC system universities, as well as to campuses throughout the country. Unfortunately, we now have the experience to allow us to serve as the lead institution for all of the UNC campuses to help try to solve these problems."

Worthington said the task force will look into the feasibility of requiring a criminal background check on campus. "We are always reviewing issues regarding safety across the system," Worthington said.

Adams thinks a criminal background check should not be hard to obtain.

"The twin issues of financial and time constraints are simply moot," Adams wrote. "All we need to do is require the students pay for their own background checks and submit them with their applications. ... But most students would gladly pay that small additional cost to get the extra security it will bring to them and their fellow students."

Adams thinks a required criminal background check would have saved Faulkner's life. It's hard to tell, he said, what kind of impact the background checks would have had on Naujoks' situation, since Peck lived in the Wilmington area.

DePaolo said she was concerned over whether institutions would be able to obtain a complete report. "The majority of our incoming students have just reached the age of no longer being legally considered a juvenile, and as you know, the records of juveniles are sealed and therefore unavailable to us," DePaolo said.

## 'The status of my daughter'

Another concern is the response of campus security officers. UNCW campus security was aware of Naujoks' situation with Peck before the shooting death occurred.

According to UNCW Campus Police Chief David Donaldson, campus police were first made aware of a situation involving Naujoks and Peck in March. At that time, Naujoks' mother, Holly, called campus police to discuss the situation. They advised her to have her daughter contact the office, which she did later that day.

Donaldson said Naujoks reported to police that Peck had made harassing calls to her home and had threatened to commit suicide. She was advised to talk to the New Hanover County Sheriff's Department since her apartment was outside the campus police's jurisdiction.

In the days to come, Naujoks reported an incident that occurred on a campus parking lot. She eventually received a protective order. Throughout the process, Donaldson said, police advised her of the limits of the campus judicial system since the most serious offenses occurred off campus.

"At the time Christen was killed, she had in place the strongest protection available to her," Donaldson told The Associated Press. "I don't know anything else we could have done."

DePaolo said university police and other campus resources responded as well as possible in Naujoks' case. Naujoks was also receiving support from the campus Counseling Center.

According to the UNCW's campus police Web site, the department has 29 employees, including officers and other staff members.

"Even though I am appreciative of what we do currently, I believe we can do more," DePaolo said.

In Faulkner's case, a 911 transcript from New Hanover County shows that Faulkner's father, John, was worried about the response time of UNCW police, after he received a call from a man who claimed to have killed his daughter. The elder Faulkner was unaware, according to the *Wilmington Star*, that her body had already been found.

"They're not moving fast on this," Faulkner told the dispatcher. "I could give a damn about the suspect. I want to know about the status of my daughter." CJ



# Another UNC Bond Package Is Approved, Although This Time Without the Voters

By SHANNON BLOSSER

Contributing Writer

CHAPEL HILL

Another bond package has been approved for the University of North Carolina system, but this one was done without voter approval.

State legislators approved an approximately \$340 million bond package to finance what were deemed "necessary projects" for the UNC system, even though some did not appear on the UNC Board of Governors' wish list. Supporters of the bond package said the projects would revitalize the UNC system and improve economic development in campus communities.

Unlike the \$3.1 billion bond proposal that voters approved in November 2000, this bond package will not face a voter referendum.

"I'm always for more, rather than less, when it comes to the University of North Carolina," Brad Wilson, chairman of the board, told the *News & Observer* of Raleigh.

The bonds would fund projects at UNC-Chapel Hill, UNC-Charlotte, Elizabeth City State, East Carolina, and UNC-Asheville. Projects proposed for UNCC, UNCA, and Elizabeth City State did not have the Board of Governors' approval.

Approved projects include:

- \$180 million for a cancer rehabilitation and treatment center at UNC-Chapel Hill.
- \$60 million for the North Carolina Cardiovascular Diseases Institute at East Carolina.
- \$35 million for a bioinformatics center at UNC-Charlotte.
- \$35 million for a center for health promotion and partnership at UNC-Asheville.
- \$28 million for a new facility to house the pharmacy school at Elizabeth City State.

"It will be a tragedy if the cancer center becomes a

casualty of the lack of agreement on other issues," UNC-Chapel Hill Chancellor James Moeser told the *N&O*. "It's such an extraordinary need for the state."

Originally the bill, which was initiated in the Senate, included money only for the UNC-CH and ECU projects. House members tacked on more projects, some of which were later eliminated, including a proposed \$15 million motorsports testing facility under UNC-Charlotte.

House members proposed to pay off the debt using funding from the state's tobacco settlement as well as money from a health and wellness trust fund. Money from the health and wellness trust fund is supposed to finance programs and initiatives to improve health care in the state, according to the bill's legislation.

That was after Democratic Co-Speaker Jim Black failed in his attempt to have the projects funded through a balloon-mortgage payment program. If approved, the state would have made interest-only payments until the end of the loan term, at which time the entire principal would have been due. The state would have saved money in the short term, but the total cost of the bond package would have been higher.

Black's proposal died for lack of support in the House and Senate. Black, when faced with opposition from Senate President Pro Tem Marc Basnight regarding some of the projects, told The Associated Press that all five projects had to be included in the package or none at all.

"I told (Black) if he did this, there was a probability we'd lose it all," Basnight told *The Charlotte Observer*.

The debate over the bonds pitted some, mostly Republicans, who argued that the state could not afford more debt, against those who argued there was a great need for those projects.

"It's expansion and more opportunity for students in North Carolina," Board of Governors member Willie Gilchrist said. "I feel that's a plus." CJ

## General Assembly Approves Spending Increases For Higher Education and a New Friday Institute

By SHANNON BLOSSER

Contributing Writer

CHAPEL HILL

Proposed legislation affecting the University of North Carolina system captured headlines throughout the 2004 short session. Most centered on the \$340 million bond package that included some projects that had not even been approved by the UNC Board of Governors. There were other bills, however, concerning higher education that either passed or were dropped in anticipation for greater discussion next year.

Among the items placed in the budget was an overall increase in funding to the UNC system. Both the House and Senate versions of the fiscal 2005 budget included increases in funding, as well as new projects and initiatives funded with money from the General Fund.

Overall, the General Assembly increased the UNC system's budget by \$49 million, from \$1.82 billion to about \$1.87 billion. That increase came after legislators approved a 1.7 percent management flexibility reduction, which equaled \$26 million.

The budget includes \$2 million in funding for the UNC-Wilmington marine biology program. A provision in the budget would allow UNC-Chapel Hill to continue to operate the Horace Williams Airport. The budget also allows Fayetteville State and the North Carolina School for the Arts to sell the residences of their chancellors and either build or purchase new ones.

Senators placed into the budget a request to build the William Friday Institute for Higher Education. The institute is named after UNC President Emeritus William Friday, who led the system from 1956 to 1986.

The measure was introduced by the House in April 2003 and was added to the budget by the Senate Education/Higher Education Committee this year. The institute, according to the Senate budget bill, would help students, faculty, and administrators in the system to learn about academic administration leadership opportunities.

Senators approved the measure when Friday and his wife, Ida, were honored with the state's highest civilian honor, the Order of the Long Leaf Pine.

"I know you're disappointed often in our shortcom-

ings," House Democratic Speaker Jim Black said of Friday in the *News and Observer* of Raleigh. "We strive to follow your lead... We don't measure up to what your expectations are, but surely we try."

The budget bill also calls for the state to look into a tuition grant program at the North Carolina School for Science and Math that legislators approved last year. According to the tuition grant program, any North Carolina School for Science and Math graduate would receive free tuition to any UNC system school.

North Carolina School for Science and Math President Gary Boreman had lobbied parents and students to win their support for the continuation of the tuition grant program.

### The one that got away

Among the bills dropped from consideration was a measure that would have made permanent the 18 percent cap on out-of-state student freshmen enrollment. That bill was prompted by discussions last year by the UNC Board of Governors on lowering the cap. The idea did not resonate with some members of the General Assembly.

Cumberland County Rep. Alex Warner, who was among the bill's sponsors in the House, told the *Herald-Sun* of Durham that the bill was dropped because it would not have been able to go through the entire legislative process this session.

"I think this was a shot from the General Assembly across the bow, that we mean business on this," Warner told the *Herald-Sun*. "There's no doubt in my mind that the message has been sent."

Brad Wilson, UNC Board of Governors chairman, considered the measure was an attempt by the General Assembly to run the UNC board, and he told the *Herald-Sun* how pleased he was that it was no longer under consideration.

"I think that was an excellent decision" to drop the legislation, Wilson told the paper. "While I recognize that the General Assembly has the ultimate authority, I do think that matters of education policy are best left to the Board of Governors." CJ

## UNC Awfully Fond Of Buying by Bonds

In 1993, voters in North Carolina approved a bond issue that included \$310 million for the UNC system. This money was to go toward UNC capital projects and "other critical needs" of the university.

Between 1993 and 1999, more than \$470 million additional money was spent for UNC construction. Also during that time of construction and expansion, some classrooms and dormitories were allowed to deteriorate.

In 1999, buttressed by a scarifying report from Eva Klein & Associates, the UNC system, the N.C. Community College System, and the General Assembly collaborated to produce a nearly \$5 billion wish list for the universities and community colleges that would be paid for through bond sales. Supporters stressed the urgency of the situation, warning of a burgeoning crisis of leaky roofs, cramped classroom conditions, and a coming enrollment boom — all the while cramming the bond legislation with extras and niceties, including new athletics stadiums.

In part because they didn't want to seek voter approval on this massive proposal, and in part because half of the package was not attributable to repairs and renovation, they overdid it in 1999, and the bond legislation was dropped for a better approach the next year.

In 2000 some of the more blatant wish-list items were culled, bringing the bond package down to \$3.1 billion. This time, if approved by the legislature, the bond proposal would go to the state's citizens for a vote. Meantime, the university system waged a pricey public-relations campaign, first to get the bonds placed on the ballot by the legislature and then to have it approved by the citizens in November.

The campaign was successful, as North Carolina taxpayers voted out of their belief in the ideal of higher education, not to mention their belief that the campaigners for the bonds — all those chancellors, administrators, legislators, state dignitaries, self-promotional "investigative reports" by WUNC-TV, crying students, UNC officials shamelessly applauding crying students, and student government flunkies speaking at football games — were right that passing the bonds wouldn't raise their taxes.

Besides, the economy was going great. Those who cautioned that tying up a sizable portion of the annual state budget was bound to have some economic implications, including paving the way for tax increases, went ignored.

So in 2001 the economy took a downturn, and subsequently there were tax increases.

In 2002, the state's economy was still not up to snuff, and there were tax increases.

In 2003, the economy still hadn't improved, and there were tax increases. China and George W. Bush shared the asserted blame for the economic woes.

During that time, the UNC system played a game of whine and dine. First, legislators tasked with dealing with a budget shortfall would propose reductions to UNC's previously approved continuation-budget increases (e.g., they would propose reducing the amount by which they had slated spending on UNC to increase in the next year — the UNC budget would still increase, though not as much as previously thought). In response, UNC officials would howl over how they are being "cut to the bone" by the lesser increases, and then they would give departing administrators sweetheart send-offs to the tune of hundreds of thousands of dollars in pay. The howls would strike fear in legislators terrified of being labeled "Not a Friend of Education," and UNC budgets increased.

In 2004, however, there was a budget surplus. Once again there's a bond package for the UNC system. This could be a coincidence. The \$340 million bond package is full of wish-list items, some that were even news to the UNC Board of Governors. This, too, is probably a coincidence. This bond package won't be put before the voters. Also a coincidence? CJ



Jon Sanders



## Bats in the Belltower

## UNC Professor: When Famine Ends, the Public Health Crisis Begins

On May 18, *USA Today* printed an article about the current conditions in China, where famine held cruel sway just four decades ago. Now, "signs of the better life spawned by 25 years of capitalism abound." China "today little resembles the impoverished, hermetic land that existed before its leaders began freeing the economy in 1978."

Great news! Except that the emergence of plenitude following the adoption of some capitalistic reforms *isn't* the focus of the article. It's just the setup, the prelude to the "but."

And here it comes:

"But these visible improvements mask the dangers of moving too swiftly from communist scarcity to capitalist abundance," David J. Lynch writes. "Today's spreading prosperity is redrawing traditional Chinese living patterns to mimic Western habits — for good and ill."

Lynch explains. "In a country where man-made famine killed 30 million people as recently as the early 1960s, more than one-fifth of adults are now dangerously overweight or obese. The proportion is expected to approach 40% in two decades." Heavens to Betsy, not only are they not starving to death, but now they're eating too much. Just like those danged Westerners.

Lynch continues to chronicle the decline of the Chinese way.

"As China strives toward its goal of a xiaokang or moderately well-off society, many Chinese are trading a venerable lifestyle that emphasized restraint for something closer to Western indulgence," he writes.

"The public health consequences are as predictable as they are deadly. From 1995 to 2025, deaths from diet-related illnesses such as heart disease, high blood pressure, strokes and adult-onset diabetes are expected to increase 10 times faster than population growth, according to Barry Popkin, a University of North Carolina economist who studies dietary changes in developing countries."

Is anyone surprised to see a UNC-Chapel Hill professor in the midst of this?

"The increase in life expectancy they've seen could slow down or turn around. Certainly, the burden of health care costs is going to go up immensely," Popkin said. "With China so important economically, this is one of those things that could drag it (down) if they don't deal with it."

To recap:

- The Chinese used to face mass starvation, and in order to survive they had to venerate restraint in eating and drinking, plus their transportation options were limited to walking or biking (i.e., "traditional Chinese living patterns"). But back then, people were a lot skinnier and died a lot sooner and en masse, so they didn't put too much financial strain on the health care system.

- Today, however, because of its experiment with some forms of Western capitalism, China has seen a large in-

crease in life expectancy and affluence. The downside is folks are eating more, drinking more, walking and biking less, and living longer (i.e., mimicking "Western indulgence," thank you "globalization") — and that's really putting a burden on China's health care system.

But instead of celebrating the end of famine, Lynch and Popkin lament a future "burden" on a governmental health care system. Thus the headline: "China finds Western ways bring new woes."

### How the best dads harm kids

Not to be outdone, a University of California at Riverside professor teamed up with *USA Today* to highlight the bad news in a study on excellent fatherhood by evangelical Protestant men. The story was published on June 16, just in time for Father's Day.

The lead sentence announced the good news: "Religious men, especially evangelical Protestants, are more involved and attentive husbands and fathers than men who are not religious."

University of Virginia sociologist W. Bradford Wilcox "analyzed data from three large surveys conducted several times from 1972 to 1999 that examined behaviors and attitudes toward family and gender among different religious

groups, including Catholics and Protestant Christian denominations, Jews, Muslims and others," reported Julia Neyman for *USA Today*.

"The results point to greater family involvement and less domestic violence among churchgoing Protestants, especially evangelicals, which he says include Southern Baptists, Assemblies of God, and nondenominational evangelical churches."

"Wilcox says religion 'domesticates men in ways that make them more retentive to the ideals and aspirations of their wives and children,'" Neyman wrote.

Wilcox found that "evangelical Protestant men are more likely to expect their school-age children to tell them where they are at all times and more likely to hug and be affectionate toward their kids than religiously unaffiliated men. They also spend more time in youth activities with their kids."

Great news? No. Prelude to a but.

"But the traditional values of evangelical Protestants may contribute to a reluctance on men's part to share domestic responsibilities such as cooking and cleaning with their wives, he says," and Neyman gratefully picks up that thread of a negative. Soon enough she encounters "Scott Coltrane, chairman of the department of sociology at the University of California-Riverside, [who] says that because some evangelical Protestant churches promote strict patriarchal values, they might do *more harm than good* to family structures" (emphasis added). CJ



## Michigan Civil Rights Initiative Wins in Court, But Aims for 2006

By JON SANDERS

Assistant Editor

RALEIGH

On June 11, the Michigan Court of Appeals ruled unanimously in favor of the petition language for the Michigan Civil Rights Initiative, a ballot initiative that would prevent the state of Michigan from using racial preferences in public university admissions or state employment or contracting.

The ruling overturns a lower-court ruling in March that invalidated the petition drive on the basis of the petition language not being an accurate description of the initiative if it would pass. That was the argument put forth by Citizens for a United Michigan and the Coalition to Defend Affirmative Action, Integration, and Immigrant Rights and Fight for Equality by Any Means Necessary (also known as BAMN). The deception they cited is that by ending racial preferences, the initiative would end affirmative action.

They also objected to where the actual text of the proposed amendment appeared on the petition (the back), that the front of the petition contained a "misleading summary" of the proposal, and that the back contained an objectionable "Introduction" to the proposal text.

The appellate court ruling cited precedent in affirming that "all doubts as to technical deficiencies or failure to comply with the exact letter of procedural requirements

in petitions... are resolved in favor of permitting the people to vote and express a choice on any proposal subject to election."

### Late decision delays petition drive

The court's decision came too late, however, for measure supporters to collect enough signatures to place it on the ballot in November 2004. Nevertheless, speaking on behalf of the MCRI, Ward Connerly, the University of California regent who successfully led similar initiatives in California and Washington, said the petition drive would "be qualified by October this year for the 2006 ballot."

Chetly Zarko of the MCRI told *The Chronicle of Higher Education* June 15 that the group would complete the petition drive by the summer and that the court decision was a "boost of momentum and a bill of legal health."

Shanta Driver, BAMN spokesman, said to the *Chronicle* that it was "a bad decision because it allows for deceptive, fraudulent ballot propositions to go on the Michigan ballot, and that's obviously a bad thing for the people of Michigan."

"The court has removed the last obstacle in our path and the momentum is strong," Connerly said. "Despite the obstructionist tactics of the opposition, Michiganders will be given the opportunity to proclaim their desire to end race preferences." CJ

## CAROLINA JOURNAL Publisher John Hood Garner's Praise for His Most Recent Book:

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The concern is misplaced

## Is America's College Graduation Rate Really a 'Huge National Problem'?

By **GEORGE LEEF**  
Contributing Editor

A recent report published by The Education Trust, "A Matter of Degrees: Improving Graduation Rates in Four-Year Colleges and Universities," argues that we ought to be deeply concerned over the fact that only about 60 percent of the students who enroll in four-year institutions in the United States earn a bachelor's degree within six years. (The report is available online at [www.edtrust.org](http://www.edtrust.org).)

Author Kevin Carey calls this a "huge national problem" and implores colleges to find ways to increase their graduation rates. Is the current graduation rate truly a matter that should have Americans searching frantically for solutions, or is this the educational equivalent of the disaster movie *The Day After Tomorrow*? I'm inclined to think it's the latter.

Carey acknowledges that the low graduation rate in the United States is nothing new, but argues that the consequences of not having a college degree have been growing more severe over time.

He writes, "The rapidly globalizing 21st Century economy is putting relentless pressure on lower-skill manufacturing jobs that once allowed people without a post-secondary education to stay comfortably in the middle class."

We often hear it said that jobs for people with less than a college degree are disappearing, but data from the Bureau of Labor Statistics don't support that notion. According to BLS projections, over the decade 2002-2012, of the 10 occupations expected to show the largest growth, only two (postsecondary teachers and general and

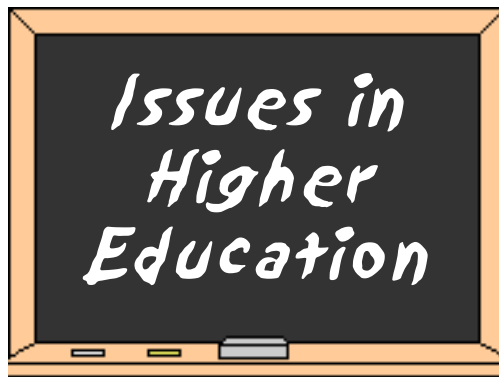
operations managers) are jobs that call for a college degree. The other eight highest-growth occupations, including registered nurses, customer service representatives, food preparation and service workers, and cashiers, are jobs that can

be filled by individuals with no more than an associates degree and usually just with on-the-job training. The BLS forecasts continuing strong demand for workers in such fields as construction and transportation.

It's worth noting that most jobs for which a college degree is deemed "necessary" do not really have particular knowledge requirements that could be met only by individuals with college degrees. Most business management entry-level positions, for example, entail on-the-job training where prior knowledge of business management is far less important than the ability to read and write English.

Employers generally use the bachelor of arts requirement simply as a screening device. If they found themselves with more positions to fill than they had applicants with college degrees, they would simply relax the "requirement" of having a B.A. There is no reason to believe that the future prosperity of the United States is in peril unless we produce more college graduates.

It's also true that workers who find that they are unable to get a satisfactory job with their current educational credentials can change. They can pursue studies leading to



a degree if they think that it will pay off.

What I'm saying is that we can rely on the spontaneous order of a free society to produce the right percentages of people with different educational attainments.

The incentives of employers and employees pursuing their individual goals will give us the right percentage of people with college degrees.

Those of us who have taught undergraduates know that a large percentage of them are just not ready, intellectually or emotionally, to take college seriously. They want, as Professor Murray Sperber puts it, a "beer and circus" environment and an easy degree. Unfortunately, a lot of students who receive such college degrees then find that the best they can do in the labor market is to take what used to be known as "high school jobs."

For that reason, it may be harmful to keep young people in college to complete their degrees. Carey praises several schools that have unusually high graduation percentages, but he does so without identifying what the schools do to achieve their high numbers.

If they manage to keep more students around for the four or five or six years it takes them to graduate just through high grades, low expectations, and a lot of campus fun, they are wasting the time and money of naïve young people and their parents.

### *The elephant in the room*

It isn't just the low overall graduation rate that worries Carey, but the fact that the graduation rate for students from low-income families is far lower than it is for students from higher-income families.

That has always been true and the cause is easily identified: The K-12 schools that most students attend in the inner cities do an abysmal job of teaching even rudimentary skills. (The success of most students in private or parochial city schools shows the problem isn't inherent.)

"Some of the problem undoubtedly lies with our K-12 schools," he said, but he glides right past that elephant in the room to continue his argument that colleges and universities need to do much more to close the education gap. But to expect them to make up for the massive failure of government inner-city schools is to expect the impossible.

If the United States has a "huge national problem" in education, it is not our college graduation rate.

The problem is that our K-12 system so poorly equips many of our young people that they aren't capable either of college studies or of doing many well-paying jobs that call for some degree of language or mathematical skill. Business managers constantly lament the fact that many of the applicants they receive — including those with college degrees — lack even the basic knowledge and skills necessary to function on the job.

We don't have to worry about our college graduation rate. We do have to worry about what happens before students get to college.

CJ



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## Town and Country

*Audit faults housing agency*

The federal government should take over the Durham Housing Authority and discipline its top managers, auditors investigating the troubled agency say.

A draft internal report from the U.S. Department of Housing and Urban Development's regional office in Atlanta also recommends freezing a \$35 million federal Hope VI grant being used to build affordable housing in some of the city's poorest neighborhoods, *The Herald-Sun* of Durham reports.

Auditors from HUD's Office of Inspector General have been scrutinizing the Durham agency for nearly a year after the forced resignation of longtime director James Tabron.

Tabron was found to have made more than \$12,000 in improper charges on a housing authority credit card, including cash advances and a \$1,750 gold ring.

Many of the issues outlined in the audit spring from the authority's involvement with Development Ventures Inc. and a web of other private, nonprofit agencies set up by Tabron and the housing authority's board.

A nationally known figure in public housing circles, Tabron used his position in Durham to help develop projects in such distant locales as Gary, Ind., and the U.S. Virgin Islands.

Board members have denied approving or having knowledge of the outside ventures.

*Warren County backs center*

The Buck Spring Regional Leadership Excellence Center won a vote of confidence June 14 even though Warren County commissioners and the county attorney disagreed over the scope of the county's financial commitment to the project, the *Henderson Daily Dispatch* reports.

Buck Spring was one of two controversial topics aired at the monthly meeting, which had to be moved to the Superior Court chamber to accommodate an overflow crowd of 150 or more.

The other subject was the Eaton Ferry campgrounds, closed for more than a year by environmental concerns. The board tabled a request to waive dumping fees.

Commissioners Luke Lucas, Jan Humphries, and Ulysses Ross voted for a resolution that affirmed the county's commitment to a U.S. Department of Agriculture grant and loan and offered "complete support for the Buck Spring Leadership Excellence Center."

The resolution also states the commission's interest in pursuing "the fruition of all phases of the center."

Two minutes earlier, on an identical 3-2 vote, the commission voted down a resolution that would have made county backing of the project subject to three conditions: raising \$1.95 million within the time set by the Department of Agriculture, verifying the source of money for the annual operating budget, and identifying programming. *CJ*

## Landlords Try to Ease Water Regulations

*Apartment owners subject to same government requirements as utilities*

By DONNA MARTINEZ

Associate Editor

RALEIGH

Clarke Martin is keeping his fingers crossed that the Apartment Association of North Carolina can convince the General Assembly that consumers and environmentalists will both benefit from proposed legislation to change the rules covering how apartment owners monitor and bill their tenants for water, and to cut industry regulation by the North Carolina Utilities Commission. Martin, executive director of the Triad Apartment Association, believes the reforms will pay off in less water consumption, government intrusion, and business costs, which over time, will lead to lower rent.

He may have reason to be hopeful about the legislation. Last year, with help from North Carolina's congressional delegation, the AANC successfully pushed for a change in U.S. Environmental Protection Agency policy that removed onerous federal rules from the owners.

"We were the straw on the camel's back," Martin said of the December 2003 revision in EPA policy he said was fueled by a letter to EPA from the state's delegation after AANC asked for help during its March 2003 trip to Capitol Hill. The change acknowledged what Martin and his colleagues considered obvious: that apartment owners who install individual water meters to measure each apartment's water use and then bill accordingly, should not be subject to costly, time-consuming requirements of the Safe Drinking Water Act, like true water utilities are.

*Apartment owners selling water?*

Before the change, submetering, as it's known, triggered an EPA definition that the owner was reselling water. Thus, EPA determined, the owner was acting as a water utility and must monitor and test for bacteria and other harmful agents as required by the SDWA.

"They (EPA regulators) were treating them just like they were sucking water from the river," Martin said, shaking his head in disbelief. That meant, among other things, that owners who submetered were forced to hire Certified Distribution Operators to conduct water inspections, get samples to a lab, and file reports. At the same time, the water utility providing water to the apartment building was doing the same thing.

"Technically, they (CDOs) made sure the distribution system operated correctly," said Scott Wilkerson, president of BNP Residential Properties, which owns apartment communities in North Carolina and began submetering in the late 1990s. "But we don't have one," he said. Regardless, when BNP couldn't find a CDO to the job, it sent some of its employees to certification school to comply with EPA policy.

The AANC has been working for years to address these issues, but with December's EPA victory in hand, the organization has refocused its efforts on the General Assembly to change state laws to reflect the EPA definition change, end NCUC regulation, and encourage water conservation.

Rep. Pryor Gibson, D-Troy, said he thinks submetering is key to saving water. He sponsored House Bill 1582, which addresses the industry's issues. "It's the rental car mentality — if it's not mine, I'll use it"

**"We're trying to work it out in a feasible way. At the end of the day, common sense is going to win."**

**— Rep. Pryor Gibson**



*A reader checks a water meter in a residential area.*

Gibson said of attitudes about careless water usage. A companion Senate bill, S1221, was introduced by Sen. Daniel Clodfelter, D-Charlotte.

Before the mid-1990s, most apartment owners included water in the rent, providing no financial incentive for tenants to be careful about how much they used. But in 1996, North Carolina followed a nationwide trend toward submetering and separated rent from water costs, said Andy Lee, director of the Public Staff's Water Division for the Utilities Commission. That created a direct link between a renter's water consumption and the resulting water bill, and provided a reason to conserve.

What was viewed as an environmental step forward proved to be a regulatory step backward for owners who submetered. They were snagged by EPA's definition of reselling water. Not only did they become subject to the SWDA, the state's Utilities Commission entered the picture to oversee rates for owners who were deemed public utilities.

About 240 companies and 300 apartment complexes in the state are subject to NCUC regulation of their water rates, Lee said. This is despite the fact that owners are prohibited from marking up water from the price the real utility charges for it. "All we're doing is a straight pass-through of the cost — no profit,"

Wilkerson said.

The owners are, however, allowed to charge tenants \$3.75 per month to cover administrative costs of submetering. Wilkerson said owners pay the master water bill and most use the fees to hire a company to collect water charges from tenants. When that's completed each month, the rebilling firm pays the owner back with the tenant payments that were collected individually. He maintained the owner's costs often exceed the allowed fee.

Lee supports water conservation, but the NCUC has concerns about apartment industry requests to use something commonly called the "hot water-cold water" billing method. As Wilkerson described it, this involves a base billing on the use of hot or cold water, and then an extrapolation to determine usage of the other. For example, he said, "if you use 1 percent of hot or cold,

they assume you use 1 percent of the other." That's not precise enough for Lee. "It's inequitable," he said, arguing there is no correlation between the amount of hot and cold water used.

Wilkerson countered that "total capture" is best, but that 28 percent of existing apartments in North Carolina are built in a way that doesn't allow water to be measured in each apartment. "It is clearly not the preferred method, but it's better than not doing anything on the 28 percent," Wilkerson said.

*Problems with the EPA*

Issues over regulation and billing have been ongoing for years. The apartment industry tried several times to reach consensus with the General Assembly and EPA on the difference between "reselling" and "allocating" water. The legislature was agreeable, according to AANC members, but EPA refused to relent on its definition of a water utility. It wasn't only the owners who were frustrated. So was a key representative from the N.C. Department of Environment and Natural Resources. "It's such a long and complicated road to get to where we are today," said Jessica Miles, chief of the Public Water Supply Section in DENR's Division of Environmental Health. "We had a disconnect for a couple years with EPA."

That is, until last December. The EPA's policy change was welcome regulatory relief to Susan Passmore of Blue Ridge Property Management, which owns and manages nine North Carolina communities with more than 2,800 apartments. Now she's eager for state-level changes. Passmore sees no reason for the Utilities Commission to continue having jurisdiction over owners who submeter since the owners are no longer considered water utilities. The proposed legislation would remove NCUC from the equation and transfer water submetering to the state's Landlord Tenant Law, a change Passmore characterized as better for owners and residents.

"We believe that transferring this jurisdiction will be less confusing for both parties because all the remedies and protection will fall under one set of codes," she wrote in a response to CJ's inquiry.

Making things easier for all stakeholders is on Gibson's mind as well. "We're trying to work it out in a feasible way," he said of the legislation. "At the end of the day, common sense is going to win." *CJ*



*Hillsborough at crossroads***Preservation Clashes With Road Needs**

By MICHAEL LOWREY

Associate Editor

HILLSBOROUGH

Road building is rarely a simple process. The reality is that aside from traffic considerations, environmental concerns, historical preservation issues, the existence of minority communities, land-use planning, and local politics are all factors that influence where, when, and if a new road is built.

A long-simmering case in Hillsborough demonstrates the complex interplay involved. Hillsborough is a historic town of 5,500 inhabitants and the seat of Orange County. While Hillsborough enjoys excellent connections to both the Triangle and Triad — it sits at the intersection of Interstates 40 and 85 — getting through town can be difficult. There is only a single, two-lane street that runs north-south through town, Churton Street, and it is heavily congested.

To address the problem, the N.C. Department of Transportation wants to build a new four-lane road, called the Elizabeth Brady Road Extension, to take traffic off Churton and other streets in Hillsborough's central business district. The idea of extending Elizabeth Brady Road is not new. A 1987 Hillsborough thoroughfare study recommended the road be built from 2000 to 2005.

If a local historical conservation-environmental group has its way though, the expansion will never be built. By broadly defining its interests, the group is hoping to stop the road.

**Complications**

While the purpose of the Elizabeth Brady Road Extension is simple enough — reducing traffic congestion, improving the level of service, and improving safety along Churton and other Hillsborough streets — as the saying goes, the devil is in the details. A N.C. Department of Transportation planning document lists a number of issues and concerns in siting the road:

- Downtown historic district and other historic resources;
- The [proposed alignment in the state's Transportation Improvement Plan] goes through a former NASCAR race site [the Occoneechee Orange Speedway] that is on the National Register of Historic Places;
- Ayr Mount, a NRHP-listed home site, is located adjacent to the proposed project corridor;
- There is a high probability that there are Native American and 18<sup>th</sup> and 19<sup>th</sup> century archaeological sites within the project areas;
- The project is located in the Eno River basin, a unique and sensitive ecosystem;
- Concern for impacts to residents and businesses within the project area.

"This project has a tad more [complications] than average," said Vince Rhea, the N.C. Department of Transportation engineer overseeing the project.

The N.C. DOT originally identified six possible routes for the Elizabeth Brady Road extension. Three remain under consideration:

- A 1.3-mile, \$12 million alignment that would include a new bridge over the Eno River, run over the old speedway, and require that four homes or businesses be relocated.
- A 1.4-mile, \$14.1 million alignment that avoids the race track. This option would still build a new bridge over the river and require that 14 homes or businesses be relocated.
- A 1.9-mile, \$17 million alignment that avoids the race track and building a new bridge over the river. This route also involves relocating three homes or businesses. Aside from the higher price, this option has another drawback; it provides the least reduction in congestion of the alternatives still being considered.



*The Occoneechee Orange Speedway in 1965. The track closed two years later.*

A final option, which is always considered in the road construction decision-making process, is to do nothing. Rhea notes that even then, the state would likely eventually do minor upgrades, such as installing turn lanes to existing streets, to reduce congestion in Hillsborough.

"It will be a matter of trying to design for the least overall impacts within the framework we have to legally work in," Rhea said.

The state's road construction plan has design work on the extension beginning this fiscal year. Right-of-way purchases are scheduled to begin in fiscal 2007-08. Construction should start two years later.

**The option that can't be taken**

The DOT is conducting an environmental impact study that examines the options in detail. Rhea said that, barring unforeseen discoveries during the EIS, the routing over the former Occoneechee Orange Speedway site will ultimately be rejected. Road building rules require that roads not disturb historical sites unless there is no viable alternative. Both of the other routes qualify as viable alternatives.

The EIS should be completed this winter.

Even that outcome, however, does not satisfy Bill Crowther, the overseer of Ayr Mount and the adjacent speedway site. Both properties are owned by the Classical American Homes Preservation Trust and with day-to-day activities managed by Preservation North Carolina.

Crowther notes that much effort has gone into creating three miles of trails through the speedway property. Even routing the Elizabeth Brady Road Extension around, rather than through, the speedway, would destroy the ambiance of the walks, he said. This possible route

around the track would also destroy a natural habitat area that has significant mountain laurel growth.

In the longer term, Crowther hopes to see the trail network extend all the way to the Eno River State Park. He said four-lane highways are inconsistent with such nature trails.

"A four-lane new facility crossing of the Eno is unprecedented in that there are eight two-lane bridges already," he said. "Creating a new facility through parkland is uncalled for."

Crowther's view is not shared by all Hillsborough residents, many of whom are tired of sitting in traffic on Churton Street. Ken Chavious, a former City Council member, is one such proponent of the Elizabeth Brady Road Extension.

Chavious said the extension has been rated as the town's top road priority. And what particularly riles Chavious and other proponents is the size of the two historic properties. Ayr Mount proper is 50 acres, while the speedway property, which was designated a historic property only in 2002, is an additional 260 acres. Crowther's ultimate vision would create an even larger nature preserve.

"Hillsborough is a loser if this isn't built" Chavious said.

**Government TIFs  
Stiff the Taxpayer**

They're back. They're chirping for joy. And they just need to die. No, it's not only the 17 year cicadas I'm talking about. Every 11 years (1982, 1993, and one hopes in 2004), voters have decided to defeat constitutional amendments permitting Tax-Increment Financing (TIFs). TIFs are another way to raise government debt without a public vote.

The premise here is that local governments declare a certain area as a tax district. They then sell bonds to provide tax-supported projects to benefit one or more developers in the district. Supposedly, the difference between what the property tax value was prior to the improvements and its value afterward would be the "increment". In theory, the additional tax revenue is then used to pay back the bonds.

The folks wanting this policy change realize that you probably won't support anything with the word "tax" in it, so they conveniently changed the name to "self-financed bonds". However, since that term has apparently proved confusing or suspicious, you will now hear growing support for "Amendment One". This sounds innocent. But in all honesty, if they have to change the name twice, it's probably still a bad idea.

TIFs are hailed as a desperately needed tool in North Carolina because 48 other states have them. But that also means there's a record to assess. A study by Iowa State University studied the period between 1989 and 1999 and found that "TIF-increment spending at the county level has not yielded measurable and distinct fiscal, economic or social outcomes." A co-author said that "there is virtually no evidence of broad economic or social benefits in light of the costs."

Case in point: Duluth, Minn. In June, the home county of Duluth accused the city of being "addicted to TIFs." Businesses now won't come to town unless they get the benefit of TIFs, and growing public service needs are not funded because all the tax growth is paying for TIF debt. With TIFs, you are co-mingling the success of one or more companies with paying back taxpayer debt. What it means is that if the companies that benefit from TIFs go under, the local government is still responsible for the bond payment.

Beyond this, there is the matter of making private property tax value a matter of public need. What we say, in essence, is that the government should do things to increase the value of private property. This brings us one step closer to taking property away from private citizens for the purpose of development because it will be worth more to the local government in taxes. Before you think this is laughable, the Connecticut Supreme Court has ruled that using eminent domain is appropriate to do just that! We should not erase the line between public and private action, even with good intentions, because the results will certainly not be good for free enterprise or good government.

The National Federation of Independent Businesses and countless other organizations have shown that small businesses create more than 80 percent of all new jobs in North Carolina. Yet we unfairly tax and punish their efforts by giving away their tax money to subsidize big industries whose failures can be crippling, and whose successes are not as predictable as economic development staffs would contend.

The real goal of government should be to create an environment where small businesses flourish and large businesses are welcome. We should say to all business owners, "We'll never tax you to pay someone else to bring a company here to compete with you for land, labor, capital, or customers."

From the local to the state level we should be looking at regulations and taxes that are obstacles preventing North Carolina from being competitive. We should focus on ways to lessen the burden of government. We should aspire to be the best state in which to start a business, large or small. Tax-increment financing, self-financing bonds, Amendment One — by any name, it still smells as sour.

CJ



**Chad Adams**



## Local Innovation Bulletin Board

## Portland Transit Ineffective

**T**ransit-oriented development — dense, walkable neighborhoods centered on accessible mass transit — has been promoted by many urban planners as a solution to vehicle congestion.

However, Portland, Ore., the model for transit-oriented development, is experiencing unexpected problems with its projects, the Cascade Policy Institute reports. It appears that residents of the developments don't use mass transit to get to work.

Researchers at the Portland-based think tank studied Steele Park, a high-density development of small single-family homes and apartments located near Elmonica light-rail station. Researchers found that the goal of creating more mass-transit users has not panned out.

The development was designed with limited parking, assuming one car per family; however, most families have more than one car — even three or four cars — and they have no choice but to park them on sidewalks, and at corners, while they use their garages for extra storage space.

The limited parking and narrow streets prompted the Oregon Fire Chiefs Association to write a letter to officials in 1997 noting that developments like Steele Park create obstacles for firefighters.

Cascade researchers observed the Steele Park development during one morning rush hour (6:30-8:30 a.m.), and found that out of 73 trips leaving the development (including bike, autos, pedestrians), only 11 trips ended at the light-rail station. Only four people actually walked to the station.

The principal planner of the Washington County Department of Transportation admitted that the Steele Park development is a "long range fiasco."

In North Carolina, Charlotte, the Triangle, and Triad are all planning to construct expensive rail transit lines with associated transit-oriented development.

## Use of eminent domain up

A study by the Institute for Justice reports that government takings of private land has increased over the last five years and shows no sign of slowing down. The process, typically referred to as "eminent domain," is constitutionally constrained to projects for "public use" and then only with just compensation. While public use is commonly understood to mean facilities such as highways and police stations, the courts have interpreted the term much more broadly.

The result, researchers say, has been a boon for private developers. Government's power to condemn property for the development of casinos, condominiums, and shopping malls encouraged private companies to cozy up to local bureaucrats in order to secure land cheaply without the hassles of negotiating with individual owners. Similarly, government uses expanded eminent-domain powers to trumpet exciting projects to the electorate, promising new jobs and more government revenue.

The study found that between 1998 and 2002 governments across the United States condemned 10,000 homes, businesses, churches, and private land for private business development.

Some of the more notable examples are:

- A family's home was condemned so that the manager of a planned new golf course could live in it.
- Four elderly siblings were evicted from their home of 60 years for a private industrial park
- An 80-year-old woman was removed from her home, supposedly to expand a sewer plant, but her land actually ended up being given over to an auto dealership.

Researchers note that cities use eminent domain to favor corporations and national chains over small, local businesses as well as upscale condos over middle-class, single-family homes.

Because no one's home or small business would generate as many jobs or taxes as a big business, no one's land, business, or

home is safe from government condemnation, researchers say.

## Suburban wildlife

Suburbs are providing favorable habitats for many wild animals, the Heartland Institute reports. Some critics say suburbs destroy wildlife habitat, but Jane Shaw of the Property and Environment Research Center reports that suburbanization and natural reforestation actually are increasing the presence of wild animals.

New Jersey is hosting a black bear hunt for the first time in 33 years. In New York State, the deer population has multiplied sevenfold since 1970. Most of the increase has been in suburbs.

The coyote population in all states except Hawaii is twice what it was in 1850.

Wildlife officials in Colorado think that about 2,500 elk exist in the areas between Denver and the Continental Divide because of the increase in residential subdivisions.

Obviously, suburbanization involves some removal of habitat through the building of roads, clearing of trees, and draining of wetlands, but as people move in, they create ponds, plant trees and gardens, and provide bird nesting-boxes. Medium-sized animals that do not require much breeding space thrive in suburban yards.

Whitetail deer are proliferating in many suburbs, because of the presence of well-watered and fertilized garden plants that provide "deer level" vegetation. In Florida, the endangered Key deer is making a comeback, thanks to suburbs.

As agricultural land shrunk, forest land regrew in some areas over the past 100 years, especially in the eastern United States. Forests have increased from 50 percent to 86 percent in New Hampshire. Forests in Connecticut and Massachusetts have increased from 35 percent to 59 percent since the 1880s. *CJ*

## From Cherokee to Currituck

## Charlotte Begins Using Cameras To Catch Speeders on 14 Streets

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

**W**hile several North Carolina cities use cameras to monitor intersections for red-light runners, Charlotte is taking the concept a step further and using cameras to catch speeders. The test program, which will run through June 30, 2006, was approved by the General Assembly last year.

Since late June, the Charlotte-Mecklenburg Police Department has been operating three marked camera-equipped vans along 14 streets in Charlotte. Each van is capable of snapping a picture every half-second. The CMPD plans to operate the vans 16 hours a day, seven days a week.

Potentially camera-monitored corridors are marked with special signs noting that the speed limit is photo-enforced. In addition, a portable sign will be displayed 1,000 feet before a camera van.

"The cameras will run in areas where we have the most crashes," Capt. Dave Haggist of the CMPD's traffic division said to *The Charlotte Observer*. "The whole idea is to let people know where those corridors are, so they will slow down."

Haggist refused to say how much over the posted speed limit the cameras might be set for, although he did say it would vary, based upon conditions. In February 2003, a one-hour survey along each of the 14 roads showed that 36 percent of drivers were speeding at a high enough rate to get citations.

Like red-light cameras, being caught by a speed camera is punishable by a \$50 civil penalty. The citation will be mailed to whomever the car is registered and include color photos of the car, where the laser speed camera was pointed, and a close-up of the license plate. The fines can be appealed and are not reported to the Division of Motor Vehicles or insurance companies.

The police department is working with a private company, Peek Traffic, to implement the program. Peek provides the equipment and receives \$39 for each of the first 4,380 citations issued per month and \$30 for each additional citation. The cameras are set by police officers. Peek officials and officers will review photos before citations notices are mailed out.

The CMPD had hoped to have the camera vans in service earlier, but delays in finalizing the contract with Peek and the need to train officers on the cameras pushed the start date back.

## Too much tax-exempt property?

Like many localities, Winston-Salem and Forsyth County are struggling to balance their budgets. Revenue growth from traditional sources has been slow in recent years, while the demand for services continues to grow. Complicating matters for Forsyth and Winston-Salem is the large percentage of property in their jurisdictions that are tax-exempt.

North Carolina law provides for an exemption from local property taxes for a wide-range of nonprofit organizations, including charitable hospitals. Forsyth County has \$3.5 billion worth of tax-exempt prop-

erty, including \$1.9 billion in Winston-Salem alone. Tax-exempt properties make up 13 percent of Winston-Salem's potential property tax base.

Of special concern are tax-exempt medical institutions. Nearly one third, or \$1.1 billion, of the tax-exempt properties in Forsyth County qualify as "charitable hospitals." Forsyth has more tax-exempt hospital property than any other urban county in North Carolina.

"I don't think there's anyone at City Hall who questions the fundamental appropriateness of tax exemptions of charitable hospitals," Winston-Salem City Manager Bill Stuart said to the *Winston-Salem Journal*. "We are thrilled with the economic provisions of these major medical institutions for their capacity to bring jobs, income to the community."

Stuart said, however, that providing basic services, such as police and fire protection, to these institutions carries a cost. "We can't tax them, but there are legitimate user fees," he said. The city has increased certain user fees in recent years.

What does annoy Stuart are multiple-doctor practices that are tax-exempt only because they are owned by tax-exempt entities. "That doesn't seem fair," he said.

At least one legislator agrees.

"Obviously, something needs to be done, because it wasn't the intention of those who set up the tax rolls that all of these entities would suddenly be tax-free," Sen. Ham Horton, R-Forsyth, said to the newspaper.

## Durham ponders merit pay

Durham City Council members are interested in implementing a merit-based pay system but they aren't sure whether they can make the long-term commitment needed for such a system work, the *Durham Herald-Sun* reported. The interest in merit pay is part of a larger attempt to fix problems in city employee compensation.

In recent years, Durham gave across-the-board pay raises when it had the funds available. Many employees are now underpaid compared to private industry. There's also often too little of a difference in pay between veteran employees and new hires.

To address these issues, the city has decided to give raises July 1 to employees who are underpaid and give onetime 2 percent bonuses to employees who make more than the going market rate.

As a second step, the city is considering implementing a pay-for-performance compensation scheme. Under the proposal developed by a Minneapolis-based consulting firm, employees would get raises of between 0 and 6 percent a year based upon how well they did their jobs. The plan would cost an additional \$2.6 million in fiscal 2005-06.

Some city leaders question whether Durham can make the long-term commitment to make a merit pay system work.

"That's the situation that local government gets put in," Durham Mayor Bill Bell said. "Typically, councils don't know whether they have money to do that piece until the end of the year... that's where the breakdown occurs." *CJ*

**Haggist refuses to say how much over the posted speed limit the cameras will be set for. It will vary based upon conditions.**



# Rumsfeld's War: Untold Story of Anti-Terrorist Commander

By CAROLINA JOURNAL STAFF

RALEIGH

**R**owan Scarborough has covered the Pentagon for the *Washington Times* for 15 years and is one of the most respected — and news-breaking — military reporters in the country. He is the author of the new book *Rumsfeld's War: The Untold Story of America's Anti-Terrorist Commander*. Last month he spoke at a Headliner luncheon in Raleigh, hosted by the John Locke Foundation. While in North Carolina, he met with foundation President John Hood for an interview.

*Hood: Is this war that we're engaged in now against terrorism, is this really Rumsfeld's war?*

**Scarborough:** I think it is. If you look at where our troops are around the globe hunting terrorists, whether it's Afghanistan, Pakistan, Yemen, the Horn of Africa, Iraq, the Philippines, and other places covertly, it's all because Rumsfeld wanted it and they're all fighting the way he wants to fight in the sizes that he wants to fight. So more than any other person in this administration, it's his imprint on this war.

*Hood: If in fact the Bush Administration has in part or significantly changed the approach to terrorism — that it's no longer a matter for courts only but a matter of broader strategy, the military intervention — is this change attributable to Rumsfeld in any large way?*

**Scarborough:** I think directly. I think from the minutes after American Flight 77 hit the Pentagon he began thinking of a strategy. He knew the terrorists had done this. And he began thinking as he walked back inside the Pentagon, "How am I going to attack this foe?"

And he decided then that it was going to be not just Afghanistan, where al Qaeda was headquartered, but he was going to (go) globally and he was going to use his people, not the CIA and the FBI, but his own people to begin something the military had never done before, and that's global man-hunting. He signed a very important document in July of 2002. It was a one-page secret order, a copy of which I have in my book, in which he authorized Special Operations, many of the troops right here at Fort Bragg, to go out and kill terrorists and to collect the intelligence to find terrorists, something that was largely confined to the CIA.

*Hood: Why did he decide to rely on DOD staff and military intelligence versus the other intelligence services that had been in this game before?*

**Scarborough:** Well, if you want to get at the terrorists you have to go to the ungoverned areas, the border areas where they hide and plan, whether it be in, you know, Somalia or the border with Afghanistan and Pakistan or the jungles of the Philippines. The FBI can't do that job, the CIA does not have a military force that can go in there and get those people. So really, logically Rumsfeld decided Special Ops are the ideal people to go in and do that. And that's why he decided.

*Hood: In the early months of the Bush administration, before September the 11<sup>th</sup>, which was obviously a turning point in a lot of ways, Rumsfeld was engaged in—has previously been a Defense Secretary in the 1970s—and he was engaged in an attempt, it was widely reported, to fundamentally restructure the defense forces of the United States. Did the strategy that he came up with afterwards to go on this global war on terror, did that match up with what he was trying to do before September 11<sup>th</sup>?*



Rowan Scarborough spoke at a John Locke Foundation luncheon in June.

**Scarborough:** A little bit, because he was trying to make the military lighter but more lethal. The Kosovo War, 1999, when the Army could not get a brigade of Apaches on the border with Kosovo and Albania, they couldn't get to the fight. That was a watershed event because it showed that the Army couldn't move out and get to someplace fast. So a lot of Rumsfeld's transformation had to do with lightening the force so it could get on planes and get to the fight and unload and be ready.

With the war on terrorism you have to be able to do the same thing. He wants Special Ops units to be able to move out within hours once they have actionable intelligence. You saw that with the capture of Saddam Hussein. Once they found out he was on that farm they put a brigade together and within hours were at that site looking for the guy. That's the kind of operations that he wanted before 9/11 and after 9/11.

*Hood: There's been some criticism of Rumsfeld on a number of fronts. One of them is this issue of lightness, that to go with a force structure that is less heavily armored, it's certainly easier to move it but it puts our forces in greater risk, the argument is, because you're in these light armored vehicles for the Marines, you're in these fighting vehicles for the Army instead of tanks. There's not as much armor: The Humvee doesn't offer very much in the way of protection against the roadside bombs.*

**Scarborough:** This takes in a couple of issues. Number one, the way Rumsfeld likes to fight a war and number two, failing to predict this insurgency and thus failing to predict how they would come after our troops.

Let's take number one. We had a large invasion force for Iraq actually. Once it all amassed in March of 2003 we had 270,000 total troops. That was about half of what we had for Desert Storm. But remember, Iraq's military was only about 20 percent or 30 percent of what it had been. Plus we had made great strides in precision-guided munitions, which meant we could destroy a lot more things from the air. The problem was that once we got into Iraq the size of the force decreased because we did not — in Rumsfeld's opinion we should not — have a large occupying force that prevented the Iraqis from taking over their own security.

*Hood: And presenting more targets to be hit.*

**Scarborough:** And more targets, more logistics, more costs, all of that. The problem was the insurgency cropped up and we

could have used more security forces in those first six months. We now know that because we've been adjusting ever since to fight this insurgency. So if I give Rumsfeld poor marks, that would be the area where I would give him and his planners poor marks. They didn't predict the insurgency and they didn't necessarily have the right mix of force when the statue came down.

*Hood: More generally the argument has been that Rumsfeld and the Pentagon and perhaps the Bush administration in general, simply had a strategy that didn't match up with what the reality would be later on, that they had—I mean you've heard the more conspiratorial versions of this. The neoconservatives were pulling the*

*strings. But do you think that the Bush administration fundamentally miscalculated on any of these fronts? Why to go to war or how to do the war? Or is this just the natural friction of engaging in a high-risk enterprise?*

**Scarborough:** I think all wars have miscalculations. I think the miscalculations we made in World War II could fill a book.

I think the miscalculation in this war was not predicting the insurgency: The size of it, the tenacity of it, and the willingness of al Qaeda to come into the country and just start killing anybody it could at any time. That's a very, very tough foe and it's hard to adjust to. I think the actual war plan itself was fine. They had the right number of troops. They put the British where they should have, they put our forces where they should have. That part of it went well. But...the aftermath, that's where they ran into problems.

*Hood: One of the most controversial issues in recent months has been the Abu Ghraib prison scandal in Iraq. Rumsfeld, at one point, might have been in some political pressure or danger. The Bush administration seems to have expressed a great deal of confidence in him.*

**Scarborough:** Well, they pulled out all the stops to save Donald Rumsfeld. Rumsfeld himself, when he went before the Senate Committee the first time, admitted that he had failed and made mistakes in certain parts of the scandal. That was a big step for Rumsfeld. He hardly ever does that. And then President Bush goes to the Pentagon two days later with the entire war Cabinet, stands shoulder-to-shoulder with Rumsfeld and says, "You're my man! This is my guy!" So that took a lot of air out of the controversy, at least as it pertains to Rumsfeld. *cj*

## Attention Taxpayers! Are You Willing To Pay Tobacco Producers Billions of Dollars?

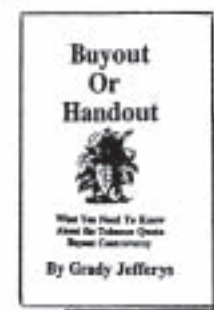
After failing to win congressional approval for a multi-billion dollar buyout of tobacco quotas in the last session of Congress, farm leaders and tobacco growers' associations are making another major effort to win enactment of a buyout bill that would transfer billions of dollars from one segment of the economy to the other.

Because taxpayers may be required to pay for the buyout, every taxpayer has a stake in this public issue that is as much about greed as it is about need.

The new book, **Buyout or Handout, What You Need To Know About the Tobacco Quota Buyout Controversy**, explains the issue clearly and succinctly with fairness and honesty. Written by Grady Jefferys, a North Carolina writer, **Buyout or Handout** presents all sides of the buyout issue, drawing from in-depth interviews with commissioners of agriculture, farmers and farm leaders and the current literature on tobacco production around the world.

**Buyout or Handout** also traces the history of tobacco farming in America and captures the bittersweet nostalgia of farm life that some remember as well as the harsh lives of drudgery that is burned into the consciousness of others.

To order **Buyout or Handout**, send check or money order for \$8.95 plus \$1.30 for N.C. State sales tax and shipping and handling (a total \$10.25) to Newsbook Publishing  
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## From the Liberty Library

• What makes a president great? In *Presidential Leadership: Rating the Best and the Worst in the White House*, James Taranto of *The Wall Street Journal* and Leonard Leo of The Federalist Society drew from a national survey of presidential ratings from scholars in history, law, and political science, and gathered essays on each president from both liberal and conservative writers.

The essays explore presidential greatness, from George Washington to George W. Bush, and assess which of our presidents achieved that pinnacle. Through candid and clear-eyed critiques, the book examines the man, the circumstances under which he achieved the presidency, and both the successes and failures of his administration. Learn more at [www.wsjbooks.com](http://www.wsjbooks.com).

• Walter Russell Mead, in *Power, Terror, Peace and War*, analyzes America's historical approach to the world — not perfect, but reasonably moral and reasonably practical on the whole. He then examines the “explosive” foreign policy of the Bush administration and the uproar it has caused at home and abroad. Bush, according to Mead, is often strategically right but tactically at fault in his attempts to lead a divided nation in a struggle against ruthless enemies.

Mead assesses both Bush and his critics, and proposes a new approach to the war that can rebuild domestic and international support for a tough antiterror policy, outlines a new initiative for the Israeli-Palestinian dispute, and recommends sweeping changes for reforming international institutions. More at [www.randomhouse.com/knopf](http://www.randomhouse.com/knopf).

• In his first three Commanders books, Tom Clancy teamed with Generals Fred Franks, Jr., Chuck Horner, and Carl Stiner to blend history, biography, you-are-there narrative, and insight into the practice of leadership. In *Battle Ready*, Clancy continues the series with Marine Gen. Tony Zinni, known as the “warrior diplomat” during his nearly 40 years of service. As a soldier Zinni led troops in Vietnam, commanded hair-raising rescue operations in Somalia, and was commander in chief of CENTCOM-directed strikes against Iraq. But as a peacemaker he made just as great a mark, conducting dangerous troubleshooting missions all over Africa, Asia, and Europe; and then serving as Secretary of State Colin Powell's special envoy to the Middle East. More at [www.penguininputnam.com](http://www.penguininputnam.com).

• In *The Meaning of Sports*, Michael Mandelbaum, a sports fan who is also one of the nation's pre-eminent foreign-policy thinkers, examines America's century-long love affair with team sports.

Keeping with his reputation for writing about big ideas in an illuminating and graceful way, he shows how sports respond to deep human needs; describes the ways in which baseball, football and basketball became national institutions; and covers the evolution of rules, the rise and fall of the most successful teams, and the historical significance of the most famous and influential figures such as Babe Ruth, Vince Lombardi, and Michael Jordan. Details at [www.publicaffairsbooks.com](http://www.publicaffairsbooks.com). CJ

## Movie review

## Day After Tomorrow: Movie Itself Is a Disaster

• *The Day After Tomorrow*; directed by Roland Emmerich; Story & Screenplay by Roland Emmerich; 124 min., Rated PG-13

By JOHN PLECNIK

Contributing Editor

DURHAM

Roland Emmerich's *The Day After Tomorrow* begins with a bird's-eye view of Antarctica. After the camera finishes its sweep over the jagged, frozen wasteland it comes to focus on a science team that is drilling core samples from the Larsen B ice shelf. Without warning, the ground begins to quake and a fault line divides the scientists' camp in two. For some inexplicable reason, the lead scientist, Jack Hall, portrayed by Dennis Quaid, decides that saving their research is worth risking his life. He leaps the widening chasm twice to retrieve the core samples.

Hall's research reveals that mankind's rampant use of fossil fuels has caused global warming and he presents his theory at a conference in New Delhi. He tells the crowd that global warming has caused an ice shelf, the size of Rhode Island, to break off from the continent. Standing alone, this claim would be quite extraordinary, but Emmerich adds still more science fiction to the mix. Faced with a crowd of professors and dignitaries, Hall argues that the continual melting of fresh-water icebergs will alter the course of the warmth-bearing North Atlantic current. Global warming will actually cause a cooling trend... a trend that could eventually trigger a new ice age.

Even as Hall lays out the grim reality of our self-wrought destruction, the Vice President of the United States, played by Kenneth Welsh, has the audacity to accuse the good climatologist of being sensationalist. He defensively questions who would be asked to pay for measures rectifying environmental damage. He implies that his concern for the world economy transcends any fear for the environment. Judging by the vice president's look and mannerisms, it is clear that Emmerich wanted his character to depict current Vice President Dick Cheney. More specifically, Emmerich tries to offer the Left's view of Cheney.

Ignored by the powers-that-be, Hall is befriended by Professor Terry Rapson, portrayed by Ian Holm, after the conference. The elderly scientist is intrigued by the ice age theory and contributes to Hall's analysis as the movie progresses. Rapson works at a Scottish weather station and is the first to monitor radical temperature changes in the North Atlantic current. Convinced that the world is on the brink of a second ice age, Rapson forwards Hall compilations of data from his network of weather buoys.

While Hall's warnings continue to be ignored, dangerous and unusual weather systems begin to afflict the entire Northern hemisphere. In an increasingly predictable fashion, we are shown locale after locale being struck by disasters of Biblical proportion. New Delhi faces a blizzard and record low temperatures. Tokyo is devastated by fist-sized hail. Los Angeles is torn to pieces by giant tornados. Scotland's temperature drops so low, so fast that its population is frozen solid. To top it all off, New York City is flooded by a massive tidal wave, and Hall's only son, Sam Hall, played by Jake Gyllenhaal, is trapped in the Big Apple.

Although the special effects behind these earth-shattering disasters are above the industry standard, not even they can convey a sense of realism to the ridiculous level of devastation that Emmerich seeks to portray.

In a matter of weeks, not years, global warming threatens to wipe out civilization



as we know it. Even at this point of the film, Emmerich has stretched the viewers' imagination as far as it can go. Frankly put, the plot of *The Day After Tomorrow* feels even less likely than that of Emmerich's *Stargate*, *Godzilla*, or *Independence Day*.

However, the good director does try his best to provide a pseudo-scientific justification for the movie's climax. After the first laundry list of disasters exhausts itself, Hall reaches the conclusion that the oceans have “hit a critical desalinization point,” totally warping the North Atlantic current. He predicts that giant hurricane-like storm systems will form over the land masses of the northern hemisphere, pulling down super-cooled air from the earth's outer stratosphere. One might note that such a phenomenon is scientifically implausible and stylistically more convoluted than Star Trek's explanation of the anti-matter warp drive, but *The Day After Tomorrow* is clearly not concerned with empirical accuracy.

Rather, Emmerich seems obsessed with conveying radical, political messages. Even after half the world has been bombarded by the full force of Mother Nature, the vice president refuses to consider Hall's concerns. He writes off the scientist's warning of the coming super-storms as an unproven theory. Not satisfied with portraying Cheney as an economy-obsessed polluter, Emmerich takes a dig at President Bush as well. Instead of showing leadership, the president's most memorable line in the film is to ask his vice president what to do. In fact, Bush is not even intelligent enough to make a timely departure from Washington, D.C. and perishes in the storm with his motorcade.

It is hard not to notice that Fox News is the only major station shown covering the many disasters. Emmerich was trying to impart a subtle irony with this choice... and from the context viewers could not help but think that the director enjoyed killing off the brash Fox reporter with flying debris.

When three super-storms form over North America, Europe, and Asia the vice

president is finally forced to believe Hall. However, the delay made it impossible to evacuate the northern half of America. Southerners flee to Mexico under the supervision of the National Guard, and Northerners are left to their own devices in the face of impending doom. Of course, Emmerich relishes in the irony of his own creation. Now Americans are the illegal immigrants, flooding into Mexico by the millions. However, asylum was eventually granted in exchange for the United States forgiving all Latin American debt.

Fairly certain that New York will be frozen solid, Hall warns his son, over the phone, to stay indoors and keep a fire going. Although it seems unbelievable that these precautions would be effective against a hurricane of super-cooled air, capable of instantly freezing a person solid, nothing else in *The Day Af-*

*ter Tomorrow* was particularly believable, so why start worrying now?

Hall promises to rendezvous at New York. His son desperately tries to persuade everyone to stay indoors. However, few listen and most die. It is notable that the idealized beggar is one of a handful who choose to stay behind with Sam, while his opposite counterpart, the police officer, foolishly leads hundreds to their death. Although thieving and destitute, the beggar is portrayed as a survivor.

Hall assembles his crack, Antarctic team to rescue his son in New York. Both Hall and his son barely reach places of safety in time and are forced to outrun the oncoming ice storm. Predictably, both survive... though the entire northern hemisphere has become frozen tundra.

With the death of the president, Cheney's look alike becomes commander in chief. The new president is left with the unhappy task of addressing the remains of his migrant nation. Speaking from the

American Embassy in Mexico, he laments Western civilization's unchecked consumption of natural resources and the apocalyptic destruction that it caused. He expresses gratitude for the hospitality of nations that we used to call “Third World countries.” And finally, he announces that

helicopters have been dispatched northward to rescue Hall, his son, and all remaining survivors.

If any movie-goer somehow managed to miss the liberal, environmentalist slant in the film up till the ending, this speech finally gives it away. It is the crowning sermon of a liberal, Sabbath matinee. Between bashing Cheney and predicting global chaos from global warming, this movie has all the trimmings of a Greenpeace hit piece.

The final verdict on *The Day After Tomorrow*: Do not see it today, tomorrow, or the day after tomorrow... unless of course, someone is paying you to review it. CJ

John Plecnik is a law student at Duke University.

**Frankly put, the plot of *The Day After Tomorrow* feels even less likely than that of *Stargate*, *Godzilla* or *Independence Day*.**



## Book Review

## Faulty Towers: Scholars Expose the Defects of Higher Education

• Ryan C. Amacher and Roger E. Meiners: *Faulty Towers*; Independent Institute, 2004; 109pp., \$14.95

By **GEORGE C. LEEF**

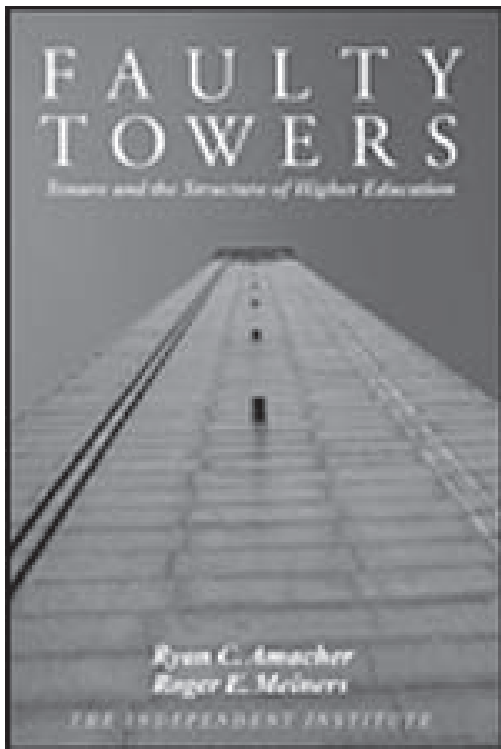
Contributing Editor

RALEIGH  
One of the wonderful things about the study of economics is that it helps you to understand all sorts of human behavior that is not usually considered to have anything to do with that fabled creature, *homo economicus*. Once you understand that people respond in predictable ways to incentives, human action in areas as diverse as, say, crime and dating becomes far more comprehensible. So what happens when you turn two top-notch economists loose to analyze their own calling, higher education? You get an insightful book such as *Faulty Towers: Tenure and the Structure of Higher Education*.

Both Amacher and Meiners, who teach at the University of Texas at Arlington, have distinguished scholarly records. As they correctly observe in their preface, "most academics are not analytical about the world they occupy." With this short but insightful book, they turn the tools of their trade — i.e., economic thinking — on our higher-education system. What they have given us is neither a hand-wringing lamentation about how terrible things are, nor the kind of rose-tinted boosterism we are so used to hearing about American higher education. *Faulty Towers* is a clear-eyed exposition of the weaknesses in our higher-education system that stem from its structure. The authors, if we might resort to a medical analogy, aren't interested in treating the symptoms, but want to get to the underlying pathology.

## Authors define tenure

The book begins with two chapters on



the tenure system in higher education, which Amacher and Meiners do not believe is a significant problem. Tenure is one of the common whipping boys for those who see deep flaws in our colleges and universities, but the authors contend that tenure is largely misunderstood. People may think tenure means that a professor is guaranteed employment for life, but that isn't the case. It's worth quoting the authors here:

"Most college faculty rules state something to the effect that to keep tenure one must maintain the standards of the profession. That is, one must continue to be a decent teacher of competent material and maintain some evidence of scholarly ability in one's areas of academic expertise..."

In other words, there is no legal protection for faculty who stop developing intellectually, do not meet the standards of their discipline, or become unprofessional in the

classroom. The point is worth repeating: tenure does not protect the incompetent.

Legally, the authors show, tenure does not mean lifetime employment, but rather that it confers only certain procedural rights on faculty members before they can be dismissed, rights that non-tenured faculty members do not have. It's a matter of heightened due process for tenured professors, not an impregnable fortress. For example, if a college wants to terminate a tenured faculty member for cause, he is entitled to 1) appear in person at a hearing before the decision-making body; 2) examine evidence and respond to accusations; and 3) representation by legal counsel. Amacher and Meiners went through all the reported cases involving faculty terminations since 1990 (34 federal and 38 state cases) and came to this conclusion: "so long as proper procedure is followed and a faculty member is not being fired for saying something that irritated an institutional authority, there are few legal constraints on the proper functioning of a university as a place that expects faculty to be productive, perform their duties properly, and maintain the standards of their profession."

## Colleges avoid dismissals

The trouble then is not that college and university officials can't get rid of faculty members who are lazy or unprofessional, but rather that, owing to the structure of our higher-education system, they don't. They don't make hard personnel decisions (at least not very often) for the same reason that they don't make many other decisions that would raise the value they provide and lower the cost, namely the non-profit nature of nearly all colleges and universities.

"Whether state agencies or private non-profit organizations, universities do not have the kind of financial measures that organizations in the private sector rely on to

drive performance evaluations," the authors note. And why don't college administrators develop better performance measures? The authors answer, "Performance measures can mean only increased responsibility; few people volunteer for that unless there are rewards that go with it." In the bureaucratic, nonprofit world, there are no such incentives.

Amacher and Meiners then look at the incentives that face those who are supposed to run institutions of higher education — the trustees, presidents, and administrators. For all three, the structure of higher education makes for weak governance. One consequence of weak governance is that the faculty winds up dominating policy questions. Unfortunately, observe the authors, "There is a conflict of interest between faculty's personal interests and the college's long-term interests."

So, what is to be done? The authors want to see the incentive structure in higher education changed so that colleges and universities start behaving more like profit-making entities. Trustees must, in their view, take a far more active role than they have in the past, "unthwarted by faculty tantrums about change." Among other things, they would like to see lots of dead wood cut out of the curriculum and the element of competition for resources between academic departments be injected into the budgeting process. Veteran professors and economists, Amacher and Meiners have carefully thought out the changes that higher education needs to make.

*Faulty Towers* is a long-overdue analysis of the structural defects of higher education in America. The book ought to be widely read and discussed among education leaders and policy-makers. CJ

George C. Leef is the director of the Pope Center for Higher Education Policy in Raleigh.

## Book Review

## Lawyered to Death: A Whodunit Among Unprofessional Lawyers

• Michael Biehl: *Lawyered to Death*; Bridge Works Publishing, 2003, 300pp., \$23.95

By **GEORGE C. LEEF**

Contributing Editor

RALEIGH  
A good whodunit is always welcome, but all the more so if, along the sleuthing way, it manages to lampoon some things that badly need lampooning. *Lawyered to Death*, the second novel by Michael Biehl, succeeds both as a mystery and as an indictment of the "justice be damned, we want more money" attitude that is now so prevalent in the legal profession.

The setting for the book is Shoreview Hospital in a small northern Illinois town that has seen better days. Karen Hayes is the hospital's general counsel. She doesn't make the big bucks of lawyers working in firms, but Shoreview is flexible about her time. That's especially important because she and her jazz musician husband Jake have a new baby. She's an ethical lawyer, doing her best to keep the struggling hospital from committing some blunder that would sink it in liability.

Using his extensive knowledge of lawyers and legal procedures, doctors and medical procedures — Biehl himself practiced and taught health care law for many years — the author constructs a web of

events that entraps Karen. A wealthy patient dies suddenly while under treatment in the hospital. Her husband is arrested. He happens to be Shoreview's CEO, Arthur Winslow.

That's a criminal case and Karen isn't a criminal defense lawyer. She is drawn into the case, however, when a good-for-nothing "claims artist" (he gets his money by filing fraudulent tort actions against companies for self-inflicted injuries) persuades his attractive wife to seduce Winslow. She is a receptionist in the hospital and the "claims artist" contrives to make it look like sexual harassment. As the hospital's lawyer, Karen has to make the phony harassment claim go away with as little cost as possible.

Karen begins to work with Matt Stoker, the high-flying young criminal lawyer who's handling Winslow's defense. Winslow has been charged with murdering his wife by, it appears, sending her poisoned chocolates while in the hospital and removing her medic alert bracelet that would have told physicians not to ad-

minister drugs to which she was deathly allergic.

Stoker entices Karen to leave her position at Shoreview to work for his firm, Van Dyke ~ Eddington (sic: evidently the tilde is now replacing the ampersand at aggressive law firms). The money there is far more than the hospital could ever pay and she hesitantly accepts the offer.

Quickly Karen comes to regret her decision, once she learns how vicious the world of legal marketing is. The Van Dyke ~ Eddington partners want her to sign up Shoreview as a client and help them achieve an annual billing of \$600,000.

Karen knows that such a sum is wildly exorbitant and can see no justification for setting billing targets at all. "She understood the importance of marketing in many business contexts, but with professional services, it seemed too often to lead in the wrong direction. In law, it led to pointless corporate restructurings and endless litigation where the parties got nothing and the lawyers got everything." The firm, she real-

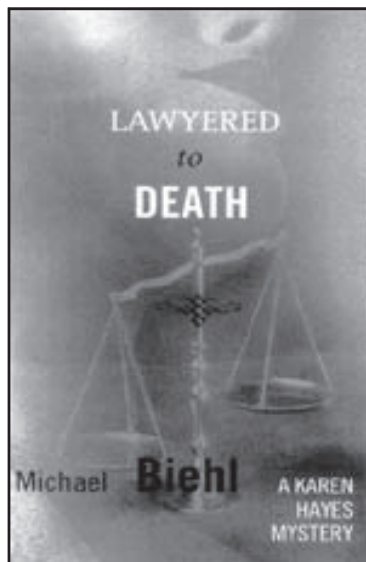
ized, was a school of sharks in expensive suits.

All of that may seem tangential to a murder mystery, but it's not. The tableau Biehl presents is dominated by insatiable greed — the greed of lawyers who aren't content to be merely rich, but want to be super-rich and will do anything to get there. *Lawyered to Death* is an excellent whodunit, but the strong, between-the-lines message is that we have a legal profession that's out of control and doing a great deal of damage.

Naturally, Karen gets to the bottom of the case. But just as the reader is savoring her detective work, he realizes that there are 50 pages left in the book. It's one of those surprise endings. Biehl saves the best for last and you won't want to put it down.

Unethical lawyers aren't the book's only target. Biehl also directs his scorn at doctors who peddle worthless treatments to desperate people and foundation trustees who ignore the donor's wishes so they can loot the foundation for their own benefit. *Lawyered to Death* isn't just a cracking good story. It's a brief against all sorts of professional depredations.

Biehl's characters are well-drawn and the dialogue crisp. The action is fast-paced. He should write more books. Maybe he should even give up legal practice — but then the country would lose one honest lawyer. CJ





## State Gives Itself License to Overkill

I wasn't expecting to laugh out loud while reading a magazine from Yale Law School. But a feature story in *Legal Affairs* about the writer's unsuccessful attempt in Louisiana to pass a state-mandated test required of those seeking a florist license was hilarious. It conjured up slapstick images and witty dialogue worthy of a television sitcom.

The story was a great read and a classic case of government regulation gone crazy. So much so that the Institute for Justice, a public interest law firm, is helping some frustrated wannabe-florists with a lawsuit to test whether the Louisiana law impedes their desire to make a living. The magazine also reports that the attorney defending the law for the state has called it a "reasonable exercise of the state's authority."

That comment is nearly as funny as the writer's experience making bouquets under the watchful eye of a state examiner, except that it illustrates some decidedly unfunny realities. Year by year, government intrusion into daily life grows, as does government's thirst for revenue. Not much is deemed out of line — even forcing average Joes, who simply want to arrange and sell flowers, into a bureaucratic comedy filled with tests, watchdogs, and of course, fees.

Like Louisiana, North Carolina also foists unnecessary regulatory barriers on businesses and individuals. Look at the web pages of the Business License Information Office (BLIO), part of the Secretary of State's office, and it will end any delusions you may have that starting a business in this state is easy. Among the prominent messages is, "The State of North Carolina has no single "business license" that will ensure compliance with the numerous state licenses, permits and regulatory requirements. Additionally, the proposed business may be subject to local and/or federal requirements." Apparently the state is really, really serious about making sure we understand that government is in charge.

The BLIO web site also links to more than 50 occupational licensing boards that license, investigate complaints, dole out discipline, and collect fees from anyone who has chosen one of those fields.

Some of the boards are appropriate, providing necessary oversight in areas that affect public health or safety, areas in which the consequences of malfeasance or poor quality can be deadly serious. For example, the North Carolina Medical Board licenses and oversees professional conduct of about 27,000 medical doctors and doctors of osteopathy licensed to practice in this state. The Board of Nursing does the same for nearly 120,000 RNs and LPNs. The margin for error in these professions is minuscule, and when negligence occurs, these professionals should face sanctions, including the potential loss of their licenses.

But can the same argument be made about low-risk, mundane, everyday activities handled by barbers, locksmiths, or librarians? No, yet each of these has a licensing board to administer North Carolina's rules and regulations affecting the conduct and performance of its practitioners. Surely we can survive a bad haircut without government's hand reaching in to make sure the culprit and his scissors can't ever again inflict embarrassment on an unsuspecting customer in need of a good cut and blow dry.

The inefficient use of resources doesn't end with the boards themselves. Somebody has to oversee these industry cops, and that brings us back to the state and our TV sitcom. Think about it. In a state office somewhere, workers are spending time on bad dye jobs, keys locked in the trunk, Internet usage, and book borrowing. And, they're creating web pages to tell us about the rules. Remember that the next time someone tells you state government has been cut to the bone.

Humorous? Yes. But a laughing matter? Not hardly.

CJ



Donna Martinez

### Editorials

## POISONED PRESS

*Credibility disappears, survey shows*

A national survey conducted recently by a respected pollster revealed more ugly truths about journalism. The poll by the Pew Research Center for the People and the Press repeats what other surveys have reported: Journalists across the nation have frittered away their most valuable asset, their credibility. Further, the poll confirms what critics of the media have charged for years: An increasing proportion of those who shape news coverage are political liberals.

The survey of 547 national and local reporters, producers, editors, and executives across the United States addresses current issues facing journalism and updates trends from earlier surveys conducted in 1995 and 1999. The greatest differences between journalists and the public are philosophical. Many more journalists identify themselves as liberals than as conservatives, while for the population as a whole the reverse is true.

The survey's findings show the percentage of national journalists who say they were political liberals increased from 22 percent in 1995 to 34 percent today. The trend among local journalists has been similar; 23 percent say they are liberals, compared with 14 percent in 1995. Only 7 percent of national journalists, and 12 percent of local journalists, think of themselves as politically conservative. Majorities of national (54 percent) and local (61 percent) journalists continue to describe themselves as moderate.

Survey results of the public, on the other hand, show that self-identified moderates are a plurality but not a majority. Twenty percent of the public see themselves as liberal, while 33 percent consider themselves conservative.

The survey also revealed differences in moral values. About 60 percent of the public believes it is necessary to believe in God to be a truly moral person. But fewer than 15 percent of journalists believe that. About half of the public thinks society should accept homosexuality, while 80 percent of news people think so.

While it used to be taboo for journalists to allow personal bias to influence their news judgment, today's journalists admit that a greater number of their decisions are not objective. Some editors not only acknowledge prejudice, they actually encourage it and insist that their reporters be advocates for "public" causes.

By more than three-to-one, journalists in the survey said they believe it is a bad thing if some news organizations have a "decidedly ideological point of view." Yet, more than four in ten of them say they too often let their

ideological views show in their reporting. A confessional rate of 40 percent indicates an epidemic afflicts journalism today. It shows that rather than being merely reporters of fact, many journalists have become purveyors of propaganda.

Not only have journalists come to think it is OK to allow bias to color news coverage, they actually have dropped all pretenses of objectivity. Newsroom managers openly encourage discrimination by embracing a hiring policy of racial "diversity." Discrimination inevitably influences news coverage and frequently comes at the expense of ability, knowledge, and experience.

Journalists' paradoxes are evident in their answers to the survey. Many of them believe that the press has been too easy on President Bush. While the press gives itself about the same overall grade for its coverage of Bush as it did nine ago for its coverage of Bill Clinton, the criticism in a 1995 survey was that the press was focusing too much on Bill Clinton's problems, and too little on his achievements.

Neither are the media kind to the public. Since 1999, the percentage of journalists saying they had a great deal of confidence in the public's election choices has fallen from 52 percent to 31 percent.

Journalists themselves have a cynical view of their business. About half of them think that journalism is going in the wrong direction. But, strangely, rather than citing their slanted news coverage, as many as two out of three of

them blame the decline of the quality of journalism on "bottom-line pressures" exerted by the publisher or other top management.

Another observation that's sure to draw a chuckle from conservatives is the journalists' perspective on what they consider biased. The single news operation that strikes most journalists as taking a particular ideological stance "either liberal or conservative" was Fox News Channel. A huge majority of journalists

could identify a daily news organization that they think is "especially conservative in its coverage," but fewer could identify one they believe is "especially liberal" (82 percent vs. 38 percent). *The New York Times* was most often cited as the national daily news organization that takes a decidedly liberal point of view.

These findings, and others by the American Society of Newspaper Editors a few years ago, spell big trouble for journalism. They show that Americans don't believe much of what they read in newspapers or what they see and hear on television or radio. Continually declining readership and Nielsen ratings also tell the tragic story. Too many journalists, today, though, refuse to heed the warning signs.

Reporters and editors who give more than lip service to ethics, rather than obedience to "progressive" political agendas, might be able to reverse some of the damage to their organizations' credibility. But it will take years. They can start by abandoning racial "diversity" as their mantra and returning to time-honored competence and objectivity as their buzzwords.

CJ

***These findings, and others by the American Society of Newspaper Editors a few years ago, spell big trouble for journalism.***



# No Local Heroes

*Tax hikes not the solution to local woes*

In mid-June, Gov. Mike Easley released early the results of a federal jobs survey taken in May, touting another month of job growth as evidence that his fiscal and economic policies were sound. The appropriateness of his action may well be questionable, but the motivation is understandable.

The state of North Carolina's economy is almost certainly going to be the main issue in state electoral contests this year. More generally, much of the public-policy debate over the past several years has centered on economic growth. What should government do to foster it, or at least not inhibit it? What has been the role of national and international trends and policies? Are targeted-incentive policies fair and efficacious?

Easley has offered some straightforward answers to these questions.

On what government can do, he advances the argument that taxpayer "investment" in infrastructure and education is worth doing in the midst of a recession, even if it requires a tax increase.

On the causes of economic turmoil, the governor lays most of the problem squarely at the feet of the national government and international trade.

On incentives, he argues that they are necessary and effective, and that the state can help shape the private marketplace to the public's benefit and ensure that "good jobs" in the "industries of the future" come here.

To argue for his economic policy, Easley offers as evidence the fact that since January, North Carolina employers have added nearly 50,000 new jobs. This rate of growth is higher than both the Southern and national averages.

## What caused what?

But here's where things get sticky. First, if George W. Bush's ineffectual handling of the economy was to blame for North Carolina's economic woes, what accounts for the sudden surge in job growth this year? Bush is still president, his main policies (tax cuts) have only really kicked in during the past 18 months, and no past free-trade agreements have been repealed.

Perhaps one might assert that it's because North Carolina, under Easley, was doing what was needed to offset Bush's poor economic performance in the rest of the country. But that doesn't add up, either. Most of the "investment" Easley touts in education and infrastructure either hasn't been implemented yet or (in the case of schoolchildren) will take a very long time to have an effect, positive or otherwise, on the labor market.

The only exception would be the new employees North Carolina has hired to carry out some of Easley's initiatives; our state has led the South and the nation in government hiring since January, but it accounts for only about 9,000 of the 50,000 new positions. So the trend towards government growth — whatever you think of it, and we tend not to be particularly overjoyed about it — can't explain the differential experience of our state and the nation in recent months.

## Putting job-growth numbers in context

The likelier explanation for North Carolina's jobs spurt since January can be found by looking at the larger trend. From January 2001 to January 2004, North Carolina's economic performance was, quite simply, abysmal. We shed 160,000 jobs, or 4 percent of the total.

This was the worst employment loss in the South and one of the worst in the nation. In addition, personal incomes in North Carolina grew by an average of only 4.3 percent, far below the national (6 percent) and regional (8.5 percent) averages.

While the nation as a whole experienced a relatively mild recession in 2000-01 and then saw a strong recovery begin sometime in 2002 or 2003, North Carolina suffered a worse-than-average recession and then had a slower-than-average recovery, generating consistent net growth in jobs only since January while our neighbors' labor markets were picking up a year ago.

Recent growth has, in other words, not been a case of North Carolina "leading the way" — as some nervous politicians have put it in their press releases — but rather of North Carolina's economy starting to catch up with everybody else's.

That is, if you dig a bigger hole, you will experience larger percentage gains in your altitude as you claw your way out.

But it will take a while.

North Carolina's economy still has 110,000 fewer jobs today than it had when Easley took office in 2001 (not that we're suggesting his policies are entirely to blame). And that's still the worst economic performance in the region, though in fairness the state of Georgia (down 106,000 jobs) looks like it might take that mantle from us in the coming months.

Good thing they've got that magnificent education lottery down there.

# CAMPAIGN BAILOUT

*End, don't bend, judicial election "reform"*

As was entirely predictable, the new public-financing fund set up for the 2004 elections for appellate courts in North Carolina is not panning out. Too few attorneys have chosen to give \$50 to the fund when renewing their legal licenses. Too few North Carolina taxpayers have chosen to check the box on their income-tax forms directing \$3 into the fund. So there appears to be insufficient money in the fund to finance the expected statewide elections for Supreme Court and Court of Appeals in 2004.

Now, say some legislators and self-styled advocates of "campaign-finance reform," because there won't be enough money to fund adequately both voter guides and the judicial campaigns, state government must act to fill the coffers in some other way. These activists are talking about such options as compelling attorneys to fork over the \$50 and compelling taxpayers to add \$1 million or more to the fund.

Funny how this "voluntary" financing system has so quickly turned into something entirely different, and outrageous.

Proponents of the 2002 judicial-campaign measure argued that voters needed assurance that their judges were not for sale. Perhaps they do, but we doubt seriously that voters believe the proper answer is to force them to support candidates with whom they may well strongly disagree on key public-policy issues.

For some "reformers," it's hard to believe that combatting voter misperceptions was their only motivation, or even the most compelling one, for the changes they sought in the process of electing North Carolina judges. A piece of evidence one might offer here is that the 2002 measure eliminated partisan affiliation from candidates for appeals court and the Supreme Court.

## Party-line voting and the judiciary

Protestations to the contrary notwithstanding, this move seemed to be a transparent response to steady Republican gains in these races, which both sides attribute in part to the party labels, though perhaps for different reasons. Democrats say they have been the victim of party-line voting trends that have nothing to do with the courts, such as Republicans pulling straight-ticket levers and some Democrats ignoring down-ballot races altogether. Republicans argue that their party's message on crime and legal issues resonates with voters who may not know the specifics of constitutional interpretation but do generally favor a conservative approach to law enforcement and the role of courts.

There certainly are good arguments against holding partisan elections of judges. Ideally, judicial selection shouldn't put jurists in the position of having to raise money from the industries or lawyers whose interests they will inevitably grapple with on a local or state court. But when you think more carefully about them, these arguments are really arguments against any kind of judicial election. Few voters recognize the names of even longtime incumbents on the court, or could offer any specific issue or quality distinguishing one candidate from another. Partisanship is actually better than the alternative, which has all but a few legal insiders and interest groups choosing their judges on the basis of some vague name-recognition or guesswork.

The 2002 reforms were wrongheaded and should be repealed, not made worse by legislative efforts to coerce North Carolinians to pay for judicial campaigns. Let's have the real debate about the real issue, elections vs. appointment of judges, rather than enacting special-interest legislation (Democrats and organized lobbies will benefit from nonpartisan elections right at the expense of Republicans and ordinary voters) and then pretending North Carolina has accomplished some great and noble aim.

# Court Opens Door on Incentives Suit

In yet another of its pivotal 5-4 decisions, the U.S. Supreme Court ruled in June that taxpayers in Arizona have standing to challenge that state's school-scholarship tax credit in federal court on federal constitutional grounds.

Naturally, the initial round of media coverage and reaction to the tax-credit decision focused on its implications for Arizona's innovative school-choice credits, which allow residents to take dollar-for-dollar credits up to \$500 a person for contributions to private scholarship funds that assist families who choose independent or religious education for their children.

State programs facilitating wider parental choice of schools have long been controversial, and the issue deserves additional consideration. But I happen to think that Arizona taxpayers, now that they have established a right to challenge the program, will fail in their lawsuit.

After all, the U.S. Supreme Court has already ruled that state governments can provide taxpayer funds directly to families choosing private education without violating the First Amendment's establishment clause, as long as families are free to choose religious or nonreligious options. Tax credits, being one step removed from direct payments, are certainly not more problematic, and are arguably far less so, than vouchers. Moreover, the principle of neutrality is already well-established in other kinds of tax policy toward private institutions, such as "above the line" state tax credits (as in North Carolina) for those who make contributions to charities, including religious ones.

What most observers appear to have missed about the court's decision is that it speaks to another controversial issue: targeted tax incentives for business. For critics, an attractive option for ending the policy has been to peruse a constitutional challenge in court. Lawsuits in state court, such as the *Maready v. Winston-Salem* decision that reached the North Carolina Supreme Court in the 1990s, have points in their favor. For one thing, state constitutions offer a range of provisions upon which to base a challenge. Also, it is easier for average taxpayers to establish standing to file suit in state courts against wrongful actions by state governments.

The problem with a state court challenge is that a favorable ruling would apply only to that state. In *Maready*, state attorneys were probably successful in convincing justices that striking down incentives on the basis of state constitutional protections for equal treatment and the public-purpose doctrine would be a form of unilateral disarmament — allowing other states to gain economically while North Carolina, stripped of its ability to compete, stagnated.

A federal lawsuit would overcome this objection by, if successful, establishing a binding precedent across a region or the whole country. But average taxpayers normally have had less opportunity to use federal courts to challenge their governments' actions.

That's why the new ruling is intriguing. There is a good case to be made that selective tax incentives violate the federal constitution's interstate commerce clause, which effectively forbids states from engaging in "trade wars" via *de jure* or *de facto* tariffs. Tax laws that fail to treat firms doing business in your state the same — on the basis of where their headquarters or major operations are located — arguably create the kind of interstate trade barrier that the federal constitution forbids.

There is already a case before a federal district court, a challenge by taxpayers in Toledo, Ohio against an incentive deal for Chrysler. The plaintiffs reportedly expect that a long-delayed decision is expected soon. They interpret the delay as a good sign that the judge will strike the incentives down.

Regardless of whether the Ohio challenge meets with early success, it now seems time for incentive opponents in North Carolina to study carefully how best to proceed. Now, given news from Washington, a new option may have presented itself.

John Hood



## Editorial Briefs

*United States can still compete*

China and India are unlikely to be prime destinations for jobs allegedly outsourced from the United States. Such trade anxieties are without economic foundation, like the oft-heralded argument that the United States would be overtaken by the economic juggernauts of Germany and Japan more than a decade ago, Alan Reynolds of the Cato Institute says.

From 1990 to 2000 industrial production increased by 49.5 percent in the United States, 13.4 percent in Germany, and 1.5 percent in Japan. Manufacturing jobs declined in all three countries during that period, though Germany and Japan lost far more jobs (as a percentage of totals) than the United States.

Today, Germany has a trade surplus of \$153 billion and an unemployment rate of 10.3 percent. Yet, by crowning China and India as America's new trade enemies, protectionists have rewritten the old "Japan will overtake us" melodrama, Reynolds said.

Unlike Japan, India has a chronic trade deficit in merchandise, averaging about 3 percent of GDP. India has to export services to pay for rapidly increasing imports of food and machinery. Similarly, though, China has a small trade surplus, it is an unlikely destination for manufacturing jobs. Industrial employment in China fell from 109.9 million jobs in 1995 to 83.1 million in 2002 — a drop of 24 percent.

Reported by *Investor's Business Daily* and Townhall.com.

*The costs of a postal monopoly*

A survey of economists specializing in postal services has found they recommend that the government-supported U.S. Postal Service be de-monopolized or privatized.

The U.S. government first got involved with postal services as a way to support the growth of democracy. The more modern defense of the Postal Service is cross-subsidization, where the profits in one region can offset losses incurred on less-populous routes, ensuring universal service to rural areas. Another defense is that there are economies of scale, with lower average costs, because of the size of the Postal Service and amount of mail. However, the study concludes that neither of these justifications is valid.

The proportion of unprofitable routes is about the same for urban and rural areas, indicating that it isn't a lack of volume that determines whether a route is profitable. About 16 percent of mail is subject to competition from private package services, suggesting that a monopoly is not necessary to preserve universal service. Because of the postal monopoly, the service pays a wage premium of \$9 billion, while the benefits of having a single provider for delivery is only \$6 billion. Developments in technology and in economic engineering have reduced the significance of scale economies.

Reported by *Econ Journal Watch*.

*New program increases savings rate*

Today, the U.S. personal savings rate is about zero, spurring many economists to advocate higher levels of savings in order to generate economic growth. University of Chicago researchers suggest that a new plan, called Save More Tomorrow (SMarT), would be a big step toward accomplishing this goal.

In order to increase savings, researchers say, plans must address three primary obstacles facing individuals: lack of financial education, procrastination, and self-control. Under the SMarT plan, employees would gain access to an investment consultant, who would advise them of the program and of its benefits. Those who join the program would increase their level of savings after each pay raise (limiting the perceived loss of income), and gradually increase the rate of contribution until it reaches a preset maximum.

The results in test trials have been positive. Participants joining the SMarT program increased their savings an average of 3.5 percent of take-home pay to 13.6 percent. About 80 percent of participants remained in the program after four pay raises. Conversely, those who declined to take up SMarT saw their savings remain flat at about 6 percent.

Reported in the *Journal of Political Economy*. CJ

## Is It Time to Change How We Pay for College?

By MICHAEL L. WALDEN

Contributing Editor

Beginning as early as elementary school, students have it drilled into them that they must go to college to get a good-paying job. Indeed, as our economy has changed over the past half-century, there is today a close correlation between educational attainment and wage rates. So for individuals who have the interest and aptitude, a college degree is the ticket to prosperity.

Recognizing this, college students receive a tremendous amount of help. Only 18 percent of the revenues to public universities and colleges come from student tuition and fees. The biggest single source of income for public higher-education institutions is state appropriations. Translated, this means state taxpayers are picking up the biggest part of the tab for public colleges.

There is an economic rationale for the public subsidization of a college education. Economists say a college education creates a "positive externality", meaning it generates positive impacts on the economy beyond the direct financial and intellectual benefits to graduates. College-educated workers are better able to use modern technologies and processes, thereby creating improvements in labor productivity that lower business costs and reduce product prices to consumers.

Yet despite the big break college students receive in their costs, student tuition and fees have been rising in real (inflation-adjusted) terms. The 18 percent of college revenues paid by students is up from 13 percent 20 years ago. Annual tuition and fees at public four-year colleges have jumped 143 percent, in inflation-adjusted terms, between 1976 and 2003, over six times faster than the increase in median household income. So despite the substantial assistance college students receive from taxpayers and other sources, college costs for students and their families have become less-affordable.

How does this make sense when a college education has become more important? Won't these increased costs cause some students to not attend college?

Not necessarily, if the benefits of a college degree are compared to its costs. Yes, the inflation-adjusted cost of four years of tuition and fees at public colleges rose from \$7,359 to \$18,776 between 1977 and 2003. But the extra lifetime income earned by a college graduate compared to a high school graduate increased by more than \$130,000 over

the same time period.

So what's the problem? For many students and their families, the problem is they can't come up with the money for tuition, even though they know these costs will be repaid many times over with the extra income earned by having the college degree. Of course, there's the option of private and public loans and financial aid. These are important sources of funding, and it certainly can make sense to borrow today in order to earn much more in the future.

However, an idea discussed in Europe may increase access to college, while at the same time establish a permanent revenue source for college funding.

The idea accepts the notion that state taxpayers benefit from a college-educated workforce because of positive externalities generated by college-educated workers. So, as they do now, state taxpayers would continue to share in the costs of higher education. But the plan is secondly based on the obvious fact that individual students directly benefit from a college education by earning

substantially more income over their lifetime.

A way to combine these two points is this. Students would attend state-supported public colleges and universities tuition free. Students would, however, continue to pay room and board, for the simple reason that these costs aren't directly related to college. If the individual weren't in college, he or she would still have to live somewhere and eat, so room and board costs would continue.

Also, there would need to be some limits on the amount of time students were in college. Perhaps if they weren't finished after five years, their tuition-free ride would end.

Here's the unique part of the plan. Once students graduated from college and were working, they would be required to repay a percentage of the total costs of their college education — maybe 50 percent of the costs — from the increased earnings they derive by having a college degree. If desired, policymakers could vary the percentage repaid with the earnings level of the student, and the repayment rate could be substantially higher for students who leave the state upon graduation.

With the increasing importance, and value, of a college degree, this is an idea whose time may be now. CJ



Michael L. Walden

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# Kerry Panders for Votes, This Time From College Crowd

By **GEORGE LEEF**

Contributing Editor

It's a presidential election year, therefore we have to endure the almost incessant pandering to special-interest groups that so dominates our politics. Sen. John Kerry, the presumptive Democratic nominee, got out of the starting gate early, with a ploy to win the votes of college students.

Speaking at the University of New Hampshire, Kerry tried his best to inject a bit of humor — "I actually had a big fight with my staff over what time to have this rally. They wanted noon. I said 3:30 — that way most of you would actually be awake" — before getting down to the serious business of pandering. "It's your tuition and your loans that keep rising and rising every day while this president spends all our money on tax cuts for the wealthy."

Kerry followed up by promising the students a "compact with the next generation" that would give \$4,000 in federal funds to every college student who signs up for a period of "national service." That's a lot of free money in exchange for some service. It sounds like a good deal. Kerry then treated his student audience to some of the most bloviated rhetoric since Hubert Humphrey: "Together, we'll make 2004 the last year that debt and dollar signs come before degrees and dreams for the future."

First of all, do we need more federal subsidies for college? Would an additional \$4,000 per student make college "affordable" again? Expensive as college is, there

RALEIGH



George Leef

are hardly any qualified students who don't attend because their families can't come up with enough money. A recent report by the Congressional Budget Office said, "The majority of students from low-income families are able to finance their college costs without exhausting the government-subsidized loans for which they are eligible." More generally, the CBO concluded that financing college education is "not a major obstacle to college attendance."

Another recent study, done by the Manhattan Institute, found that there were about 1.2 million high school seniors who had the academic qualifications necessary to enter college in 2000, and that the number of students who actually enrolled in college that fall was 1.3 million. That is to say, colleges took all of the qualified students and then some. The notion that a lot of bright kids who ought to be in college are kept out for financial or any other reason just isn't true.

Now what if Kerry's "compact" were enacted — what would keep schools from raising their tuition even further? Nothing. Professor Peter Wood, who has served in the administration at Boston University, recently wrote that federal student aid money is "seen by colleges and universities as money that is there for the taking. Tuition is set high enough to capture those funds and whatever else we think can be extracted from parents."

More government money for students actually means more revenue for colleges. Maybe the subsidy side of this idea isn't so good after all.

But what about all the debt that many students have to pay off after graduation? Don't we need to do something

about that? Kerry makes it sound like a horrible, unfair burden — which is pretty rich coming from a politician who regularly votes for spending that increases the national debt.

But college loans are not unmanageable or unfair. Millions of students have borrowed and paid back their loans, just as people gradually pay off their mortgages. If politicians like Kerry don't think students should have debts after graduation, do they also think that people are entitled to houses for free?

Let's next look at the "national service" part of Kerry's compact. It sounds so wonderfully idealistic. "Are you ready to go out into your communities and serve the country you love?" Kerry asked.

There are two kinds of volunteers — those who really desire to help, and those who "volunteer" because they have to. The former kind often accomplish a lot of good, but the latter rarely do. We have enough experience with the latter kind that we shouldn't be so naïve as to expect much.

In 1993, the Clinton administration created "AmeriCorps," which is supposed to, in Bill Clinton's words, to help America "move forward together." But the truth is that AmeriCorps is a scam. As author James Bovard writes in his book *Feeling your Pain*, "AmeriCorps members routinely do little more than beat the bushes to boost the number of Americans on the dole."

The man who held Kerry's Senate seat before he did, Paul Tsongas, ran for president in 1992 and famously referred to his rivals as "pander bears." With Kerry in the race, guard your bamboo.

CJ

*George C. Leef is the executive director of the John William Pope Center for Higher Education Policy.*

## To The Editor: An Appeal to Stop State Funding of the Global TransPark

To the editor,

In 1991, the state legislature hired three consulting firms to determine the feasibility of a Global TransPark in North Carolina. Eventually, Lenoir County was selected as the preferred site. The consulting firms completed their study and issued a semiconfidential report, which was never seen by the public. This report stated that the TransPark would be technically feasible and could be a financially viable venture only if the state secured signed contracts from major clients to build at the site before construction was started.

Unfortunately, former Gov. Martin, the General Assembly and the GTP Authority never heeded the consultant's warning and proceeded to build the runway,

storage building, and the needed highway infrastructure without any committed clients. This same information was given to the Kinston City Council and the Lenoir County Commissioners, who also started to commit funds.

Since nobody heeded the consultant's warning, we now, after 13 years, are stuck with facilities and no businesses to provide the projected 100,000 job opportunities. The Authority has been able to document, at most, 100 new jobs.

The Authority, in a vain attempt to undo the original mistake of not securing major clients before construction began, hired two consulting firms, who tried to entice FedEx and Boeing to locate here. Also, there were the failed ventures to use the GTP as an antiterrorist training camp

and now to use the GTP as a conduit to exchange flowers from Africa for medicines needed in that continent. And most lately, the Authority has embarked on building huge warehouses. But, I wonder why, when many local warehouses are empty? Is the Authority, a state organization, in competition with private enterprise for renting warehouse space? The Authority ploy with warehouses sounds much like the longer runway. If we build it, someone will surely come.

If you believe, as I do, that the GTP is a waste of your tax dollars, I urge you to contact your state representatives and ask that funding for the GTP be stopped.

**Robert Meschke**  
Lenoir County

## Contrary to Reports, No Real Decline in Racial-Achievement Gap

By **DR. WILLIAM T. LYNCH**

Guest Contributor

APEX

North Carolina politicians and education officials have praised the education system for reducing the "achievement gap" in test scores between white and Asian students on the one hand and black, Hispanic, and other minorities on the other. This is a noble and necessary goal. It is such an important goal that it is one of the primary determinants of bonuses to top administrators, and large bonuses have been distributed.

But has real progress been made? National Assessment of Educational Progress scores for North Carolina reveal little, if any, reduction in the gap, whereas the state's own tests are said to reveal a significant reduction. This discrepancy is the result of a flawed metric (measurement format) for the achievement gap, as well as unwarranted assumptions about the "difficulty" of each year's tests.

A proper metric for measuring the achievement gap reveals that the true achievement gap is not changing. A better understanding of what constitutes "difficulty" in a test reveals that higher passing percentages for all groups, along with a reduction in the subtractive difference in the passing percentages, are a natural evolution for an annually reduced difficulty and an unchanging gap.

Education officials are measuring the gap as a simple subtractive difference between passing percentages for groups such as whites and blacks. This is problematic. Such a metric is significantly, and undesirably, dependent on the actual passing level ("cut line") associated with the

test. If administrators either lower the cut line or make the test itself less difficult, while the students' knowledge levels are unchanged, then a lower-performing group of students will always demonstrate a greater increase in passing percentages than will a higher-performing group. This can be proven both logically and mathematically.

A proper achievement gap metric would be indifferent to whether a test is easy or difficult. It would give an equal weight to what is "not known" on the test as well as to what is "known." In this way, the entire area of the two distributions is assessed, and comparisons can be made for the overlaps and non-overlaps of these two distributions. The gap metric should even be as independent as possible from the selection of the cut line itself. After all, the distributions are what they are, and a comparative metric should not vary on the basis of the selection of the actual cut line.

### *A different metric reveals the persistent gap*

When only the values for passing percentages are available, there is a proper way to define the gap metric. The passing rate for each group should be divided by the failing rate, and then the resulting ratio for black students, for example, should be divided by the corresponding ratio for white students. This measurement is nearly independent of where the cut line is set and how difficult the test itself is. When this metric is applied to all of the state's test data over the past seven years, all values are in a tight range around the value 0.24. Properly measured, then, there has been no reduction in the achievement gap in North Caro-

lina during this period.

This finding is so consistent that if one were given the passing percentage of either group in any year, one could accurately predict the passing percent for the other group!

A more appropriate metric for measuring the achievement gap for those most definitely being left behind is the "low achiever" gap. A reasonable choice for a cut line would be the score achieved by the lowest 25 percent of whites. The question then becomes, "What is the percent of black students who score below this 25-percentile for whites, and how has it changed over the past seven years?" The answer for 2003 is that approximately 58 percent of black students scored below the lowest 25-percentile of whites. This is fully consistent with the previously determined gap metric value of 0.24, since 42/58 divided by 75/25 equals 0.241. The availability of the complete data for all previous years would show that this low-achiever metric has almost certainly been a consistent 55 percent to 65 percent.

Raising this gap metric to 0.5 — e.g., reducing the low achiever percentage metric from 58 percent to 40 percent — is a difficult, but necessary, goal.

There is plenty of room for wide-ranging debate about how to reduce North Carolina's persistent achievement gap. But first, we must admit its persistence. More suitable metrics will lead to more suitable goals and to more suitable teaching emphases.

CJ

*Dr. Lynch is a retired research scientist, with extensive experience in teaching, testing, and research management. He has special expertise in tradeoff analyses.*



# Could We Live Without Politicians' PSAs?

Legislative critics of publicly funded campaign-public-service ads don't recognize their proposal's great risks

By JOHN HOOD  
Publisher

RALEIGH  
Rep. Cary Allred, an Alamance County Republican, has had the temerity to ask a question that strikes at the very heart of what it means to be a North Carolinian in the 21st century: Could we actually survive the end of publicly funded public service announcements featuring our governors, attorneys general, state treasurers, secretaries of state, and other elected officials?

Allred has filed a bill to end the practice, which helped then-Attorney Gen. Mike Easley clinch the Democratic nomination for governor in 2000. More recently, Attorney General Roy Cooper, State Treasurer Richard Moore, and Secretary of State Elaine Marshall have gotten into the act.

Some lawmakers have defended the practice by arguing that the causes to which the PSAs have been devoted — finding the owners of unclaimed cash or combatting telemarketing fraud, for example — are worthy ones.

It's true. Allred has a point, of course, because these are basically just publicly funded campaign ads (they usu-



Why not use John Walsh of "America's Most Wanted?"

ally tap settlement funds and the like rather than tax revenues, but since the former would otherwise go to offset the latter there's no practical difference). They are essentially being used to promote incumbents for re-election to their current jobs or a promotion to a higher one.

But his critics have a point, too. Can you imagine how North Carolinians would avoid getting ripped off without being warned against it by politicians?

But unless someone holds a public office, why would viewers pay any attention?

Or the ads could use dramatizations, sort of like "America's Most Wanted," to demonstrate how certain criminals act or how to use the Internet to find one's unclaimed cash.

But why settle for paid unknown actors when you can

be talked to by better-paid, somewhat-known actors who play their roles for four years at a time?

Or perhaps the money could be used to hire additional law-enforcement officers and investigators to ferret out the most aggressive networks of spammers and slammers. But these efforts would receive little publicity unless and until there was a conviction or two.

How can North Carolinians be reassured that their government is looking out for them unless their leaders get public money to tell them that?

## The economic risk

Rep. Allred's heart may be in the right place, but I'm just not sure he's thought this thing through. Suddenly cut off from regular contact with their beloved protectors in Raleigh, North Carolinians would start to get antsy and lose confidence. They'd go out to eat less, buy less, perhaps even fear to creep outside their homes at all.

The retail and service sectors of our economy would suffer, as would the fortunes of certain politically connected advertising and production companies during the fallow periods between election cycles. Several jobs, perhaps dozens, are at stake.

Sure, the governor could perhaps tide them over with cash grants from his newly replenished recruitment fund, but how long would that last?

No, I'm afraid that the plaintive wails and cries of woe that would arise from the mountains to the coast, from the trendiest office building to the lowliest cottage, would be so deafening as to harm the hearing of many vulnerable populations, especially children, and drown out the sirens of emergency vehicles, thus endangering us all, especially children.

The risk is just too great.

CJ



Host Tom Campbell Chris Fitzsimon Barry Saunders John Hood

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