

**Regs continue to stall operation of church food truck/2**



# CAROLINA JOURNAL

A MONTHLY JOURNAL OF NEWS, ANALYSIS AND OPINION FROM THE JOHN LOCKE FOUNDATION

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STATEWIDE EDITION

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## Fund Seeks Minority Charter School Leaders

Los Angeles-based venture fund to offer schools startup money

By DAN E. WAY  
Contributor

HENDERSON

Partners for Developing Futures, a social investment venture fund based in Los Angeles, believes it is possible to have exemplary minority-led charter schools, and it's investing its money to that end.



**Henderson Collegiate Principal Eric Sanchez**

The fund has teamed with Raleigh-based Parents for Educational Freedom in North Carolina, a nonprofit organization advocating school choice, a key player in lobbying the General Assembly to eliminate the cap on the number of charter schools allowed in the state.



**Carlos Cruz, left, and Taimya Scott, both President's List students at Henderson Collegiate Charter School, say their teachers have high expectations of them and teach them with innovative techniques that their former traditional public school teachers did not. (CJ photos by Dan E. Way)**

Together, the organizations are working to identify high-quality leaders with strong community backing and solid plans for startup charter schools run by minorities.

The PDF fund provides minority-led charter schools with seed capital

and strategic support in the creation and early stages of operation. The fund does not provide money for construction or capital improvements.

One such school is Henderson Collegiate Charter School, where statistical charts, goal-tracking graphs,

and high-achiever lists line the kaleidoscopic walls. It was the assigned task of Taimya Scott and Carlos Cruz to interpret all that data for a visitor recently.

At one station, labeled "paychecks," Scott explained the point-earning procedure to get on the list, where her name was right at the top.

"Paycheck is when you demonstrate our values, and our values are passion, integrity, achievement, community, and knowledge," she said of the minority-led, Vance County charter school whose former traditional public school students are 83 percent African-American, 12 percent Latino, and 5 percent white. Eighty-seven percent are on free or reduced-price lunches.

With their impressive command of the school rules, goals, and foundational principles, the student tour guides sounded more like recruiters at a Rotary Club meeting than 10-year-old fifth-graders.

"At Henderson Collegiate, growth is the most important thing," Cruz said, and in just its second year of operation, the charter school already has raised proficiency dramatically in

Continued as "Fund," Page 14

## Redistricting Suits Could Jumble 2012 Primaries

Delays could force second election in August or September

By DAVID N. BASS  
Associate Editor

RALEIGH

If history is any guide, North Carolina is headed for a lawsuit-riddled election cycle next year.

One of the consequences could be a delayed primary for state offices, a possibility that could hurt incumbents during an election season that's already projected to be infused with anti-incumbency fervor.



Since the 2012 presidential primary must be held in May, a second primary for state and local offices could cost taxpayers millions of dollars.

The Tar Heel State's primary is scheduled for the first Tuesday after the first Monday in May. But lawsuits over a new redistricting plan could mean that the primary will be put off for months, as occurred after the last

redistricting in 2001.

The U.S. Justice Department pre-cleared the new maps in early November, determining that the plan didn't run afoul of the Voting Rights Act of 1965, a law meant to protect the interests of minority citizens. The Republican-controlled legislature OK'd the new maps — which reflect population shifts documented in the 2010 census — earlier this year.

Shortly after the Justice Department's decision, Democrats and liberal advocacy groups filed suit against the plan on the basis that it isolates minority voters and doesn't respect county boundaries or communities of interest.

"The review by the Department

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## Commissary Rule Still Stalls Food Truck Ministry

By SARA BURROWS  
Associate Editor

SALISBURY

Pastor Michael King is trying to start a food truck ministry. He's converting old buses his church bought into food trucks to employ the poor and homeless in Rowan County. The first truck — the Mac-Attack Wagon — is ready to hit the road, but has been stopped in its tracks by a state regulation called the commissary rule.

The rule requires "pushcarts or mobile food units [to] operate in conjunction with a permitted restaurant or commissary and [to] report at least daily to the restaurant or commissary for supplies, cleaning, and servicing."

Public health officials say the rule is necessary to give the local health department a permanent brick-and-mortar location to store food, obtain potable water, and dispose of waste.

Food truck owners say the commissary rule is the most difficult regulation they must follow. Restaurant owners are reluctant to rent out their kitchen space to would-be competitors, and in the rare cases they do, it's at a high price.

The Mac-Attack Wagon, which specializes in fried chicken, is not the only mobile food vendor to be slowed down by the rule. The owners of Café Prost haven't been able to get their food truck off the ground in Raleigh for lack of a commissary agreement, and the owner of Outlaw Dogs hot dog stand in Durham still is fighting the commissary rule in court after being jailed twice for operating without one.

As with most mobile food vendors, for King, it's a matter of money. He went into the street food business because he didn't have a lot. Instead of buying a restaurant and paying the associated taxes and fees, he bought an old bus and transformed it into a kitchen on wheels with his own two hands.

Now, he says, the commissary rule is defeating the purpose of his low-capital enterprise. It leaves him with two choices: Find a restaurant that will rent space, or build his own commissary. So far, he's been unable to find a restaurant willing to rent to him, and if he did, it probably would be expensive. The Cookery in Durham charges \$500 a month. Now he's looking into building his own commissary, but is finding that's not going to be cheap, either.

King finds the commissary rule unnecessary. He says he has everything he needs on his truck: a grill, a deep fryer, a refrigerator, dry storage shelves, dishwashing sinks, a hand-washing sink, and counter space.

What he doesn't have, said Larry Michael, head of the Food Protection Program for the North Carolina Department of Health and Human Services, is a toilet, a permanent potable water supply, an approved place to dump his dirty water, or a place to clean his trash cans.

A commissary must have all these facilities, Michael said.

King argues a toilet is unnecessary because his employees would spend most of their time on the truck and they could take bathroom breaks at public restrooms.

"A bathroom at a commissary is of no benefit to the mobile food truck that is out on its route anyway," King said. "No one is going to drive all the way back to a com-

missary just to use a toilet. That is totally unrealistic."

As far as a permanent water supply for filling up the water storage tanks on his truck, King says he could use water from the break room of his old law office, which he now owns, since "they are freakish about getting potable water from a residence."

King said he also could use the break room for dumping dirty dishwater at the end of the day, since a residence cannot be used for dumping water. King's church, which currently is under construction, does not have a kitchen.

As for trash disposal, King says the truck does not produce much waste. The grease from his fryers can be recycled and used as biodiesel. And the paper plates and plastic utensils the food is served in ends up in whatever trash can his mobile customers take it to.

Even so, Michael said, King needs a commissary.

In a meeting with Judy Daye, a regional environmental health specialist with the state Department of Environment and Natural Resources, King asked if the law office's break room could serve as his commissary.

Daye told him that was possible if all of the cooking equipment on his truck was certified by NSF International, a nonprofit public health organization. Even so, King was told he'd probably have to install a grease trap in the sewer line to capture any grease remaining on his cookware after the recycling process. King said grease traps are expensive.

But Michael suggested that King might have to do more to "convert" his office break room into a com-

missary.

"Mr. King's commissary would have to meet the same standards any other commissary has to meet," Michael said. "We can't lessen the standards for one person and not for the rest."

But Michael wasn't clear on what exactly the standards are.

"At a minimum he needs a two-compartment sink," Michael said. "What else is required in the commissary really depends on what type of food he's serving."

The only thing specified in writing in the rules is the two-compartment sink, but Michael said other things may be required on a "case-by-case" basis.

"There is a plan review process," Michael said. "The local health department would have to decide."

Michael said a group of public health officials and industry representatives currently is working on revising the mobile food unit rules, which were written by DENR in 1985 and last revised in 1991. He said King or anyone else with comments or suggestions can submit them to [larry.michael@dhhs.nc.gov](mailto:larry.michael@dhhs.nc.gov) or to N.C. Department of Health and Human Services, 1632 Mail Service Center, Raleigh, N.C. 27699-1632.

King originally contacted Rep. Pat McElraft, R-Carteret, who chairs the Joint Regulatory Reform Committee. McElraft said she is working with DHHS to see if the regulation can be rewritten.

King, who worked as a lawyer for close to 20 years before becoming a pastor, says he has no intention of dropping the issue until it's settled. He wants the commissary requirement removed altogether or at least rewritten so it's clear exactly what is required of a commissary. CJ



Pastor Michael King converted a former bus into the Mac-Attack Wagon. The vehicle sits unused as King cannot get his food truck on the streets because of the state's commissary rule. (Photo provided by Pastor Michael King)

# Various Employment Reports Differ Widely on Job Estimates

## Analysts differ on budget's role in lost jobs and services

By DON CARRINGTON  
Executive Editor

RALEIGH

Three reports released in November show very different pictures of public-sector job losses resulting from state budget cuts. One report, from Gov. Bev Perdue's budget office, identified 825 North Carolina public education jobs lost during the current fiscal year; another, from a coalition of left-leaning advocacy groups, claimed a loss of 16,472 public education jobs.

A third report released on Nov. 22 by the North Carolina Division of Employment Security reported a gain of 4,800 government jobs in North Carolina from September to October. Before Nov. 1, DES was known as the Employment Security Commission; the name change occurred when ESC was moved to the state's Department of Commerce.

Republicans and Democrats have been sniping at each other for months over the size and impact of public-sector job reductions. Republicans and conservatives generally say that the public-sector cuts are intended to right-size government and that very few employees actually will lose their jobs. Democrats and their liberal allies have said the job losses are massive and will lead to diminished public services.

The three reports offer a variety of numbers to choose from. They measure different and sometimes conflicting aspects of public employment.

David Brown, deputy budget officer of Perdue's Office of State Budget and Management, presented a report to the General Assembly's Joint Appropriations/Base Budget Committee on Nov. 16. The report found that 825 full-time-equivalent job losses have occurred in public schools, community colleges, and the University of North Carolina system. Overall, OSBM says 1,633 state government FTEs have lost jobs.

The same day, the left-leaning Together NC released a report titled "On the Chopping Block," listing the number of "educator jobs" lost in each of the state's seven economic development regions resulting from state budget cuts. Statewide, Together NC tallied up a loss of 16,472 state government jobs.

### Budget office report

At the committee meeting, Brown explained that his report tracks employees paid from state appropriations who have been separated from service due to a reduction-in-force and have received severance payments. Brown



The Employment Security Commission has now become the Division of Employment Security of the N.C. Department of Commerce. Pictured above is the Raleigh local office, where people come seeking jobs and other services. (CJ photo by Don Carrington)

explained that the report represented employees who lost their jobs and were not able to get other state jobs.

Senate Minority Leader Martin Nesbitt, D-Buncombe, said the severance report offered an incomplete view of the impact of budget cuts. A better place to look, he said, is the monthly ESC reports. They have shown that approximately 20,000 government workers have lost their jobs since June, he said. "Through the Employment Security Commission you can get a much better picture than just on severance of active employees by state government," he said. Rep. Mickey Michaux, D-Durham, also suggested ESC's data would be a better indicator of job losses.

Sen. Tommy Tucker, R-Union, challenged the value to policymakers of the ESC reports, noting that supervision of the agency has been transferred to the Department of Commerce. ESC "has now been deemed incompetent to a certain extent, and ... their numbers are somewhat skewed," he said. Tucker then asked Brown, "But you are saying that these are the actual numbers that that the state budget office is having to deal with?" Brown answered yes.

*Carolina Journal* asked Perdue about the job losses reported by her budget office. "OSBM's report is not designed to reflect all of the harm that the General Assembly's budget is doing to our schools, and it should not be relied on for that purpose," she said in an email, explaining that it didn't include all state employees and didn't include the positions that were eliminated without an actual layoff.

Earlier this year, the governor made even more dire predictions about the impact of the GOP's proposed budget. In April, at a Democratic fundraiser in Cary, Perdue predicted that the Republican budget, which allowed a temporary sales tax increase to expire, would result in 30,000 layoffs in state and local government, 18,000 in education alone.

### Together NC report

The N.C. Justice Center is a member of the coalition that released the "Chopping Block" report. *CJ* asked spokesman Jeff Shaw about the numbers in the budget office report presented to the legislative committee.

He said Brown's report represents the number of state employees getting severance benefits right now. Because we were just 4½ months into the budget year, he expected those numbers to grow. The "Chopping Block" report is a projection of job losses over the 24-month period after the budget has taken effect.

Shaw also said the 1,633 FTE figure includes only layoffs. Under normal conditions, he said, normal turnover allows public schools and other agencies to eliminate jobs without laying people off.

In addition, Shaw said the OSBM number would exclude public school employees who are not paid directly with state funds, most likely including some people laid off due to the flex cuts mandated by the current budget, and "almost certainly excluding folks laid off as a result of the loss of federal Recovery Act [aka EduJobs] dollars that were not replaced with state dollars."

### Div. of Employment Security

The DES job counts are produced by the federal Bureau of Labor Statistics and released monthly. Many people consider the DES/BLS monthly employment and unemployment reports an accurate snapshot of the job market, but the reports often don't match other employment counts, leaving government officials, reporters, and the public scratching their heads.

For instance, a report from the General Assembly's Fiscal Research Division for December 2010 showed 322,564 FTE state employees and local public education positions in North Carolina. Job counts from BLS for the

same month showed 424,800 people employed in state and local public education.

Why the discrepancy? The BLS definition of a job is not always consistent with the methods other agencies use to define a job.

For budgeting purposes, government agencies count unfilled positions that have been funded in addition to actual jobs that have been filled. By contrast, BLS estimates count only people who are on the job each month and do not include unfilled positions in job counts.

Many of the job losses claimed by critics of the Republican budget may be reductions in unfilled positions; those "losses" do not reflect people who held jobs and were laid off.

According to the seasonally adjusted BLS data, the number of North Carolina state government employees has increased by 5,900 during the current fiscal year: from 183,400 in June to 189,300 in October.

BLS does not calculate a seasonally adjusted figure for public school employment, but total local government employment decreased by 6,100 over that period, from 429,400 in June to 423,300 in October.

Overall, BLS estimates that the state lost about 200 jobs in state and local government from June to October, much less than the 20,000 Nesbitt claimed.

Not seasonally adjusted local government education employment — an actual count of the number of people collecting checks that is not modified by a seasonal estimating factor — shows a drop of 4,600 public school workers over the past year, from 225,200 workers in October 2010 to 220,600 in October 2011. *CJ*

*Don Carrington, executive editor of Carolina Journal, was deputy director of ESC's Labor Market Information Division prior to joining the John Locke Foundation and CJ.*

## State Briefs

## JLF: End corporate tax

North Carolina should scrap its "hidden, dishonest, deceptive" corporate income tax. That's the conclusion of a new John Locke Foundation Spotlight report.

"State lawmakers have talked about reforming the corporate income tax and lowering its rate, but the tax's corrupting features will remain as long as the tax remains," said report author Roy Cordato, John Locke Foundation vice president for research and resident scholar. "This tax needs to be repealed, not reformed. It violates all basic principles of sound economic policy and open government."

Collected since 1921, North Carolina's corporate income tax rate has ranged from 3 percent to 7.75 percent. The state has assessed a 6.9 percent tax rate since 2000.

Cordato targets the corporate income tax on multiple fronts. It adds extra layers of taxation on people's incomes, he said. It's "riddled with special exemptions" that help government manipulate the economy. It deceives the people who foot the bill, and it plays into the hands of politicians who like to bash "greedy corporations."

## Poll finds split on Occupy

Elon University recently polled North Carolinians' attitudes on Occupy Wall Street and the Tea Party.

Seventy-seven percent of respondents are "somewhat familiar" or "very familiar" with OWS. Asked if they have a favorable or unfavorable view of OWS, the results are split — 45 percent said unfavorable and 45 percent favorable.

A greater percentage — 23 percent — had a strongly unfavorable view than the percentage — 19 percent — who had a strongly favorable view. Asked if they supported or opposed OWS as a movement, a plurality of 40 percent said neither. Twenty-six percent strongly opposed and 32 strongly supported.

According to the poll results, Tar Heel State residents view the Tea Party slightly less favorably than they do OWS. Forty-six percent have an unfavorable opinion of the Tea Party, compared to 42 percent who have a favorable view.

Fourteen percent said Sarah Palin is "head" of the Tea Party, and 5 percent Michele Bachmann.

Elon draws from a sample of all North Carolinians, not likely voters, for its polls, which tends to skew the results left of center. *CJ*

## N.C. State Bar Goes After LegalZoom Site

By KAREN MCMAHAN  
Contributor

LegalZoom, the nation's largest provider of online routine self-help legal documents, is suing the North Carolina State Bar following an eight-year battle over claims that the company has engaged in the unauthorized practice of law.

The lawsuit, filed in Wake County Superior Court Sept. 30, could become a landmark case because of the state constitutional issues it raises regarding property rights and antitrust. The attorney representing LegalZoom says state courts never have ruled on the central issue: whether an online services provider selling the same legal aid products as off-the-shelf books and software is practicing law illegally.

Some court watchers call the State Bar's action an attempt to stifle competition and reduce consumer choice through the use of the Bar's authority to license legal practice in the state. And if our State Bar prevails, other states may follow North Carolina and prohibit LegalZoom from offering self-help services.

LegalZoom, a California-based company, was co-founded in 2001 by criminal defense attorney Robert Shapiro. Raleigh attorney A.P. Carlton Jr., who's representing LegalZoom, told *Carolina Journal* that this is the first lawsuit the company has filed, and it took this action only after reaching an impasse with the State Bar.

The first skirmish began in 2003 when the State Bar's Authorized Practice Committee, which regulates attorneys, opened an inquiry into whether LegalZoom's online legal documents service constituted the unauthorized practice of law. The battle continued until July 2010 when the company tried to register its prepaid legal services in North Carolina.

Carlton provided *CJ* with a copy of the LegalZoom complaint.

In a lengthy letter to the State Bar responding to the March 2003 inquiry, LegalZoom CEO Brian Liu said the company's legal document service is simply "an online version of off-the-shelf legal software widely available throughout the United States" and stressed that customers select the forms themselves. Liu named other companies operating on the Internet and offline that offer comparable low-cost self-help law-related services, from wills and living trusts to corporate formations.

In August 2003 the committee sent a letter to LegalZoom, saying it had dismissed the complaint because it had found insufficient evidence to pursue the matter.

In January 2007 the committee opened a second inquiry, claiming that LegalZoom was engaging in the unauthorized practice of law regarding corporate formations for its North Carolina customers. In a letter to the State Bar on Feb. 13, 2007, LegalZoom again detailed its self-help legal document business model, including its incorporation service, emphasizing that its practices had not changed materially since the Bar had closed its 2003 inquiry.

In May 2008, the Bar sent LegalZoom a cease-and-desist letter, saying it believed the company had engaged in the unauthorized practice of law and threatened to seek an injunction against the company.

LegalZoom responded the following month, claiming inaccuracies in the Bar's assertions and saying that the company does not prepare legal documents but offers an automated process allowing customers to choose and create the documents. If two customers completed an online questionnaire using the same answers and the same form, they would generate identical documents.

The company's website publishes a disclaimer at the

bottom of each page, stating that "the information in this site is not legal advice, but general information on legal issues commonly encountered. LegalZoom is not a law firm and is not a substitute for an attorney or law firm."

The Bar never responded to LegalZoom's 2008 letter, apart from acknowledging its receipt, nor did it seek a court injunction or criminal charges. According to state law, a cease-and-desist letter carries no legal weight unless accompanied by a judge's order.

In July 2010, LegalZoom tried to register its prepaid legal plans for individuals and businesses in North Carolina, but the Bar denied the application, citing the 2008 cease-and-desist letter.

LegalZoom made five further attempts to resolve the matter and address any concerns the Bar might have over the company's prepaid legal plans. Finally, in August 2011, Carlton contacted State Bar President Anthony di Santi to request a meeting to discuss the cease-and-desist letter and the company's registration application for prepaid legal services.

According to Carlton, di Santi said the Bar's officers didn't think it would be productive to meet and they'd be sending a detailed letter on the Bar's position. Carlton said LegalZoom still hasn't received the letter.

The lawsuit states that the Bar's conduct has harmed the company's economic interests by wrongfully using its regulatory authority to attempt to prevent LegalZoom from offering its legal document aids to North Carolina customers and by failing to register its prepaid legal services.

The cease-and-desist letter remains posted on the Bar's website. It has been disseminated to other state regulatory bars and has been cited by the Pennsylvania State Bar in prohibiting online legal document preparation and by a Missouri class-action

lawsuit against LegalZoom.

The LegalZoom complaint says these private and regulatory actions are based on erroneous information that the N.C. State Bar has publicized, knowing it was erroneous.

Jeanette Doran, executive director of the Raleigh-based North Carolina Institute for Constitutional Law, told *CJ* this case is part of a troubling national trend. Citing North Carolina municipalities preventing food trucks from operating inside city limits, Doran said state and local governments are using regulations to restrict legitimate commercial activities, resulting in fewer consumer choices and higher costs.

Doran said the state doesn't prevent Lowe's or Home Depot from selling do-it-yourself products or services to customers, even though the state licenses electricians, plumbers, and other tradesmen. Many lawyers use the documents like those provided by LegalZoom, and any "non-lawyer could purchase all the books in an attorney's law library," Doran said.

Noelle Talley, public information officer for the North Carolina Department of Justice, told *CJ* she could not comment on pending litigation but did confirm that the DOJ has until Dec. 5 to file on behalf of the State Bar.

Katherine Jean, general counsel for the State Bar, declined to discuss the case, citing Rule 3.6 of the Rules of Professional Conduct. Jean said, however, that the Bar's Authorized Practice Committee routinely sends out cease-and-desist letters to parties the Bar believes are engaging in the unauthorized practice of law. She did not comment on why the Bar never sought court action against LegalZoom to enforce the letter. *CJ*



# Legislative Panel Pushes Privatization at Community Colleges

By DAN WAY  
Contributor

**P**ooling the substantial buying power of state community colleges into a joint purchasing consortium could save the state nearly \$2 million over the next seven years, according to state Rep. Julia Howard, House chairwoman for the state Joint Legislative Program Evaluation Oversight Committee.

"That bill is alive and well and ready to file," the Davie County Republican said of the pooled purchasing measure.

The oversight committee also is exploring the possibilities of community college mergers, privatizing some community college operations, and consolidating work force training programs across state departments, Howard said. Fiscal conservatives have applauded the committee's efforts, while some state officials and Democratic lawmakers question the potential savings.

Dallas Woodhouse, state director of Americans for Prosperity North Carolina, a nonprofit, grass-roots organization advocating economic freedom, lauded the efforts of the oversight committee as "really good steps."

"I think we have a new political will in Raleigh that is more willing to do more difficult things than we have in the past," Woodhouse said. "I'm

optimistic, but it's hard because, as we see, eliminating even one job in state government causes an enormous squawking from the left and from the established bureaucracy."

A subcommittee could look at privatization in the 58-college system, the nation's third largest, before the end of the year.

"AB Tech in Asheville already does that ... with their custodial services," Howard said, "and they're saving about \$500,000 a year."

But state House Minority Leader Joe Hackney, D-Orange, is not as enthusiastic about privatizing government operations.

"Many times when you do that you simply get somebody to do the work that's not providing health insurance or something like that. That's not a good solution," Hackney said.

"And then you get the people who bid low to get the first contract, and then after you let all the people go they let their rates go back up," he said. "I'm a skeptic that that really saves any money."

David Wyatt, chairman of the three-campus Asheville-Buncombe Technical Community College Board of Trustees, hails its privatization efforts at its Enka and Asheville campuses. Its smaller Madison County campus employs one staff custodial worker.

"We're pleased with the service that we're getting and with the savings that we have incurred," said Wyatt. "When we converted to contract, each person had an opportunity to transfer

to another job elsewhere at AB Tech or was offered a job with the contractor, he said.

"We're trying to take care of the personnel and not just throwing them out on their own," Wyatt said. "A good many of them" took advantage of the offer.

"We continue to look at things where we can be ... cost-effective and efficient," Wyatt said.

Scott Ralls, president of the North Carolina Community College System, said member institutions long have practiced privatization.

"Most bookstores are privatized in community colleges," Ralls said, and most campus police duties have been turned over to private security firms or contracted to local police and sheriffs' departments.

Those areas, plus maintenance and custodial services, can be privatized more easily because county and local funds pay for them, Ralls said. Most state funds go toward teaching and work force training.

The oversight committee is "making a lot of people nervous," Howard said. Speculation about its activities has increased since it directed the state Program Evaluation Division to study the potential cost savings of merging up to 15 of the smallest community colleges and creating a joint purchasing consortium.

"If the General Assembly adopts both recommendations, potential cumulative savings after seven years are estimated at \$26.2 million," said the report, released in June.

The report concluded smaller community colleges generally have much higher per-student education costs.

"The issue of perhaps merger of some of the community colleges still lies there," Howard said. Community colleges "would never lose their identity or name" under a merger, "but instead of paying three administrators, we would pay one, and he would have three schools."

"I know that there was a skirmish or two about merger of some of the administrative units back during the session," Hackney said. "I think we've got to be careful to make sure that people locally would feel like they have a choice in these decisions."

Should a merger bill be introduced, Hackney envisions a vigorous debate. "There's a lot of opposition to it," he said. "Community colleges in North Carolina have a tremendous reservoir of good will and support. If they think it's a bad idea, it probably isn't going to pass."

Ralls said community colleges are "pretty administratively lean" and disagrees with the merger cost-savings analysis. He said the state formula failed to take into account the significant transition costs one college would incur to absorb others.

Further, all 58 community colleges are now accredited as individual campuses. There would be sizeable expenses to reaccredit the restructured colleges as multicampus colleges, Ralls said.

Even if the \$5.1 million in annual savings projected in the report were to occur, "that's a pretty big consequence for that amount of money," Ralls said, both in terms of jobs lost and intangibles such as loss of leadership in a community and the vibrancy that comes from having a freestanding, economically viable community college.

As a spin-off of the merger study, the oversight committee directed state staff to examine the costs of work force development programs at community colleges, and then expanded that to include still more departments.

"One of the things that makes community colleges a little different than the whole landscape of work force training" is that they provide "the vast majority" of federal job training programs, Ralls said.

Still, Howard said, there are so many programs that the oversight committee wanted to determine "what are they doing, who are they serving, what are they costing, where does the money come from, is there an overlap in programs?"

Work force development encompasses programs at the Department of Labor, the Division of Services for the Blind, Council for Women, and the Commission on Indian Affairs, Howard said.

"We have Education, we have Human Resources, we have Commerce," she said, and the executive branch has several work force training ventures.

"We're bringing in each of the departments that administer to any degree a work force development program and get the best information we can" to determine if some should be consolidated or all are fine where they are, Howard said.

She said a joint purchasing consortium would be "a no-brainer" government reform that harnesses the collective buying power of community colleges to drive discounted prices for all campuses.

"That's always a good thing to look at," Hackney said of pooled purchases, and members of the Appropriations Committee make such cost-savings searches a priority annually.

Ralls said community colleges have a strong track record of joint purchasing, saving "hundreds of thousands of dollars" a decade ago when the system centralized its information technology infrastructure. *CJ*



Rep. Julia Howard

Pooling resources  
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has potential to  
save taxpayers  
millions

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# Obama's \$34.6 Million 'Veterans' Initiative Funds Transit Call Centers

## All N.C. funding goes to Wake County; aid not targeted to vets

By RICK HENDERSON  
Managing Editor

RALEIGH

A \$34.6 million project purported to assist veterans with transportation problems would underwrite call centers that, in most cases, the general public can use and would not pay for any new buses, vans, or other transportation services.

Wake County will receive more than \$600,000 to let a county transit call center operate 24 hours a day and to improve a website "to allow veterans and others to schedule trips online."

U.S. Transportation Secretary Ray LaHood launched the Veterans Transportation and Community Living Initiative during a Nov. 9 press conference at the A.A. Thompson Center in downtown Raleigh. The initiative would fund 55 public transit communications systems in 32 states, including North Carolina. Wake County is the only jurisdiction in North Carolina to receive funding as part of the initiative.

The project is part of the Joining Forces Initiative, a host of programs the Obama administration has launched that federal officials say are designed to help veterans and military families. But the vast majority of the transportation and community living projects nationally are similar to Wake County's. They upgrade existing call centers or websites to help schedule bus or van trips. A handful are targeted to call centers at Veterans Administration hospitals and other veterans' facilities, but most of the added services would be available to the general public as well.

No new buses, vans, rail systems, or other vehicles are funded by this initiative.

"The Obama administration is



U.S. Transportation Secretary Ray LaHood, at podium, is flanked by state Transportation Secretary Gene Conti, left, and Wake County Commission Chairman Paul Coble, right. (CJ photo by Don Carrington)

committed to providing our military veterans and their families with the resources they need and deserve," LaHood said. He added that no new taxes would be needed to finance the project. A DOT spokesman told *Carolina Journal* that the funding would come from "an existing pot of money." LaHood also urged Congress to pass the president's American Jobs Act.

The DOT spokesman admitted to *CJ* that the department can cite no study indicating that veterans face a specific problem gaining access to transportation, "but we were told there is one," he said.

Rep. Grier Martin, D-Wake, an Army veteran and a lieutenant colonel in the Army Reserve, said veterans in the area have transportation needs that have not been met by current programs. He did acknowledge that the administration's initiative would help nonveterans and those with no connection to the military.

Wake County Commissioner Phil Matthews, who closed the program with a short talk, said "this is all about veterans," but when questioned afterward, he told *CJ* "this is about more

than veterans," and admitted that anyone with transportation problems could benefit from the program.

Wake commission Chairman Paul Coble also acknowledged that the grant may serve people other than veterans, and added, "It is wrong for a high-level official [such as LaHood] to use this event to promote Obama's job bill."

Michael Sanera, director of research and local government studies at the John Locke Foundation and an Army intelligence officer in Berlin during the 1970s, said it was shameful that the Obama administration was using the Veterans Day holiday to promote "a partisan use of taxpayers' money. All presidents do this, but the fact that LaHood is in North Carolina is no coincidence. He is just the latest in a long

list of Obama administration officials and Obama himself visiting North Carolina to pass out goodies in order to bribe North Carolina voters into re-electing him."

The president has visited North Carolina three times in the past five months, and a host of Cabinet officials have been in the state as well. Education Secretary Arne Duncan was in the Triangle in late October, and Labor Secretary Hilda Solis visited Raleigh the day after LaHood's appearance.

Obama won North Carolina by a 50-49 percent margin in 2008 and is expected to have a tougher time taking it and the state's 15 electoral votes next year.

CJ

Executive Editor Don Carrington provided additional reporting for this story.

### FTA 2011 VETERANS TRANSPORTATION AND COMMUNITY LIVING INITIATIVE PROJECT SELECTION

State: NORTH CAROLINA Location: WAKE COUNTY

**Recipient:** Wake County by and through its Department of Human Services

**Project Title:** Veterans Transportation and Community Living Initiative; a project designed to utilize a one-call/one-click Call Center and support mobile data units to provide services

**Project Description:** Wake County will use the funds for a telephone system that will make the one-call center available 24 hours, connecting all area users to transportation resources provided by the applicant and other partners. The project will also create a one-click website that will allow veterans and others to schedule trips online and agencies to schedule trips on behalf of customers.

**Amount:** \$601,661

Source: Federal Transportation Administration

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Michael C. Munger  
Faculty Affiliate Dr. Michael Munger offers an interesting economic analysis in the Liberty and Justice blog "Orange Blossom Special: Externalities and the Coase Theorem."  
Dr. Munger is a Professor of Political Science, and Department Chair, as well as a professor of economics. His current research includes projects on the development of markets in the slave South, as well as experiments using market mechanisms to build location games under complex information settings, location games under complex information settings, and location games.  
His publications include four books, *Identity and the Theory of Political Choice* (1994), *Anthony Trollope* (1997), *Empirical Studies in Comparative Politics* (1998), and *Analyzing Policy* (2000). He has published widely in journals in political science (including the *American Political Science Review*, the *American Journal of Political Science*, and the *Journal of Politics*) and economics (including the *Journal of Law and Economics*, the *Southern Economic Journal*, and *Review of Economics and Statistics*). His other work includes a variety of policy manuscripts and reports, for private organizations and government agencies at the federal, state, and local levels.  
Professor Munger has taught at Dartmouth College, University of Texas, and University of North Carolina (where he was director of the Master of Public Administration Program), as well as working as a staff economist at the Federal Trade Commission during the Reagan Administration. He is a past President of the Public Choice Society, an international academic society of political scientists and economists with members in 15 countries.

SEEKING \*

The Faculty Affiliate Network is a project of the John Locke Foundation

# Study Finds Mixed Results From Charter Management Groups

BY KAREN WELSH  
Contributor

A new study of nonprofit Charter Management Organizations — groups that start and manage new charter schools — might temper some of the enthusiasm that has arisen after the General Assembly lifted North Carolina's statewide cap on public charter schools.

According to the report's findings, after a student spent two or three years in the average CMO-run middle school, test scores were positive in all subjects (reading, math, science, and social studies), but the increase was not statistically significant. And while achievement impacts for individual CMOs often were more positive than negative, they varied significantly in either direction.

These mixed results might lead some to conclude that charter schools do not offer better educational outcomes than traditional public schools. School-choice backers counter that the CMOs in the study dealt with a challenging

student population, making their results even more impressive.

The study, titled "Charter-School Management Organizations: Diverse Strategies and Diverse Student Impacts," was produced by Mathematica Policy Research and the University of Washington's Center for Reinventing Public Education. An interim report was published in November 2010, and new results were released in October.

The longitudinal study began in 2008 and is scheduled to conclude in 2012. It has focused on 40 CMOs serving 292 schools across the United States. By centralizing the administrative functions of several locations in a single office, a CMO can reduce a charter's operating costs, freeing more money for classroom instruction. Approximately 75 percent of these schools are in large urban areas and enroll disproportionate numbers of black, Hispanic, and low-income students.

The Walton Family Foundation and the Bill & Melinda Gates Foundation subsidized the report through the NewSchools Venture Fund, said Mathematica Policy senior researcher Joshua Haimson.

He said not only were most CMOs located in large cities, they also were selected for having children that were drawn from the same population group as a nearby traditional public

school.

Haimson said the researchers used "propensity-score matching," meaning they grouped charter school students to traditional school counterparts with equivalent math and reading scores, demographics, race, and gender attributes.

Haimson said they found a great deal of variation within CMOs. "It was a mixed story over all," he said. But he said those schools with student behavior policies offering rewards and sanctions and a written responsibility agreement, coupled with intensive teacher coaching, contributed greatly to high achievement. He added that researchers found most CMOs were neither terrific nor consistently bad.

Eddie Goodall, president of the North Carolina Alliance for Public Charter Schools, said none of the CMOs studied currently operate charter schools in North Carolina. He said it is unfortunate the study covered CMOs with a disproportionately large number of at-risk students because it makes the report not as applicable to charter

schools in general.

Terry Stoops, director of education studies at the John Locke Foundation, said he was pleased the report didn't come off as anti-charter. He said the report is an honest attempt to look at charter schools, but there is a concern that an extremely high percentage of minority and low-income students were used in the study and could have skewed the results.

"It shows that nonprofit CMOs are willing to take on a challenging population of students," he said. "It also proves the vital point that charter schools do not skim the cream of the brightest and best students away from traditional public schools, and this report shows that is not the case. We're making progress."

Both Goodall and Stoops said the report did not take into account the measured growth of the students.

"They do not know where these students are starting from," Stoops said. "They are usually struggling and are years behind their peers. I don't get a sense that they did this in the report. It takes time for those students to gain traction and academic footing."

Stoops said the study also supported what JLF has been saying for years. "The bottom line in this report is that CMOs don't have a magic program, but we already knew that," he said. *CJ*

## COMMENTARY

### Remembering the 'Forgotten Half'

In a 2008 study, I argued that meeting the needs of North Carolina's economy required our public schools to prepare more students for career and technical occupations. Next year, the N.C. Department of Public Instruction will begin an effort to do just that. It is a long overdue, common-sense step toward strengthening the quality of our state's work force.

Employers in the high-tech, manufacturing, and health care professions have been vocal about the failure of the nation's public schools to provide high school graduates with the foundational skills and knowledge needed to be successful in these high-demand fields. Researchers agree. The authors of a recent Harvard University report found that there is "growing evidence of a 'skills gap' in which many young adults lack the skills and work ethic needed for many jobs that pay a middle-class wage." They named this group "The Forgotten Half."

For years, North Carolina's elected officials, particularly Gov. Mike Easley, maintained that "The Forgotten Half" simply should join their college-bound classmates and set their sights on earning a college degree. During Easley's two terms as governor, his political allies in the state legislature created laws, policies, and programs that shoved career and technical education to the periphery. Even the National Education Association joined the effort by publishing Easley's children's book, *Look Out, College, Here I Come!*

Fast-forward to the present. Gov. Bev Perdue does not share Easley's "every child must go to college" educational philosophy. Pro-business Republicans control the General Assembly. Most importantly, DPI will begin administering the WorkKeys assessment to students who pursue career and technical training in our public schools.

Testing company ACT describes WorkKeys as "a job skills assessment system that helps employers select, hire, train, develop, and retain a high-performance work force." Career and technical education students who take the WorkKeys test receive scores in three

areas: applied mathematics, locating information, and reading for information. Based on their WorkKeys scores, students can determine if they have the requisite skills needed for a given job or profession.

For example, ACT recommends that students interested in a career in accountancy score a six or above in applied math, a five or above in locating information, and a five or above in reading for information. Students who want to become accountants after high school, but do not attain the minimum scores in one or more of the three areas, can recognize their weaknesses and improve upon them in their remaining years in high school.

In addition, students who meet WorkKeys standards can earn a National Career Readiness Certificate. The certificate shows that the individual has met basic requirements for entry into a profession. The NCRC is the first step in the process of accumulating increasingly advanced credentials, such as industry-specific certifications or a degree from a post-secondary school. For example, the Manufacturing Institute recently partnered with Forsyth Technical Community College to integrate the NCRC into manufacturing certification credit programs offered at the community college.

Eventually, WorkKeys and the NCRC may allow a significant number of high school graduates to forgo post-secondary degree programs altogether. Instead, those who struggled in formal classroom settings may choose to pursue a series of industry certifications or credentials specific to their occupations. In this way, they acquire the skills and knowledge necessary to become successful in their chosen careers without borrowing thousands of dollars and committing years to a degree program that they are unlikely to complete.

As long as elected officials and state education leaders stay on course, the idea of a "Forgotten Half" will become, well, forgotten. *CJ*

*Dr. Terry Stoops is director of education studies at the John Locke Foundation.*



**TERRY STOOPS**

**Charter backers say results show nonprofit CMOs willing to take on challenging kids**

# Teacher-Investors Put Charter School On the Map

BY KAREN WELSH  
Contributor

ASHEVILLE

It's difficult to imagine teachers and their spouses mortgaging their homes and using their savings to fund a school facility, but it happened in the 1990s during the first wave of public charter schools to open in the state.

Although the General Assembly passed a law allowing the innovative and creative public schools to exist, legislators refused to provide a penny in funding to help the fledgling campuses obtain facilities. Seven local teachers put up their houses and nest eggs as collateral for seed funding at a school that would start as K-5 and then add grades as enrollment and demand grew. The bold move paid off for those vested in a better education for children. It set the tone for risk-taking educational experiences at Francine Delany New School for Children in Asheville.

Located on a wooded four-acre neighborhood campus, the 160 students in grades K-8 attend the public charter school. It has no principals or administrators. It is run by the teachers. Among the student body, 44 percent qualify for the free and reduced-price lunch program, and 25 percent live in circumstances that fall below the poverty level.

Francine Delany, a local icon and the namesake of the school, would be proud. She was a trailblazer, the first African-American woman to graduate from the University of North Carolina at Asheville in 1966. From that point forward, Delany became a public school educator and administrator who worked tirelessly to help younger generations.

Delany also invested her life promoting public school reform, including the novel idea of charter schools. She worked with local educators in the hope of creating a charter school that would give teachers greater autonomy. She passed away in 1992 and did not live to see the dreams of innovation in the form of public charter schools come to fruition.

When the school opened in 1997, the founders decided to honor Delany by naming the school after her.



Students at the Francine Delany New School for Children in Asheville enjoy a recess period. (Photos by Karen Welsh)

FDNSC prides itself on offering creative teaching techniques designed to produce self-learners with both critical and creative thinking skills. Learning is taught hands-on at the school. Children go on service trips to work at a food bank, packing bags to help students in poverty. They use no textbooks. Each class has its own library, and the students have a proven track record of reading one novel a week.

Second-grader Maddy Andrews reads well above her grade level, and to her reading is an adventure rather than a chore. Her mother Emily co-chairs the parent-teacher organization and has invested her heart and soul in the school. She feels "lucky" that her daughter was picked from the long waiting list and subsequent lottery.

"We visited all the charters in the

area," she said. "We saw all the schools and all the options. We love the mission here. Social justice is being taught and being kind to each other. It really fits in our family. We're where we are supposed to be. I feel so blessed for Maddy to be here."

The school has been so successful that typically there are 15 to 20 children applying for every spot available in the classroom, which is granted through a lottery system. Currently there are 218 students on the waiting list, with the

numbers growing every day.

Elementary teacher and Title I coordinator Elana Froehlich has been at the school since its inception. She decided to make the switch from teaching at a traditional public school after finding out that the teachers would govern the school. She said the idea of no administrators on campus was appealing.

"There is a directorate and a council," she said. "Everybody's invested, and we choose what to do. It's all well thought out and relevant to both the students and the teachers."

Former FDNSC teacher and parent Ted Duncan said decisions affecting the school are more connected to the classroom resources. The budget is invested in the classroom, which encourages innovative ideas and practices that start from the ground up, removing the obstacles teachers often

face in traditional public schools.

"They wanted to have a teacher's voice," he said. "The teachers wanted to teach in a way where the kids were going to get it."

That is something that attracted second-grade teacher Melissa Murphy to the school in 2002.

"All the teachers were learning together and teaching with a consistent philosophy," she said. "I was intrigued by the idea that all teachers were teaching with a consistent philosophy that I believed in. That was important to me."

Duncan, who now works as an administrator at a traditional public school in the area, said accountability is the key to success at Francine Delany.

"They are much more up close and personal than in traditional public schools," he said. "It's more intense. You know the school, the children, and the parents. The teachers know everything and have a desire to do better and see how it affects the classroom."

Most important, Duncan said more than 80 percent of families with children volunteer at the school. Last year, at least 170 volunteer hours were recorded each month.

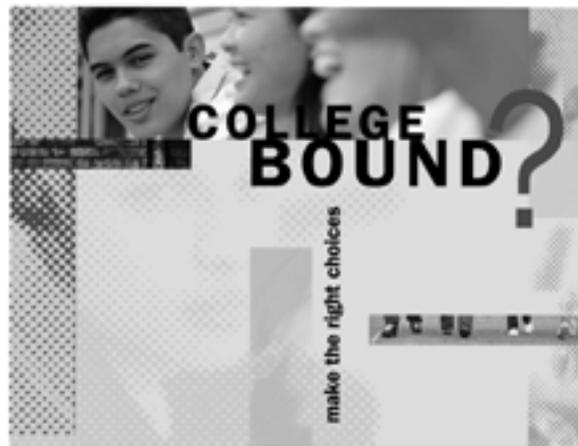
It's the unique and cutting-edge community schools similar to FDNSC that drive the success of the students, said Eddie Goodall, president of the North Carolina Alliance for Public Charter Schools.

Since the General Assembly has lifted the 100-school cap on charters statewide, Goodall said he looks forward to adding more charter schools to the ranks. More than 30,000 children across the state are on waiting lists in the hope of attending the nontraditional schools, he said. *CJ*



A mural of the school's namesake, Francine Delany, adorns a wall in the school.

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# Charter School Hopefuls Active During Early Application Period

By DAN WAY  
Contributor

RALEIGH

More than two dozen organizations submitted early applications to launch charter schools in North Carolina by the mid-November deadline, and a larger groundswell is anticipated in the regular spring application period.

The 100-school statewide cap on charters was abolished in a sometimes prickly process during this year's legislative session. Some charter school advocates say the next necessary reform is to get construction funding and state-level personnel resources for the expanding school choice program. They acknowledge that could set off a new tussle in the General Assembly.

"The biggest challenge is facilities, without a doubt," said Eddie Goodall, president of the North Carolina Alliance for Public Charter Schools, a nonprofit organization. Public charter schools "can lease, but they can't purchase" buildings with state money, Goodall said, a high hurdle that traditional public schools do not face. "Very few [charter] schools can afford to purchase."

Aside from the lack of direct state funding to build or renovate facilities, charter schools face stiff challenges obtaining their own financing.

"The charter is so short for a lender that they are fearful of making a 20-year loan when a charter school is given a 10-year life to begin with," Goodall said. "A charter is not given an indefinite life. We need to work on structures for charter schools to acquire funds as well as provide funds for them."

Greater administrative support

from the State Board of Education also will be necessary and could become a public policy issue at the Department of Public Instruction and among some lawmakers "pretty soon," Goodall said.

"There are 27 applications on the desk of Mr. Joel Medley, the director of the Office of Charter Schools, and I think what will be interesting will be what happens next, how quickly they move, how much help they get in figuring out their job," Goodall said.

"We have 750 employees at DPI, but we have four employees at DPI that work with the charter schools, and they are asked to keep up with 100 schools that exist," he said.

The need to shift resources will heighten in coming months, Goodall said.

"I would think the number of applications would be a considerably higher number in April, which is the new date the state board is targeting for receiving new applications for schools to open in 2013," he said.

"What we certainly don't want" is for DPI personnel to be overwhelmed by a robust expansion of charter schools, Goodall said. "We've gotten rid of the cap. The second cap could be a de facto cap ... using a lack of DPI resources as an argument against opening charter schools."

"It will be interesting to see, if we got 27 for fast-track, how many we will get in the spring," Medley said. "It's going to be an increased work load."

Some applications were rejected summarily because they were incomplete, and "we don't know how many are going to be approved by the state board" among those still under consideration, Medley said.

Adding personnel is "a need that's been recognized. It

is something we're looking to address," Medley said.

One vacant slot that is expected to be filled is the consultant position in which Medley served before he was promoted to director.

Allowing charter

schools to use direct state funding for construction and renovation of facilities "would take legislative change," Medley said.

"I think that's something that may be coming up in the May session," state Rep. Maggie Jeffus, a Guilford County Democrat, said of calls for additional state support for charter schools. "Whether we could take action I don't know. A lot of it depends on the economy."

Jeffus is a former public school teacher who for years had opposed lifting the cap on charter schools. But she voted in favor of the legislation in June and agrees that shifting resources from traditional schools to charter schools was contentious in this year's session.

"I think that's what caused a lot of the controversy and compromise" on Senate Bill 8, the bill lifting the cap, she said.

Adding personnel to the Office of Charter Schools could get a favorable review. "[Funding] capital projects and the building may be more of a problem," Jeffus said.

"It needs to be discussed now that we're where we are and we have all these schools that will be opening," Jeffus said.

Though he said he was uncomfortable reading political tea leaves, Goodall, a former Republican state senator from Mecklenburg County, acknowledged that he has been keeping his finger to the air to gauge the mood of the electorate, especially after voters

in Wake County ousted the Republican school board majority on Nov. 8 — just two years after voters deposed the Democrats in charge.

"I don't know if that's pervasive or not" as the sentiment of North Carolina voters in state races, he said. "I guess if it swings that way one time, it could swing again" in the legislature.

The charter school movement got its biggest push toward eliminating the cap after Republicans gained control of the General Assembly last year, and there could be reason for concern that a shift back to Democratic power in the 2012 election might put the brakes on school reforms, Goodall said. Education associations at traditional public schools are a key power base for Democrats, and have opposed increasing the number of charter schools vigorously.

"Of course, our organization would be delighted to see more and more people elected to support charter school education," he said. "Certainly we'll talk to members about candidates and what their positions are."

His organization will continue education efforts to narrow "the huge gap in understanding charter schools and the North Carolina charter school law. We want legislators to understand charter schools, and that's what our role is," Goodall said.

Darrell Allison, president of Parents for Educational Freedom in North Carolina, is optimistic that the charter school debate has been settled. "Now that that cap has been lifted, you've got leaders all across the state excited," Allison said. "It's a buzz in our community, it's a buzz in our business community, and a buzz among our advocates and education leaders."

The freedom of educational choice has been absent in many counties because of the cap, he said, not for lack of desire among parents.

"We're going to see in the next decade a real upswing in terms of our children, higher graduation rates, and higher rates of children entering four-year colleges," Allison said.

Most of the early applicants are private schools looking to convert, existing charter schools hoping to duplicate and replicate, and organizations that have wanted to create charter schools but were stymied by the cap, Allison said.

Medley said the fast-track applications would be vetted by his office and forwarded to the newly created North Carolina Public Charter School Advisory Council. The council's subcommittees will study the paperwork and report back to the full council on whether applicants should be invited for interviews. After that, the full council will recommend successful applicants to the State Board of Education for a final approval vote by March. CJ



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## Town and County

## Hotels and bedbugs

The Mecklenburg County Health Department is trying to force a north Charlotte hotel to close due to, among other issues, a persistent bedbug infestation. Yet even if the county bars the hotel from renting rooms by the night, it can't stop it from renting rooms by the week, reports *The Charlotte Observer*.

The health department has filed paperwork with the state to keep the Charlotte Garden Inn from renting rooms on a nightly basis. The hotel scored a 73.5 on its annual sanitation inspection in September, and at least a dozen complaints have been filed about bedbugs at the hotel in the past year. Had the hotel scored four points lower, the county could have closed it immediately. The hotel is contesting the county's action, and a hearing is scheduled for February.

Even if the county wins, under state law, local health departments can monitor sanitation only in hotels and motels that rent rooms by the night. Weekly-stay hotels are exempted from local health inspections.

"Seems to me there is a giant hole in North Carolina law," said Mecklenburg Commissioner Bill James.

## Cary APSF ordinance

The N.C. Supreme Court has upheld lower court rulings striking down portions of Cary's Adequate Public School Facilities ordinance. The city likely will have to repay more than \$4 million collected under the ordinance, notes the *Raleigh News & Observer*.

Under the terms of Cary's Adequate Public School Facilities ordinance, housing developers were at times required to pay a fee per bedroom toward public school construction costs. The fee was typically \$500 each for the first and second bedroom in a new dwelling and \$1,000 for each additional bedroom. Cary adopted the ordinance in 1999, even though Wake County is responsible for school construction. The city repealed the ordinance in 2004.

The legislature has granted only a few counties the authority to impose impact fees for school construction. Neither Wake County nor Cary have won that authority.

"We're hoping that we'll get our refund soon," said Bill Brian, an attorney for the group of developers that filed suit against the city. CJ

## Dems Do Well in '11 Municipal Elections

By DAVID N. BASS  
Associate Editor

RALEIGH

Two years after a Republican-backed majority won control of the Wake County Board of Education, the reins of power switched back to Democrats following school board member Kevin Hill's victory in a runoff election Nov. 8. Meanwhile, voters in four North Carolina counties approved a quarter-cent sales tax hike, in two instances by a narrow margin.

The most expensive school board race in Wake County history pitted Hill, a registered Democrat, against stay-at-home mom Heather Losurdo, a registered Republican. Hill snagged 52 percent of the vote to Losurdo's 48 percent.

Between them, the candidates raised over \$100,000. Outside groups spent \$70,000 on a series of hard-hitting mailers, including one that raised questions about Losurdo's stint as a waitress at a New Orleans cabaret described as "a strip club."

Losurdo forced a runoff in the District 3 race after Hill came 51 votes short — out of 16,332 votes cast — of winning a majority in the Oct. 11 regular election. Losurdo won 40 percent of the vote; the remaining votes were split between two lesser-known candidates.

At press time, the new Democratic majority on the Wake County school board was scheduled to be seated Dec. 6. Susan Evans defeated incumbent chairman Ron Margiotta in October, tentatively tipping the balance of power in favor of Democrats. Hill's victory in November secured control.

## Shift in power

David McLennan, a political science professor at Peace College in Raleigh, said that Democrats did a better job mobilizing their supporters. At the same time, he cautioned against extrapolating too much from the results.

"If you look around the country, there are all kinds of [election] results that you can read," he said, "so Wake County is more a reflection of a local issue and a very strong, concerted effort by supporters of Democratic candidates for that particular position to retake the board."

During the past two years, conservative school board members ended the school system's policy of busing students to achieve socio-economic diversity in the classroom. With the aid of two Democratic votes, the conservative majority passed a compromise school assignment plan that broadens parents' ability to select which school their child attends.

Terry Stoops, director of education studies at the John Locke Foundation (publisher of *Carolina Journal*), said that he doesn't anticipate the new school board majority will make significant policy changes to the plan.

School reform advocates don't see the election results as a repudiation of the school board's policies. "The results were a rejection of the tension, protests, and drama that marked too many of the meetings over the past two years,"

said Bob Luebke, a senior policy analyst with the Civitas Institute. "Republicans won the school assignment battle, but early on lost influence over how the story was told. Hopefully, they'll learn from their mistakes."

## In the mood for taxes

In Orange County, voters OK'd a quarter-cent tax hike 61 percent to 39 percent. In Durham County, the sales tax passed 57 percent to 43 percent, and a second sales tax earmarked for public transit passed 60 percent to 40 percent.

Buncombe County passed a quarter-cent sales tax by 503 votes out of 33,245 cast. The winning margin also was close in Montgomery County, where voters passed the tax increase by 88 votes out of 2,664 cast.

In four separate reports, the John Locke Foundation questioned marketing campaigns by the counties designed to educate voters on the tax increases.

Since 2007, 23 counties have approved the quarter-cent sales tax increase, including Cabarrus and Halifax counties earlier this year. Voters have rejected the tax hike 59 times.

Another local-option tax — this one to impose an additional 0.4 percent on real-estate transactions — has proven even less popular than the sales tax. It's failed 23 times. No coun-

ty has placed it on the ballot since February 2009. With Gov. Bev Perdue's approval, the General Assembly ended the land-transfer tax option in a bipartisan vote earlier this year.

## Mayoral races

Voters in several key North Carolina municipalities had their say on who to select for mayor:

**Charlotte:** Incumbent Democrat Anthony Foxx was elected to a second term as mayor of the Queen City, winning 68 percent of the vote to Republican Scott Stone's 32 percent.

**Greensboro:** In a nonpartisan race, conservative incumbent mayor Bill Knight lost his bid for a second term to moderate councilman Robbie Perkins. Perkins secured 57 percent of the vote, compared to Knight's 43 percent.

**Wilmington:** In another nonpartisan race, incumbent Mayor Bill Saffo staved off a challenge from Justin LaNasa to win a fourth term in office. Saffo took 71 percent of the vote to LaNasa's 29 percent.

## 2012 projections

Left-leaning commentators have suggested that victories in 2011 portend a Democratic resurgence in 2012, when presidential and gubernatorial races will top the ballot in North Carolina.

McLennan warned against viewing 2012 as a slam dunk for Democrats. "We've got a lot of conflicting data out there," he said. "The anti-incumbency sentiment is there, but you've got a strong Tea Party movement that is well-financed. It's questionable whether Occupy will turn into a political force. It's a mixed message around the country." CJ



# Businessweek Gives Elon's MBA Part-Time Program Top Ranking

BY DAN WAY  
Contributor

Every great business is built on friendship, said J.C. Penney, founder of the giant retail chain that bears his name, about the cornerstone of success.

Elon University has put its own stamp on that page from Penney's playbook, converting the relational attention it applies to MBA candidates at the Martha and Spencer Love School of Business into a No. 1 overall ranking from *Bloomberg Businessweek* as the nation's best part-time MBA program. Elon scored top results in student satisfaction, post-MBA outcomes, teaching quality, and curriculum.

"I must say, it was astonishing," said Bill Burpitt, chairman of the Elon MBA program and associate dean of graduate studies. "We didn't have any champagne, but we had a lot of Diet Coke, and we drank a lot of that."

What makes the *Bloomberg Businessweek* rankings different from other surveys is the heavy reliance on student feedback.

The rankings look at subcategories such as cost per credit hour, how many graduates reported an increase in income, the percentage of income increase they received, teaching quality, caliber of classmates, average class size, average GMAT score, completion rate percentage, and curriculum.

Elon's MBA students are not the traditional candidates found at other schools. Most of its MBA students live between Raleigh and Greensboro, want to stay with their present employers, and are not looking to leave the area.

That accounts for why Elon's MBA graduates didn't experience percentage income gains as high as those at other schools whose graduates are not geographically anchored and are more apt to uproot for a large salary, Burpitt said.

"There's not just one thing that we do. It's the whole culture," Burpitt said. "We punch every button on the dash to make it feel like we give [students] the experience of a full-time program."

"We know them before they get here. As soon as they go into our data system ... I have their picture, and we learn them, so the first night they show up we're calling them by name," Burpitt said. The prestige of being at the top of a premier business magazine's

rankings brings with it bragging rights. Burpitt said billboards trumpeting the good news will be erected along Interstate 85 near Mebane and Greensboro within a month.

But there could be more vital spin-offs.

"I would hope that would give us some credibility and add to our strengths to explore a full-time MBA program," Burpitt said.

The university currently is working on a feasibility study proposal for a full-time MBA program "as an addition to" its present part-time structure, he said. The top national ranking over some of the most highly respected universities in the nation — UCLA, Carnegie Mellon, Rice University, Uni-

versity of Southern California, the universities of Michigan, Washington and Texas, for example — should be "an enabling factor that might make it more possible."

Burpitt believes student recruitment also should benefit

from the king-of-the-hill ranking.

"Six, seven years ago, we were lucky to break 100," Burpitt said of the number of students enrolled in the MBA program. That has increased to about 150 students in the program the past three or four years.

The increases have tapered off, he said, "almost entirely due to the economy," which has created decreases in enrollment at 60 percent to 70 percent of MBA programs across the country.

"With this ranking, if we can get the word out and people see it, that will stimulate a greater degree of interest" to attract Elon MBA candidates, he said.

"This MBA thing is just super, super," Elon Mayor Jerry Tolley said.

"We sure promote it any way we can," he said of the town's relationship with the university. "It could be" that the town will find a way to trade off of the university's No. 1 ranking to market itself.

"We're trying to do everything we can to improve our downtown area, much like Chapel Hill. We have an ongoing committee that tries to see how the university and town can work together," Tolley said.

"Our town is more or less a bedroom community" of 9,000 residents whose workers commute to Greensboro and RTP, Tolley said. "People just love living in our town, and a large part of that is because of the university." CJ



## COMMENTARY

# Need a Downtown Boost? Sponsor an IndyCar Race

Dan Wheldon's death in an IndyCar race at Las Vegas in October was the most significant on-track death in American racing since Dale Earnhardt's death at Daytona in 2001.

Since then, much has been written about where IndyCars can race safely. These discussions miss one key aspect: Open-wheel racing in the U.S. already was a damaged property before Wheldon's death. Indeed, IndyCar still exists only because of the fame of the Indianapolis 500 — and local governments' willingness to host events as economic development tools.

America has two great traditions of oval-track racing. One is predominately Southern, featuring stock cars, which evolved into NASCAR. The other is Midwestern, and centers on open-wheeled "championship cars." The signature race is the Indy 500, held over the Memorial Day weekend each year at the Indianapolis Motor Speedway, a 2.5-mile oval with turns banked 9.2 degrees.

So that stock cars could top the speeds of championship cars at Indianapolis, Bill France Sr. built the Daytona International Speedway in the 1950s. The key to higher speeds was greater banking in the corners. Daytona's success promoted the construction of many more highly banked ovals.

NASCAR is now the undisputed top dog when it comes to racing in the U.S. Part of that is because of the series' strengths. It's also in part the result of infighting in other forms of motor racing.

In the case of championship cars, there were two sanctioning bodies, one for the Indy 500, and another for the rest of the series. In 1997, this became an actual schism, complete with two competing series. By the time the split was resolved in 2008, the sport had lost much of its popularity and sponsorship base.

IndyCar racing today is a spec series, with all teams racing essen-

tially identical cars. The combination of the high down force and relatively low horsepower on high-banked tracks like Las Vegas means IndyCars don't have to slow down for the curves. This produces "pack racing," in which many cars remain close together throughout the race. Pack racing has the potential to produce massive wrecks, where cars fly into the wall or worse, catch fencing. Wheldon was killed in such a wreck, which involved 15 cars.

The truth is that IndyCar racing isn't popular enough to pick where it holds events these days. The series hops about, jumping between ovals from year to year, hoping to catch on somewhere.

The shorter, flatter ovals at Milwaukee and New Hampshire have been mentioned as the types of tracks that would be safer for IndyCars. Both

tracks hosted events in 2011 but won't be on the schedule in 2012. The problem: low attendance. The promoter of the Milwaukee race lost more than \$1 million. The New Hampshire race needed to draw 35,000 to 40,000 fans to succeed; only about 28,000 people came.

The series isn't a much better draw on road circuits. The tentative 2012 schedule includes only three true road courses.

Where the series has found a niche of sorts is holding races on temporary street circuits. Eight of the 14 or 15 races in 2012 may be on such courses.

Make no mistake: These dates aren't really about the races. They are excuses to hold a big festival in hopes of attracting a lot of people to a specific part of a town. They are economic development activities, part of a marketing plan by a city or region.

The racing is almost an afterthought, kind of like a band with a gig at a fraternity, providing the sound to accompany the party.

That's a sad situation for a once-great sport. CJ

Michael Lowrey is an associate editor of Carolina Journal.



MICHAEL LOWREY



## County Notes

## Boosting Privatization

By CJ STAFF

RALEIGH  
County governments across North Carolina should have an easier time sharing information about their privatization efforts, thanks to a first-of-its-kind survey from the John Locke Foundation.

"Privatizing county services is just one way county elected and administrative leaders are working with residents to investigate innovative solutions to the fiscal crisis," said Dr. Michael Sanera, JLF director of research and local government studies. "In an effort to assist in the exchange of information about privatization, we asked county governments

to highlight both success stories and information about any problems linked to privatization in the past."

Forty-four of the state's 100 counties responded. Sanera and JLF research intern Kevin Munger compiled the results in a Regional Brief that includes 10 pages of data on privatized North Carolina county services. The report also lists county-by-county contact information for taxpayers and government officials seeking additional details.

"Privatization increases competition in the public sector," Sanera said. "Private-sector entrepreneurs must constantly find ways to cut costs and lower prices or risk a competitive disadvantage. In contrast, governments often serve as monopoly providers, or they engage in unfair competition with the private sector because of government access to taxpayer funds."

"Governments often increase their budgets, not by satisfying customers, but by satisfying special-interest groups who lobby for budget increases," Sanera added. "Taxpayers and citizens alike benefit from the consideration of privatization techniques because increased competition often lowers costs and improves the quality of service."

Sanera and Munger focused on four particular types of privatization. "Competitive sourcing uses a bidding process for service contracts, which allows private-sector service providers to compete with public-

sector agencies to provide a particular service," Sanera said. "A second type of privatization is the public-private partnership, a joint venture between a government department and private firm to provide a service or perform some function."

The third form of privatization involves "contracting out," Sanera said. "In this option, the public sector contracts with a private or non-profit firm to deliver a service that previously had been provided by government personnel," he said. "Taxpayers can benefit because the

contracts are open to competitive bidding. The government also maintains control through the contract terms."

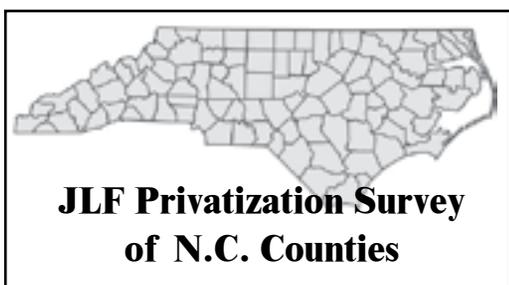
A

fourth option involves sales of government-owned assets, Sanera said. "Asset sales offer a way for governments to increase revenues and cut maintenance costs by shedding nonessential property or commercial-type enterprises," he said. "In some cases, governments have sold buildings, then leased back needed space."

Counties' survey responses reveal a wide range of approaches to privatization, Sanera said. "Some counties offered detailed descriptions of their privatization efforts," he explained. "Gaston County listed about 20 different services the county government has contracted out, some of them going back nearly 35 years."

"On the other end of the spectrum, Transylvania County listed no services privatized today," Sanera added. "But that county government has investigated privatization and continues to look into privatized options for services such as landfill operations."

The John Locke Foundation is sending the survey report to all 100 county managers and to elected county commissioners. "We hope this first-of-its-kind report will stimulate more discussion of privatization," Sanera said. "We also hope the information contained in this report will inspire both more survey responses next year and more evidence of the benefits of privatization." CJ



## Condo Ruling on Refunds May Scuttle Large New Projects

By MICHAEL LOWREY  
Associate Editor

RALEIGH  
In October, a couple successfully sued to get out of a contract to buy a unit in a Charlotte condominium tower development and get their deposit refunded. The decision by a federal judge may impact future condo developments in the state, reports *The Charlotte Observer*.

Lawrence and Ke Ding Berkovich entered into an agreement Dec. 10, 2008, to buy a unit in the Vue condo tower for \$1.28 million. They put down a \$145,485 deposit, with the rest due when the condo was complete. In October 2010, they sued to get out of the deal and get their money back. The Vue's developers countersued, hoping to force the Berkoviches to close on the unit.

The Berkoviches contended that the Vue's developers had not provided a detailed description of the property. Under existing state law, developers can't file such a description until construction work is complete.

Chief District Judge Robert Conrad Jr. ruled in the Berkoviches' favor, based on provisions of the Interstate Land Sales Full Disclosure Act, which gives purchasers two years to withdraw from a deal if no such detailed description has been filed. The provision is designed to guard against possible fraud.

Conrad's ruling may have wider impacts, notes Bob Turner, an attorney with Horack Talley. Banks typically require that a significant portion of a condo development be presold before lending money for construction. The possibility of withdrawals may thus push developers into smaller, quicker-to-complete projects, which carry less risk.

"As it stands now," Turner said, "large condominium projects may become a thing of the past in North Carolina."

### Groundwater contamination

Fayetteville's water system includes a huge storage tank situated next to the site of an old textile plant with contaminated groundwater. The state and federal governments so far have not helped clean up the site, reports the *Fayetteville Observer*.

Only a few hundred yards from Fayetteville's P.O. Hoffer water treatment plant and the Cape Fear River is what was once the Texfi textile plant.

The city now has title to the property and is trying to determine exactly how the long-bankrupt company disposed of its hazardous waste. What is clear is that the groundwater on the site of the former textile plant is contaminated with the industrial solvent tetrachloroethylene. Tetrachloroethylene also is known as PCE.

A well dug near the treatment plant's main water storage tank registered PCE levels 2,300 times the allowable limit. The storage tank's walls are 12 to 22 inches thick, and PCE never had been detected

in the tank itself.

The state Department of Environment and Natural Resources ranks the Texfi site as the state's 33rd worst hazardous waste site but does not have the \$50 million to clean it up. The federal Superfund program so far has been unwilling to fund a cleanup.

To address the problem, city officials now are seeking a federal brownfields grant to help clean up and reuse a portion of the site. They also are hoping the state will step up monitoring of the site.

### Incorporation votes fail

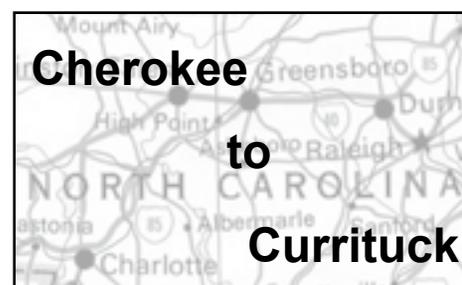
Under state law, the final step in the creation of a new municipality is a referendum on incorporation. Often these votes are mere formalities. That wasn't the case this year, as voters in both locales seeking to become towns voted against incorporation.

In Caste Hayne, in northern New Hanover County, voters rejected incorporation by a 620 to 203 margin. Key issues in the referendum were the proposed municipality's finances and whether Wilmington might annex the area if the community did not become a town.

A Wilmington city council member wrote to a Castle Hayne resident before the election, saying the city had no plans to annex the area. In addition, a recent change in state law makes it harder for cities to take in land if local residents object.

The vote was closer in the Durham County community of Rougemont, with 168 votes against incorporation to 157 votes for. Increased taxes that would have accompanied incorporation were seen as the main reason for the referendum's defeat.

"I'm disappointed, but I find satisfaction in the fact that the citizens did make the decision," said Linward Hedgspeth, who ran for town council, to the *Durham Herald-Sun*. CJ



# State's Justices to Revisit Felons' Ability to Regain Gun Rights

By MICHAEL LOWREY  
Associate Editor

RALEIGH

The North Carolina Supreme Court is likely to revisit the issue of under what conditions the state constitution requires the gun ownership rights of convicted felons to be restored. In November, a divided panel of the state's second-highest court held that recent changes to the Felony Firearms Act allowing the restoration of that right may not be adequate.

The appeals court split over the number of nonviolent felony convictions a person could have on his record before he qualified for regaining the right to own firearms, which has implications for a number of residents who broke the law years ago but have since stayed out of legal trouble.

North Carolina has increased limits on gun ownership by felons over time. In 2004, the General Assembly took the final step, banning all gun ownership by those convicted of a felony.

A challenge to this gun ownership ban came from Barney Britt. Britt had pleaded guilty to felony charges of possession with intent to sell and deliver Quaaludes in 1979. He served a short prison sentence followed by two years of probation. He owned guns legally for many years before giving them up to comply with the 2004 law.

In response to Britt's lawsuit, in 2009 the N.C. Supreme Court found that a permanent ban on gun ownership for all convicted felons violated the state constitution.

The high court based its holding upon Article I, Section 30 of the North Carolina Constitution, which states that: "A well regulated militia being necessary to the security of a free State,

the right of the people to keep and bear arms shall not be infringed."

The Supreme Court cited a 1921 case in which it held that the General Assembly could regulate gun ownership, but that such legislation must be "reasonable and not prohibitive, and must bear a fair relation to the preservation of the public peace and safety."

"Based on the facts of plaintiff's crime, his long post-conviction history of respect for the law, the absence of any evidence of violence by plaintiff, and the lack of any exception or possible relief from the statute's operation, as applied to plaintiff, the 2004 version of N.C.G.S. § 14-451.1 is an unreasonable regulation, not fairly related to the preservation of public peace and safety," wrote Justice Edward Brady for the high court.

"In particular, it is unreasonable to assert that a nonviolent citizen who has responsibly, safely, and legally owned and used firearms for 17 years is in reality so dangerous that any possession at all of a firearm would pose a significant threat to public safety."

In response, the General Assembly modified the Felony Firearms Act, allowing those convicted of a single nonviolent felony more than 20 years ago who had maintained a clean record to petition a Superior Court judge to have their gun ownership rights restored.

Walter Baysden sought to take advantage of this provision. Superior

Court Judge Lucy Inman rejected his petition, so Baysden took his case to the Court of Appeals.

In 1972, Baysden was convicted in Virginia Beach, Va., of felonious possession of an unlawful weapon, a "rusted up and inoperable" sawed-off shotgun he had found under a house on the beach. Five years later, Baysden was convicted in Norfolk of felonious sale of marijuana. Virginia restored Baysden's right to own a gun in 1982. A year later, the Bureau of Alcohol, Tobacco, and Firearms also restored his right to have a gun.

Baysden had worked for the Navy maintaining aircraft from 1981 until his retirement in

2007. He obtained the necessary security clearances and was decorated for his service during a tour in Iraq. Like Britt, he disposed of his guns when state law changed in 2004 barring a felon from having a gun under any circumstances.

A majority of the three-judge Court of Appeals panel found that under the state constitution's protection of gun ownership, Baysden also should have his gun rights restored.

"After carefully examining the undisputed evidentiary materials in the record, we believe that Plaintiff is in essentially the same position as Mr. Britt," wrote Judge Sam Ervin IV for the court.

The appeals court did not find that the narrow exception the General Assembly had crafted to the felon gun ban in 2010 in any way prohibited it in

reaching this decision.

"At bottom, a decision to reject Plaintiff's claim based on the enactment of the 2010 amendment to the Felony Firearms Act would be inconsistent with the judiciary's obligation to make constitutional determinations," wrote Ervin.

Judge Cheri Beasley dissented from the majority holding. "It is certainly reasonable for the General Assembly to decide that those felons who have not committed more than one crime, and have not committed any violent crimes, should be afforded an opportunity to have their rights to own firearms restored while repeat felons and those convicted of possession of dangerous firearms should not," she wrote.

Because the appeals court issued a split decision, the Supreme Court is required to review that ruling.

The Court of Appeals decision does not surprise John Locke Foundation legal analyst and attorney Daren Bakst.

"Convicted felons will continue to challenge the Felony Firearms Act, and many of them will have a legitimate basis for doing so. The only thing surprising in this current case is that there was one judge that dissented in the decision," said Bakst.

"The North Carolina Supreme Court in *Britt v. State* provided a fairly straightforward framework for the legislature that helps guide them as to how to amend the Felony Firearms Act," he said. "The legislature amended the law in 2010, but it was far too narrow, and the unconstitutional problems remained, as seen in this decision."

The case is *Baysden v. State*, (11-395). CJ



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# Fund Seeks Minority Leaders For Public Charter Schools

Continued from Page 1

reading and math and has been named by the state as a school of distinction and high growth.

The fund, supported financially by the Walton Family and Bill and Melinda Gates foundations, is an outgrowth of the National Alliance for Public Charter Schools, whose diversity task force found the need for more minority charters and minority charter school leaders.

Ref Rodriguez, president and CEO of Partners, which launched in 2008, believes North Carolina is a bellwether state for the movement to enhance academic performance among underserved minority children.

## Information sessions

More than 600 educators, community leaders, lawyers, and parents — three times the expected turnout — attended information sessions in Raleigh, Wilmington, Winston Salem/Greensboro, and Charlotte in September to learn how to obtain startup funding and guidance.

"I thought if we got 25 we were doing a good thing," Rodriguez said of the number of applicants who filed by the Oct. 15 deadline. "The fact that we got 87 applications from just one state is mind-blowing." The organization received only 68 applications nationally the past two years combined.

"I think that there is a deep desire to do something different and that there is ... a long history of leaders of color getting schools started" in North Carolina, Rodriguez said.

Partners is meticulous in choosing schools to work with. The 87 applicants will be culled to five or so, from which one or two may receive startup funding, Rodriguez said. Unsuccessful applicants can reapply as well as network with Partners staff on best practices.

Funding and insufficient financial accountability, poor organizational structure, weak leaders, and lack of community support often are the reasons behind failed charter schools, Rodriguez said. Those are the areas for which his organization provides mentoring and funding.

## Community support

Of North Carolina's 33 public charter schools shut down since 1996, "almost 40 percent of them were minority-led" and failed for the same reasons Rodriguez cited, said Darrell Allison, PEFNC's executive director.

Community support is key to successful charters.

"Parents' responsibility and engagement is something that is no longer appreciated in some of our traditional public schools, and charter schools serve as a model of how you do that in a real, authentic way," Rodriguez said.



Fourth-grade students in Ella Bess Bumgarner's math class enthusiastically seek to be called on to give answers at Henderson Collegiate Charter School. The average growth on students' end-of-grade math tests last year was 8.17 points. The state considers a growth of four or five points strong. (CJ photo by Dan E. Way)

"I believe charter schools are not the panacea, but they are a real viable alternative to learn from," Rodriguez said. "I do believe that over time our traditional public schools have become entrenched in what isn't possible instead of what is possible."

If traditional schools "don't want to change and reform, parents can use their voice and their feet to demand what is rightfully theirs," he said. "The state and the district are in trust of the assets that belong to the community, that is the dollars and the children."

## 'Crisis level'

"Make no mistake about it," Allison said. "We're at a devastating level here, a crisis level here, when you're talking about children of color" and the public schools' achievement gap.

Citing state Department of Public Instruction data, he said the achievement gap between white students and minority students was 24 percentage points in 2001.

"We had millions of dollars going to reducing the achievement gap. We came up with all these new names, new programs," but didn't correct core weaknesses, Allison said.

"You fast-track to 2010, and ... not only did that achievement gap remain, but it actually increased 4 additional percentage points to 28 percent. Low-income students, despite all that we've been trying to do over the last 20 years, are not getting better, they're getting worse," he said.

"This is not an endeavor just to have minorities starting mediocre public charter schools," Allison said. Rather, excellence is the goal. "We need to be on the forefront of shutting them down" when they are not successful.

Only 47 North Carolina counties have charter schools. "We want to make sure all children, particularly in those 53 counties that don't have a public charter school, have one as

well," Allison said.

Rodriguez said his organization won't make its final selections until the spring or later.

Joel Medley, director of the Office of Charter Schools in the state Department of Public Instruction, said Allison advised him of the push to open more exemplary minority charter schools, and that the state's rigorous review process looks at many of the same areas Partners for Developing Futures emphasizes in its funding decisions.

"Once the cap was lifted, we received an innumerable amount of phone calls asking for information," Medley said. With 30,000 students on charter school waiting lists, "we could have significant numbers" of applicants.

His office will check applications for completeness and forward them to

the newly created North Carolina Public Charter School Advisory Council. The council will score them in December, interview candidates, and make recommendations to the State Board of Education. The board would make a final decision in February, but no later than March, Medley said.

Allison believes a high-flying charter school can rejuvenate a downtrodden community by instilling pride and attracting businesses. He cited the entrepreneurial spirit and business skill sets at Henderson Collegiate as a "fine example" of "what we want to replicate" in a startup minority charter school.

Eric Sanchez, principal and co-founder of Henderson Collegiate, said he already is seeing signs of community pride among parents. In its first year, the charter was named by the state as a school of distinction and a school of high growth.

Students' average end-of-grade reading test scores improved 9.95 points in the first year the school was open, and average math scores jumped 8.17 points. The state considers four or five points strong growth on EOGs.

Students went from 46 percent proficient in reading to 77 percent, and from 70 to 90 percent proficient in math.

Sanchez said the goal is to add one grade per year until the school goes through 12th grade.

"We plan to be here for one more school year. Our board of directors and myself are actively pursuing a new school building," Sanchez said. "One of the more promising possibilities" is an 86,000-square-foot tobacco warehouse being renovated into a business and community center called the REEF Project in downtown Henderson. CJ

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It also features the blog Right Angles, featuring commentary on issues confronting Triangle residents.

# Redistricting Suits Could Jumble Primaries in 2012

Continued from Page 1

of Justice focused on one narrow aspect of the plan, and preclearance was not unexpected," said House Minority Leader Joe Hackney, D-Orange. "We continue to believe this redistricting proposal is divisive, highly partisan, and legally deficient."

Republicans lobbed the political ball right back at Democrats. "The Obama Justice Department's stamp of approval on our redistricting plans confirms what we've said all along: These are fair and legal maps that give a strong voice to all voters," said Sen. Bob Rucho, R-Mecklenburg, and Rep. David Lewis, R-Harnett, in a joint statement.

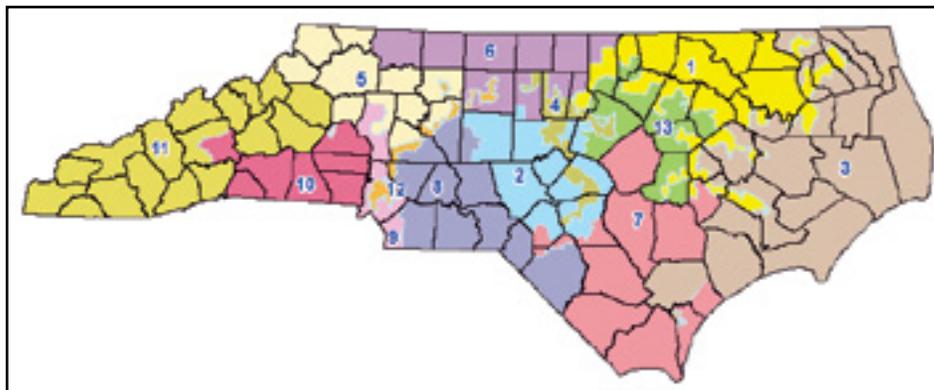
Preclearance surprised some political observers, particularly because Democrats control the federal Justice Department, while Republicans command the General Assembly and were responsible for creating the new maps.

"This is the first since the Voting Rights Act has taken place with a Democrat in the White House," said Ferrel Guillory, a journalism professor at the University of North Carolina at Chapel Hill and founder of the Program on Public Life. "All the other times it was either a Nixon administration or a Reagan or a Bush administration."

## 2002 redux?

The last round of redistricting could be a guide for next year. In 2001, the Democratic-run General Assembly passed the first hurdle — gaining Justice Department preclearance for its maps — but failed the second hurdle when a state court struck down the plan.

A retooled version of the maps also failed in court, which made room for a district court judge to enforce his own district boundaries for the primary



The above Congressional district plan for North Carolina, known as Rucho-Lewis Congress 3, was enacted as Session Law 2011-403 on July 28th, 2011.

and general election in 2002.

Due to the litigation, the May primary was pushed back to September. That gave nominees eight weeks to campaign for the general election. Normally, they would have had more than six months.

Another mitigating factor in 2002: The General Assembly's "short session," which typically convenes in May and doesn't last beyond late July, didn't adjourn until October — a full month after the primary.

Factoring in the delayed primary, the lateness of the short session had political implications for incumbents, many of whom were in Raleigh while their opponents campaigned back in their districts. Democrats maintained control of the Senate, but Republicans won the House by a razor-thin 61-59 majority. (Republican Rep. Michael Decker switched parties, producing an even 60-60 split for the 2003-04 session.)

On the federal level, Republican U.S. Senate candidate Elizabeth Dole benefited from the late primary because Democrats Erskine Bowles (the eventual nominee), Dan Blue, and Elaine Marshall were locked in a hard-fought three-way primary. "If you have contentious primaries, then it's

better for the opponent who doesn't have a contested nomination," said Andrew Taylor, a political science professor at N.C. State University. "There is less time to reunify the party, to raise money for the general election."

## 2012 differences

The political climate next year is different in several key ways. For one, 2002 was a midterm election without a presidential or gubernatorial contest, while races for both executive offices will top the ballot in 2012.

Another difference: The United States' unemployment rate stood at 6 percent in November 2002. Economists predict the rate will average 9 percent in the 2012 fiscal year.

At the federal level, the presidential primary will occur in May regardless of how long the primaries for state and congressional offices are delayed. That raises the specter of North Carolina having to schedule two primaries — one in May for the presidential race, and a second for other offices.

Johnnie McLean, deputy director at the N.C. State Board of Elections, estimated the cost for an additional primary between \$5 million and \$7 million. The total cost depends on which elections are on the ballot and how

much manpower is needed to handle turnout, she said. Counties would bear the extra expense.

There is one example of a canceled primary in recent years. In 2004, the State Board of Elections agreed to scuttle the presidential primary following a request from the Democratic, Republican, and Libertarian parties, according to a memo from the board.

Republicans had only one candidate, George W. Bush, and didn't need a primary. Democrats had scheduled their national convention so close to the date of North Carolina's primary that they considered it an ineffective means of selecting delegates. Libertarians preferred to select delegates at their state convention rather than through a primary.

## Layers of complexity

Adding another layer of complexity to the 2012 election cycle, the Democratic National Committee is slated to hold its presidential nominating convention in Charlotte the week of Sept. 3. If the May primary is delayed, the rescheduled date could conflict either with the short legislative session in the spring or the convention in late summer.

"If you put the primaries later than the Democratic convention, that leaves hardly any time for general election campaigning," Guillory said. He also suggested that Republican leaders could orient the legislative schedule to allow more time for campaigning.

"Especially if you're on the Republican side, you might get a permissive schedule to help you out," Taylor said, "and if there are a few Republicans getting a permissive schedule, then everyone gets one, because everybody is campaigning on the same calendar." CJ

# 'B Corp' Firms Seek to Mix Responsibility With Profit Seeking

BY SARA BURROWS  
Associate Editor

RALEIGH

A new type of corporation is cropping up around the country. A blend of for-profit and not-for-profit, Benefit or "B" corporations engage in charity and moneymaking. They pledge to look out for the best interests of not only their shareholders but of all stakeholders: employees, consumers, and the greater community.

While traditional corporations have a legal responsibility to maximize profits, B corporations are free to focus on other pursuits, like preserving the environment, improving human health, or promoting the arts.

B corporations currently don't exist in North Carolina. A bill allow-

ing them passed unanimously in the Senate in March and is pending in the House. North Carolina would be the seventh state to give them a special designation in the law; California recently became the sixth.

Bill sponsor Sen. Richard Stevens, R-Wake, said there are several companies in North Carolina interested in converting into B corporations. They include Burt's Bees, a natural skin-care company in Durham; iContact, a software company in Raleigh; and Larry's Beans, an organic coffee roaster in Raleigh.

"If [B corporations are] not allowed, they can always incorporate in another state," Stevens said.

The "B corporation" title can be used as a marketing tool, similar to the Fair Trade label on coffee. It sends a

signal to consumers that the company has been held to certain social and environmental standards.

In addition to general standards all B corporations must meet, the shareholders must agree on a specific public purpose for the corporation, whether it's cleaning up a polluted river, providing economic opportunity for people in need, or improving the appearance of the community. If the directors of the corporation don't achieve the agreed-upon goal, shareholders can sue them.

Roy Cordato, vice president for research at the John Locke Foundation, said a corporation should be allowed to pursue any goal it wants. "Ultimately it has to answer to shareholders either way."

But, he said, "the best way for a

corporation to make a positive social impact is to increase profits," he said.

When a company is profitable, Cordato says, it's providing a product consumers want, providing jobs people need, and increasing prosperity in general. When people are prosperous, they are free to get involved in any social cause they wish to.

Stevens agreed that a company's desire to maximize profits, in and of itself, was beneficial to society.

"But I don't have any problem if, in addition to that, a group of people want to go beyond that and do more specific, targeted types of things they believe in," he said. "It's not mandatory; it's optional. People should be allowed to do whatever they want with their own business." CJ

# von Spakovsky: Voter ID Requirement a Common-Sense Reform

By CJ Staff

**P**olls consistently show that North Carolinians favor a law requiring voters to show photo identification at the polls. State lawmakers approved a bill this year to put that requirement in place, but Gov. Beverly Perdue vetoed that bill.

Still, the idea isn't going away. Hans von Spakovsky, senior legal fellow and manager of the Civil Justice Reform Initiative at the Heritage Foundation, discussed the benefits of voter ID with Mitch Kokai for Carolina Journal Radio. (Head to <http://www.carolinajournal.com/cjradio/> to find a station near you or to learn about the weekly CJ Radio podcast.)

**Kokai:** Most people seem to like this idea, and you think it's a great idea as well. Why?

**von Spakovsky:** Well, because part of having a fair election is making sure that the person who shows up at the poll to vote is actually the person they say they are. And you know, opponents — really, it's very hard to understand why they are against that. You know, Americans overwhelmingly support it, as you say, and it's because they know, you know, to buy a beer they have to have photo ID, to get a library card. Overwhelmingly, Americans have photo ID, like driver's licenses. [You] can't get on an airplane without it. When I travel Amtrak, you're supposed to have a photo ID. There are all these basic reasons for it, and that's why Americans support it. They realize this is common-sense reform.

**Kokai:** I think a lot of people who are new to North Carolina and North Carolina elections will go to the polls and be surprised to learn they don't have to show photo ID.

**von Spakovsky:** That's right.

**Kokai:** How common is this in other states?

**von Spakovsky:** Well, about half the states — and the number is growing — have some form of identification. The number of states that require a government-issued photo ID is now up to, I think, probably eight or nine. We keep having states pass it. But, I mean, that's something that really every state should do. Because you know, we are, I think, the only Western democracy that doesn't uniformly require a photo ID at the polling place.

**Kokai:** What sorts of problems are created when you don't have this confidence that the people who go to the polls are who they say they are?

*"The number of states that require a government-issued photo ID is now up to, I think, probably eight or nine. We keep having states pass it. But, I mean, that's something that really every state should do. Because you know, we are, I think, the only Western democracy that doesn't uniformly require a photo ID at the polling place."*

*Hans von Spakovsky  
Manager, Civil Justice Reform Initiative  
The Heritage Foundation*



**von Spakovsky:** One of the things the opponents will say is that, well, there's no need for this because impersonation fraud rarely happens, and that's all this is good for. That is actually not true in two respects. First of all, there are proven cases of impersonation fraud. But second, photo ID doesn't just prevent impersonation fraud at the polls — people, you know, voting in the names of dead voters or voters who have moved.

It also can prevent voting under fictitious voter registrations. And anyone who's followed ACORN for the last couple of years — you know, they've had dozens of their employees convicted for submitting fraudulent voter registration forms. It's great that those were actually caught by election officials, but we don't know how many fraudulent forms get through the process.

**Kokai:** You've already touched on some of the issues that the critics bring up. Let's touch on some others.

**von Spakovsky:** Sure.

**Kokai:** One of the main ones we've heard in North Carolina is this would be bad for the poor, the elderly, other people who might not have a driver's license. This would somehow set up or erect a new barrier to voting, and it's a way to keep people away from the polls. What do you think about this argument?

**von Spakovsky:** That's a completely bogus argument, and it's been disproven in the courts, it's been disproven in the polling place, and it's been disproven in the public arena — public opinion. I mean, first of all, let's start with the last one first. Voters overwhelmingly support photo ID,

and the polls show that goes across all racial, ethnic, and age lines. So that includes African-Americans, Hispanics — they all support this. I don't think they would support it if they thought it would keep them from going to the polls.

Second, Georgia and Indiana, for example, have the two strictest photo ID laws in the country. Look, there were lawsuits filed in those cases by the NAACP, the ACLU — all the same groups making these very same claims in North Carolina. They lost. They lost those cases. And in both cases, Indiana and Georgia, the federal courts made a point of saying in their decisions that after years of litigation, and after making these claims that there were hundreds of thousands of people who didn't have photo ID, in both cases, none of the organizations that sued could find a single individual who didn't have either photo ID or couldn't easily get one under the free access to photo ID that the state set up. Also, if you look at the elections held in states with photo ID, like Georgia and Indiana, contrary to what the critics say, turnout in those states went up dramatically in the '08 election. In fact, it went up more, increased more in those states than in some states without photo ID.

**Kokai:** You mentioned the results in other states. Is there anything about the law that North Carolina pursued that would make it much different, or would North Carolina's be a lot like the other states that have had success with this?

**von Spakovsky:** No, North Carolina's is just like most of the other states. You know, they accept U.S. passports, state-issued driver's licenses, and photo IDs — military IDs, tribal

government IDs. I mean, those are all within the same kinds of requirements of the other states. So North Carolina's is really not any different, and, in fact, North Carolina ought to go further and take the second step that other states like Georgia and Arizona have taken, which is, not just photo ID when you go to vote, but providing proof of citizenship when you register to vote. That's the other big step states should be taking.

**Kokai:** North Carolina lawmakers agree. They've already passed a bill on this, but it was vetoed. There may be some opportunities to try to override the veto again or take this up in a future legislature. How important is it for North Carolina to take some step at the earliest possible opportunity to put voter ID, photo ID, in place?

**von Spakovsky:** I think the answer to that is to look at what the U.S. Supreme Court said when it upheld Indiana's photo ID law. And by the way, you know, this was not a 5-4 decision, as some people might expect — [from] the conservative majority. Actually, it was a 6-3 decision, and the main decision was written by Justice John Paul Stevens, who is one of the liberal stalwarts of the Supreme Court.

But the plaintiffs in that case tried to say, "Look, there's just no voter fraud. [It] doesn't occur in the United States." Well, obviously, Justice Stevens, that argument didn't carry much weight with him, given the fact that he was a professional attorney in Chicago before he became a Supreme Court justice. You can see why.

But what the court said, what Stevens said, was, "Look, the U.S. has a long history of voter fraud. It's been documented by journalists and historians throughout the country, and it still occurs, and it could make a difference in a close election." CJ

# Belmont Abbey Curriculum Gets Inspiration From Past

By JANE S. SHAW  
Contributor

At most colleges and universities, the concept of a core curriculum long has been passé. Except in their majors, students create their own curriculum, using whatever judgment they can muster at the age of 18. At North Carolina State University, for example, students select their “general education” classes from loose categories such as the natural sciences, humanities, social sciences, interdisciplinary perspectives, and even “additional breadth.”

In a nutshell, almost anything goes.

But if you are a student at Belmont Abbey College, a Catholic college near Charlotte, the case is quite different. Beginning this fall, students must take a core curriculum comprising 12 specific semester courses as well as electives in fields such as mathematics and fine arts.

What most differentiates Belmont Abbey is the courses on its required list: two semesters of rhetoric, two of classic texts in political philosophy, two in Western civilization, two in literary classics, a semester on the U.S. Constitution, and a First-Year Symposium (a one-semester introduction to college life in a Catholic and Benedictine community; the school has an abbey on campus).

Rhetoric? Yes. The yearlong sequence Rhetoric I and II replaces Composition and Argumentative Prose (the two previous English introductory courses).

Ed Jones, director of marketing at Belmont Abbey, explains that “this two-course sequence is built upon the foundation of classical rhetoric, one of the seven original liberal arts.” It is “the course of study that not only gave rise to the timeless eloquence of Cicero, Augustine, Dante, and Shakespeare, but also animated the writings of America’s Founding Fathers.”

For these courses, the school has devised its own *Belmont Abbey College Reader*, a paperback anthology edited by associate professor of English Angela Mitchell Miss. It contains compelling texts ranging from poems by John Donne and Robert Frost to a speech by John F. Kennedy, Pericles’ funeral oration, and Frederick Douglass’ autobiography.

The return to rhetoric is the “most

emblematic (and some might say radical) change,” says Jones. Rhetoric, grammar, and logic comprised the trivium in the Middle Ages — three disciplines providing the fundamentals of thinking, writing, and speaking. In her introduction, Miss tells students, “You will see that the logical, grammatical, and rhetorical features of the written and spoken word can help you navigate your way through even the most complicated texts.”



Anne Carson Daly, vice president of academic affairs (and the driving force behind the curriculum revision), told the alumni magazine *Crossroads* that the return to rhetoric has its practical advantages. “Since many high schools have abdicated their responsibility in teaching how to write and speak, such an approach is not only sorely needed, but will also make our students better candidates for employment after they graduate.”

Other required courses are unusual, too. The course on the U. S. Constitution requires not only an education in the Constitution itself but reading selections from the founders’ writings, including James Madison’s *Vices of the Political System of the United States*, articles from the *Federalist Papers*, and George Washington’s Farewell Address.

Requiring political philosophy is consistent with the school’s fundamental concerns. Says Jones: “The proper study of political philosophy requires students to answer such questions as ‘What is a good life?’ ‘What is a good person?’ ‘What is virtue?’” Students are expected to “study the application of the principles they learn,” not just memorize theories.

In making these changes, Belmont Abbey is striving to retain and strengthen the school’s tradition of Catholic faith as well as integrate those traditions into a useful practical education that leads to jobs. As Daly said in a speech to freshmen a few years ago, “our goal is to help you grow in knowledge and virtue.”

You can see why Jones says of the curriculum, “What’s new about it? Essentially nothing.” That’s what makes it exciting, he explains. CJ

Jane S. Shaw is president of the John W. Pope Center for Higher Education Policy ([popecenter.org](http://popecenter.org)).

## COMMENTARY

### The New Yorker Attacks!

The *New Yorker* recently published an article titled “State for Sale,” by Jane Mayer. Dressed up as journalistic reporting, it is a scurrilous attack on North Carolina philanthropist Art Pope meant to demonize him and the public policy organizations he supports, including the Pope Center for Higher Education Policy.

I think poorly of the author’s project of trying to besmirch anyone who has substantial wealth and chooses to use some of it to oppose the relentless expansion of government power and the increasing politicization of life in America — the point of her previous attack on Charles and David Koch and her new one on Art Pope. Here, however, I am only going to comment on the notion she attempts to foster that Art Pope’s philanthropy has been harmful to the University of North Carolina.

Mayer did not speak with me, but quotes me as saying that state funding of higher education is a “boondoggle” that “robs taxpayers.” She then connects the North Carolina General Assembly’s recent reductions in funding for our supposedly “celebrated” university system to the malign influence of the Pope Center.

Had she asked me for my views on government funding of higher education, I would have explained that there is abundant evidence that state higher education systems around the nation spend lavishly and yet accomplish little toward the education of many students. That view, moreover, has nothing to do with political alignment. It isn’t just “right-wingers” who make that point; many other observers of American higher education have come to the same conclusion.

Despite Mayer’s implication that the Pope Center is against college education and wants only to slash funding for it, what we are against is the bad use of limited resources. Like most government-funded ventures, state colleges and universities have become rife with spending that is tangential to the

mission of these institutions. We want to see students and taxpayers get far more value for the time and money devoted to higher education.

Most states have been cutting back on higher education spending for years, largely in recognition of the fact that they have gone past the point of diminishing returns. The reduction in higher education appropriations this year was simply a bow to the reality that spending had to be cut and the UNC system was one of the places where lots of unnecessary spending was to be found.

In any case, the Pope Center does not lobby for or against public policy measures. What we do is highlight where our higher education system fails to live up to expectations and how it might do better. For example, we have drawn attention to the fact that university courses are sometimes woefully inadequate for the students. A journalism student found her freshman composition

course to be a waste of time and wrote an article saying so.

Perhaps Mayer thinks that universities should not be criticized, or that only criticism from the left can be valid. We disagree.

Another line of attack Mayer used is that Art Pope is trying to “buy control of the curriculum.” That prospect might terrify *New Yorker* readers and the campus thought-police types she quoted who are eager for her to spread that fear, but it’s bogus.

Anyone remotely familiar with colleges and universities knows that it’s no more possible to “buy the curriculum” than it is to corner the silver market. What Art Pope has attempted to do is to add some conservative and libertarian voices in an academic environment dominated by left/progressive theories and sentiments.

For anyone who truly is interested in education, there is nothing harmful in that. CJ



GEORGE  
LEEF



George Leef is director of research at the John W. Pope Center for Higher Education Policy ([popecenter.org](http://popecenter.org)).

## Campus Briefs

In November, the John W. Pope Center for Higher Education Policy announced winners of its Spirit of Inquiry best course awards. Now in their fourth year, the annual awards are given to North Carolina professors in recognition of outstanding courses that have been nominated by students and selected by a panel of judges.

John A. Parnell of UNC-Pembroke won first place for his course "Ethics and Capitalism." John Brennan of UNC-Wilmington won second place for his course "Statistics for Public Managers and Policy Analysts." Third place was awarded to Kelly Hogan of UNC-Chapel Hill for her introductory course "Principles of Biology."

The award is named the "Spirit of Inquiry" to express what the Pope Center believes college courses should do — reflect a spirit of open-minded exploration within the guidelines of a particular discipline. In addition to promoting inquiry, winning courses also must be interesting and challenging. The Broyhill Family Foundation of North Carolina provided financial support for the award.

A panel of distinguished judges chose the winners from a list of eight finalists. In addition to the winners, that list included professors from N.C. State University, Durham Technical Community College, Wake Technical Community College, and UNC-Chapel Hill.

This year's contest garnered 67 nominations from 12 colleges and universities. Undergraduate and graduate students from any college in North Carolina can nominate faculty.

This year's judges were: John Allison, distinguished professor of practice, Wake Forest Schools of Business; J. Edgar Broyhill, president and managing director, The Broyhill Group; George Leef, director of research, the John W. Pope Center for Higher Education Policy; Anne Neal, president, American Council of Trustees and Alumni; and Abigail Thernstrom, formerly a senior fellow at the Manhattan Institute in New York and the vice chair of the U.S. Commission on Civil Rights.

The Pope Center plans to continue this award in 2012. We encourage students throughout North Carolina to think about their best courses and get ready to nominate the professors who teach them. CJ

Compiled by Jenna Ashley Robinson, outreach coordinator at the John W. Pope Center for Higher Education Policy ([popecenter.org](http://popecenter.org)).

## Scholars at Baylor Tackle Crisis of the Humanities

By DUKE CHESTON  
Contributor

For nearly 50 years, observers of academia have heard about the "crisis of the humanities." Fewer students are majoring in such fields; hiring has been stagnant for decades; institutional morale is low.

"The humanities are withering away," said Perry Glanzer, writing for the Manhattan Institute in February. The decline is occurring throughout the nation's universities, including those in North Carolina.

College students no longer wrangle with much of the best that has been thought and said." For those who value the humanities, this is troubling, because they view the humane disciplines — philosophy, literature, the arts, etc. — as the key to cultivating a wise and virtuous society.

One reason for this development is that higher education has an increasingly vocational focus. But another, perhaps equally important, reason is that the humanities themselves have changed for the worse. A recent conference, "Educating for Wisdom in the 21st Century University," at Baylor University in Waco, Texas, put this decline into perspective.

Baylor is one of the nation's prominent Baptist universities, and the conference was one expression of its desire to advance both knowledge and Christian faith.

Most of the scholars at the conference agreed that the world-view that informs the modern research university is too narrow. That is the view articulated by the fictional pirate Jack Sparrow — "The only rules that really matter are these: what a man can do and what a man can't do." The Baylor scholars argued that wisdom also must take into account what a man ought to do. Colleges should produce wise students, and some of that wisdom should be found in humanities classes.

A seminar specifically on the humanities, "Secular Humanism, Wisdom, and the Christian University," brought together philosophers who argued that people no longer see the value of studying the humanities because the humanities have given up on God.

These philosophers endorsed part, but not all, of the view expressed by Anthony Kronman in his 2007 book *Education's End*. Kronman blames the

crisis of the humanities partly on universities' elevation of research over teaching, but also on the deterioration of humane studies.

It has deteriorated, in large part, into multiculturalism (the idea that all cultures are equal) and constructivism (the idea that meaning or knowledge is always a human construction). These ideas undercut traditional humane studies by challenging the validity of Western ideals. As Baylor's Michael Beaty stated it, multicultural and constructivist theories are built on

the claim that Western ideals, "such as appeals to a common human nature and appeals to exemplars of human fulfillment, may be mere tools of oppression." And, he added, Western ideals are seen as "mere human constructs."

In his search for a firmer basis for humane studies, Kronman suggested a secular philosophy based on the existence of a universal human nature. A professor in Yale's Directed Studies Program, Kronman teaches that this universal human nature can be seen in the great works of literature and philosophy. However, Baylor's Todd Buras said that this approach to the humanities is missing a key element.

Fundamentally, Kronman's secular humanism (humanities without God) does not allow for a higher meaning to life — no possibility of ultimate

justice or ultimate happiness.

"To play the role Kronman needs them to play," contended Buras, "the facts about human nature must be normative, i.e., facts about the way human life *ought* to be" (emphasis mine). But secular humanism does not offer much of a guide for how people ought to live their lives. Where such normative guidance comes from is an "open question in secular moral philosophy," leading many to abandon the search for a source of right and wrong completely.

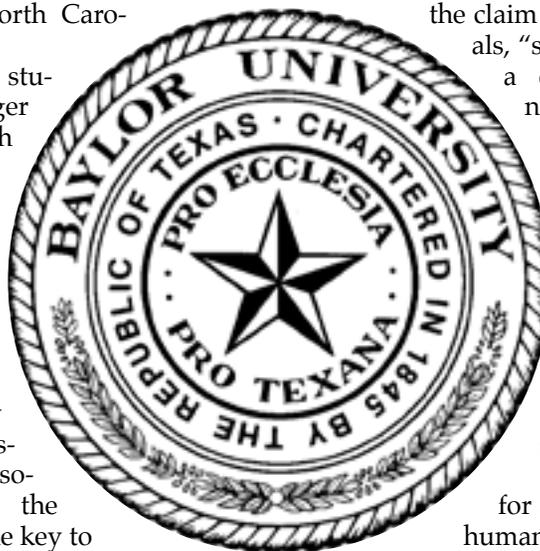
Humanists who embrace this view, said Douglas Henry, "have little alternative to despair. ... They may, like Sisyphus, roll their burden up the steep hill of late modernity's despair, but they have no prospect of ultimate happiness and little expectation beyond marking the time."

And despair does not make for interesting classes and rising enrollments.

In order to recover the *ought* and restore the humanities, then, Baylor's philosophers say the humanities should be studied with a view to the divine. While secular humanism offers an ultimately futile view of man, a theological humanism offers transcendent meaning and hope because human actions have eternal consequences.

Both ultimate justice and ultimate happiness become possible. With the reintroduction of the divine, Baylor's panelists believe that administrators, students, and the public would see once again the value of the humane disciplines. CJ

Duke Cheston is a reporter and writer for the John W. Pope Center for Higher Education Policy ([popecenter.org](http://popecenter.org)).



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## Opinion

# Could an Apprenticeship Model Improve Higher Education?

Why must a college education be just the way it is? Why must students be sequestered on campus for four years attending lectures and reading textbooks? Is there any proof that the longstanding model of higher education is truly the optimal way to train young minds?

Given academia's current failures and inefficiencies — including high dropout rates, growing student debt, a beer-and-circus social spectacle that dominates many campuses, and measured outcomes that show many students fail to increase their knowledge significantly in four, five, or more years — maybe not.

One possibility for not just improving but remaking higher education for the better lies in restoring the old-fashioned apprenticeship concept. In earlier eras, most practical instruction — even at the highest skill levels, such as architecture — was accomplished through hands-on training by a master practitioner, rather than at a school.

As time went on, all high-level training was absorbed into the college curriculum, and apprenticeships became reserved for the more manual trades. Yet there is no reason why the two methods can't be combined to gain the advantages of both.

In fact, colleges already have

been attempting to do just that — albeit in limited fashion — by providing internships at commercial firms, nonprofit organizations, and government offices. Perhaps even greater benefits would result from making the pragmatic practitioner, rather than the theoretical academic, the dominant partner in the education process.

Many think tanks and private research facilities have the capacity to provide undergraduate educations, at low cost, equal to or better than those offered by traditional colleges. Such organizations are often staffed by Ph.D.s who are top-notch researchers and analysts, and who have taught at the collegiate level. Perhaps even more important, such organizations focus on achieving real objectives, which is often missing in a university setting.

One such organization is the John Locke Foundation in Raleigh, the publisher of *Carolina Journal*. JLF is a think tank that focuses on state policy from a free-market perspective. It employs roughly 25 people; very recently, it boasted two people with Ph.D.s in economics and one person each with a Ph.D. in political science, a J.D., a Ph.D. in history, and a Ph.D. in education.

With such an array of expertise and a wealth of opportunities for hands-on experience, JLF could offer a bachelor's program in government



or political science that would blow away anything done by traditional universities. Even better, it could be offered for free, or nearly so, if conducted as an apprenticeship program with stu-

dents paying tuition by working.

Such practitioner-based programs would likely require lots of independent study, but most learning comes down to students reading, writing, or working through problems by themselves anyhow. Discussion groups and one-on-one training would replace PowerPoint drudgery.

While students still would gain a strong theoretical background, the practical, work-oriented side would really be the program's forte. JLF focuses on North Carolina's state government by conducting research and providing an alternative to the mainstream media. The graduates of such a program would be prepared to hit the ground running in a variety of careers: working for political organizations, government, think tanks, media outlets, and various research entities (as well as entering graduate school). Their experience producing professional-quality work for pay rather than amateurish student projects done for grades would make "graduates" especially desirable to employers.

The apprenticeship concept also could be applied to private industry. Students pursuing business degrees at a private firm would spend roughly

half their time in independent study or receiving instruction from experienced executives, salesmen, accountants, and other professionals (and perhaps an academic or two hired to fill gaps in expertise) to give them the "big picture." They would spend the rest of their time learning the business from the ground floor up, performing the same entry-level jobs as other workers and earning the prevailing wage (to pay for tuition).

Naysayers likely will offer a few objections to this concept, but these are surmounted easily. More important, this kind of education could signal the end to exorbitant tuition costs, excessive government subsidies, and enslaving amounts of student debt.

Additionally, businesses today often complain that college graduates are not prepared for work. Making a large share of education consist of actual work directly addresses that complaint. And although such education may look to be primarily vocational training, it actually would heighten the intellectual experience; the academic discipline becomes the focus of a college education, rather than peripherals such as the social life or athletics.

And why should higher education be left entirely to academics? Perhaps it's best not to have educators so cloistered from the real world, as they are today, but to have educators whose ideas must hold up when challenged by real-world events. CJ

Jay Schalin is director of state policy at the John W. Pope Center for Higher Education Policy ([popecenter.org](http://popecenter.org)).



**JAY SCHALIN**

## Do universities really make the local economy stronger?



Pope Center's senior writer, Jay Schalin, explores this topic in the report "**State Investment in Universities: Rethinking the Impact on Economic Growth.**"

Topics include SAS in Cary, Silicon Valley in CA, Route 128 corridor in MA, and Research Triangle Park in NC.

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## From the Liberty Library

• While the Obama administration is mired in big-government “solutions” to “threats” such as global warming and unregulated businesses, Obama officials have ignored and compounded the single biggest danger facing the United States: the rising power of communist China.

In *Bowing to Beijing*, Brett M. Decker and Bill Triplett cut through the fog of soothing, pro-China propaganda to reveal the disturbing truth: Far from the gradually reforming “partner” portrayed by its many American apologists, China is an aggressive and rapidly militarizing criminal state feverishly striving to displace America as the world’s pre-eminent power.

Despite Chinese leaders showing their hostile intentions in every realm, the Obama administration refuses to take action or even acknowledge the threat — and has gone so far as to cover up China’s misdeeds actively. Learn more at [www.regnery.com](http://www.regnery.com).

• Forty years have passed since the women’s movement claimed to liberate women from preconceived notions of what it means to be female — and the results are in. The latest statistics from the National Bureau of Economic Research show that as women have gained more freedom, more education, and more power, they have become less happy.

It’s time to liberate America from feminism’s dead-end road, write Suzanne Venker and Phyllis Schlafly in *The Flipside of Feminism*. Cast off the ideology that preaches faux empowerment and liberation from men and marriage. While modern women enjoy unprecedented freedom and opportunities, Venker and Schlafly argue that this progress is not the result of feminism. More at [www.wndbooks.wnd.com](http://www.wndbooks.wnd.com).

• America is disintegrating. The “one Nation under God, indivisible” of the Pledge of Allegiance is passing away. In a few decades, that America will be gone forever. In its place will arise a country unrecognizable to our parents.

This is the thrust of Pat Buchanan’s *Suicide of a Superpower*.

America was born a Western Christian republic, writes Buchanan, but is being transformed into a multiracial, multicultural, multilingual, multiethnic stew of a nation that has no successful precedent in the history of the world. More at [us.macmillan.com](http://us.macmillan.com). CJ

## Book review

## Isaacson Reveals the Many Layers of Steve Jobs

• Walter Isaacson, *Steve Jobs*, New York: Simon and Schuster, 2011, 627 pages, \$35.00.

BY SAM A. HIEB  
Contributor

GREENSBORO

I found it both interesting and ironic that news of Apple co-founder Steve Jobs’ death in October coincided with the surge of the Occupy Wall Street movement.

As protesters were using laptops and smart phones to help promote their anti-capitalism message, I couldn’t help but wonder where they would be without one of the most visible members of the evil 1 percent.

Protesters might be surprised to learn, as I did, that although Jobs was an unapologetic capitalist, he was, if anything, apolitical. When reading Walter Isaacson’s biography *Steve Jobs*, it struck me that government largely was absent from the narrative.

The political figure who makes a lengthy appearance in the book is, not surprisingly, President Obama. Though Jobs offered to help Obama with his 2012 re-election campaign, he also told the president that “you’re heading for a one-term presidency” unless his administration became more business-friendly. These are hardly liberal taking points.

Ultimately, Jobs grew frustrated with Obama. “The president is very smart,” Jobs recalled, “but he kept explaining to us reasons why things can’t get done. It infuriates me.” Hence the eternal conflict between government and the free market.

Isaacson, also the author of biographies of Albert Einstein and Benjamin Franklin, has provided a readable 622-page book. If you’re not up on computer technology, never fear. While there is a fair amount of talk of operating systems and interfaces, the book is a focused examination on the complex man who changed the way we work, communicate, and entertain ourselves. In other words, the way we live.

Was Jobs smarter than everyone else? “No, not exceptionally,” Isaacson writes. “Instead, he was a genius. His imaginative steps were instinctive, unexpected, and at times magical.”

Whatever it was, Jobs’ adoptive parents sensed early on there was something special about their son, and made sacrifices to indulge his intelligence and thirst for knowledge.

That said, young Jobs didn’t excel all the time. While in public school, the somewhat geeky kid preferred tinkering with electronics to extracurricular activities. After he began indulging in marijuana and LSD, he ingratiated himself with northern California’s hippie culture by throwing elaborate music and light shows.

His hookup with fellow electronics geek Steve Wozniak would prove to be, shall we say, fruitful. They fed off each other’s interest in electronics and practical jokes. The biggest prank of all was the “Blue Box,” a contraption that could replicate the long-distance dial tone, allowing them to call anywhere in the world toll-free.

It was Wozniak who came up with the “enduring idea” of a keyboard, screen, and computer in one integrated package. Enthused by Wozniak’s new creation, Jobs convinced him they could sell it and make a nice profit. Thus was born Apple — a tribute to Jobs’ days working at an orchard.

Ironically, the northern California hippie culture initially regarded the personal computer as an Orwellian tool for mind control.

But Jobs saw it differently — the computer could be a tool of freedom. Indeed, crushing Orwellian society was the theme of the famous “1984” Super Bowl ad introducing the Macintosh.

Consumers evidently agreed, and by 1980 Apple was valued at \$1.9 billion. Jobs himself was worth \$256 million by the age of 25, just a few years removed from years walking barefoot to Portland’s Hare Krishna temple for a free vegetarian meal. (Despite his wealth, Jobs would continue to forgo footwear as much as possible, again prompting complaints from co-workers about his dirty feet.)

In a way, it all seemed like a happy accident. But such wealth is rarely an accident, and this is where Isaacson explores the force of Jobs’ personality. Never afraid of the awkward silence, Jobs mastered the unblinking stare that would serve him well in breaking down the strongest wills.

Needless to say, his business relationships were complicated. More than anything else, his stormy relationship with former Pepsi executive John Sculley, whom Jobs recruited in the ‘80s to help launch the Macintosh, served as an illustration of what Isaacson describes as Jobs’ “binary view of the world.” One day, a product, idea, or personality was the greatest thing in the world; the next day it was total crap.

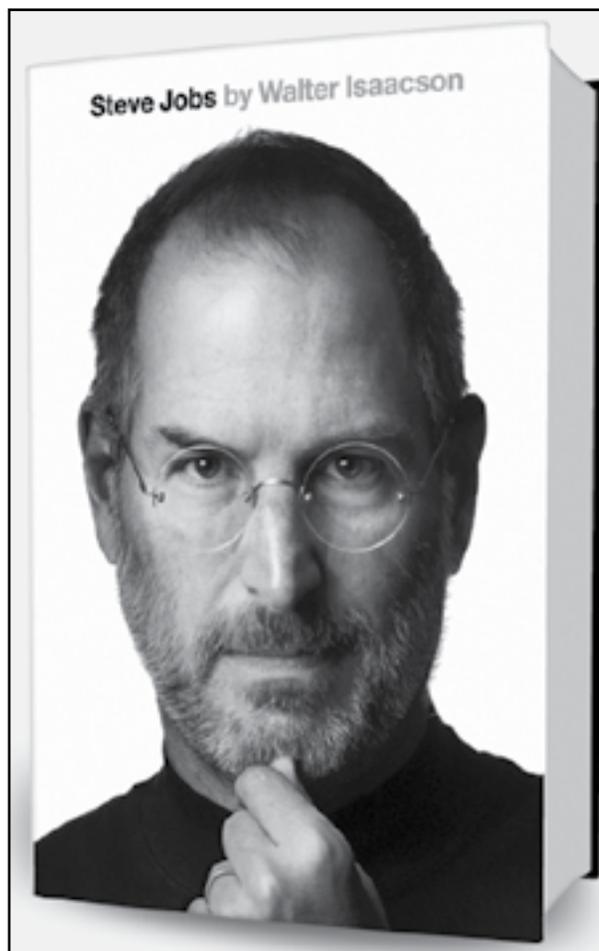
Jobs constantly manipulated Sculley. This backfired, and Apple board members, tired of Jobs’ borderline bipolar behavior, ousted him from the company he helped create.

Then there was his rivalry with Bill Gates. Although Jobs and Gates were opposites in almost every way, Apple and Microsoft should have been a match made in heaven. Apple had the revolutionary hardware; Microsoft had the revolutionary software. But it was Jobs, the former hippie, who insisted on

an integrated system over which he had total control, while the more buttoned-down Gates insisted that his software be available to all computer manufacturers on the free market. The two geniuses would do battle until they made a pact once Jobs returned to Apple in 1996.

Though Jobs authorized the biography — handpicking Isaacson to write it — he exercised no control over it and did not ask to review it. He encouraged people from his past to speak with Isaacson and encouraged them to be forthcoming.

To say that Jobs was a complicated human being is an understatement. Most great men are very complicated, and good biographers can peel back the many layers. Isaacson succeeds in showing us that practically nothing and nobody is the way it seems. That’s a lesson the Occupy Wall Street crowd could stand to learn. CJ



# Our Public Servants Have Strayed From Republican Principles

When did public office become a way for politicians to aggrandize themselves? Sure, not every modern-day candidate seeks political office for selfish reasons, nor did every politician in American history seek office with a public servant's heart. Even so, America has strayed far from its founding republican principles.

When I write "republican," I use it with a lower-case "r" because I'm not describing a political party.

I'm referring to a set of beliefs that the Founding Fathers hoped might define the American political experiment.

Here are some important elements that must exist in a republic. The people are sovereign. Citizens are virtuous and autonomous and exercise self-control for the common good. Citizens should not crave public office. But you are entrusted by friends and neighbors with a position of service. You should not use public office for economic gain. Public officials also



**TROY  
KICKLER**

should subordinate personal ambitions for the good of the community. A virtuous citizenry must be prepared to thwart corrupting influences that would lead the nation toward tyranny or despotism and protect a fragile liberty from destructive power. And a republic emphasizes individuals and local matters.

Far too many ambitious office seekers today are motivated by vanity and a need for glory. They think, "I will be important once I hold office." In the early days of our republic, it was the other way around. Citizens ran for public office because they already were important and respected in their communities. They had arrived, so to speak, and few were on the make. They didn't see political office as a means to achieve fame or profit.

Admittedly, some early Americans eschewed republicanism. President John Adams insisted on riding in a gilded coach, carried by white horses, and wanted others to call him "Your Excellency."

But many established aristocrats acted differently. President Thomas Jefferson walked to his inauguration speech and made White House events less formal. Some, including Nathan-

iel Macon of North Carolina, didn't seek office but served because their friends and neighbors desired their representation and voted for them. Those who embodied republicanism did not consider public office as a means to obtain respect or fame or profit. It definitely wasn't a profession.

Those who embodied republicanism emphasized the local and often considered local and state offices most important. In a truly federal form of government, local positions should be comparable to national offices.

Many of today's budding politicians seem to consider local or even state public office as merely a steppingstone to more prestigious and important federal positions. That mind-set devalues local and state politics and ignores this nation's founding republican principles. That may be an unfortunate and predictable result of the last century's politics that fostered centralizing tendencies and statist assumptions among many Americans.

During a recent conversation with a man who was concerned about centralization and wanted a return to limited government, I asked who his state representative was. He didn't

know. I was a little irritated at his response. It wasn't the fact that he couldn't remember the state representative's name; it was that he justified his ignorance by saying state legislative office wasn't that important: "Our problems are at the national level."

Our current national state of affairs does need great consideration. But what risks do we incur when we are inattentive to state and local matters?

When happenings in the nation's capital become the focus of all one deems important and discusses in American politics, I fear the forces of centralization have prevailed. Even many conservatives who denounce bigger government and champion federalism inadvertently dismiss republican and founding principles.

All is not lost, however. There is much we can learn from the founders and American republicanism. It's time we start incorporating republicanism back into American politics, wherever and whenever we can. *CJ*

*Dr. Troy Kickler is director of the North Carolina History Project (northcarolinahistory.org).*

## E.A. MORRIS

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The E.A. Morris Fellowship is seeking principled, energetic applicants for the 2011 Fellowship class.

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- Must be between the ages of 25 and 40.
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- Must be willing to attend all program events associated with the fellowship.
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 September 15, 2011: Review of applications begins  
 October 15, 2011: Finalist notifications begin; applications accepted until finalist pool is filled, or until December 10, 2011  
 December 15, 2011: Finalist notifications close  
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Contact Karen Y. Palasek | [kpalasek@eamorrisfellows.org](mailto:kpalasek@eamorrisfellows.org) or [info@eamorrisfellows.org](mailto:info@eamorrisfellows.org)

## Short Takes on Culture

## 'Burn Notice' Like a Fine Beer

• "Burn Notice"  
USA Network  
Thursday, 10 p.m.

To borrow a line from a popular commercial, I don't often watch television, but when I do, I prefer "Burn Notice."

The show, now in its fifth season, is visually stunning. As a native Floridian (the show is set in Miami), I know there's more to south Florida than sun-drenched palm trees, azure waterfront views, and beautiful women — mosquitoes, fire ants, and man-of-war jellyfish come to mind. But it's easy to forget that when watching the show. I'm pretty sure they have about 20 models on staff just to amble about the set in bikinis.

Beyond aesthetics, the show is impressive for its red-blooded Americanism. The protagonist, Michael Weston (Jeffrey Donovan), is a former CIA operative trying to get his old job back. He's a character you can root for wholeheartedly, always working to protect his country and the innocent.

Though he's the smoothest operator in town, he puts his talents to noble uses. In fact, Weston's motivation is a bit of a mystery: How could anyone with such valuable skills — who could be partying with the richest sheikhs and drug lords — risk so much for a group of people who will never know him or thank him?

The show is a blast to watch (often literally!), and it inspires gratitude for those vigilant souls protecting Americans while we sleep. What's not to like?

— DUKE CHESTON

• "The Next Iron Chef: Super Chefs"  
Food Network  
Sunday, 9 p.m.

You're dropped off beside a creek and have a whole pig, a fire pit, no power, a handful of fresh ingredients, and 90 minutes to create two star-quality restaurant dishes. This was the first challenge in the current season of Food Network's "The Next Iron Chef."

This year's competition pits 10 celebrity chefs and restaurateurs — all of whom either have hosted or played major roles in Food Network or Cooking Channel programs — in an elimination tournament to determine who will join the likes of Bobby Flay, Mario Batali, and Masaharu Morimoto in Kitchen Stadium on the weekly "Iron Chef America" program.

Because Anne Burrell, Michael Chiarello, Marcus Samuelsson, and

the other contestants should be familiar to Food Network regulars and other foodies, little introduction is needed, leaving more air time for the cooking. And the challenges so far have been a delight: I've mentioned "heat and meat"; in week two, the chefs had to forage through Petco Park in San Diego and transform stadium food; week three forced them to convert cinema snacks (cinnamon candy, root beer, malted milk balls) into culinary delights.

It's great fun to watch these kitchen geniuses sweat under the pressure of the clock and the competition. And who knows? You might pick up a few tips on how to salvage a great dinner at home when you don't have the right ingredients and the time to run to the store.

— RICK HENDERSON

• *Generation Me: Why Today's Young Americans Are More Confident, Assertive, Entitled — and More Miserable Than Ever Before*

By Jean M. Twenge  
Free Press

In 2008, Millennials voted for Barack Obama en masse. What caused them to flock to the faux messiah? In a word: entitlement.

In *Generation Me*, Jean Twenge explores that troubling predilection of Generation Y to believe that society owes us everything. (Full disclosure: I'm a member of this generation, which encompasses those born in the 1980s and 1990s).

"We've been told that we're special, so we think that we deserve to be famous and rich," Twenge writes. When hard economic realities hit — the Great Recession and steep unemployment among recent college graduates — we're predisposed to look for a government handout.

"Generation Me has the highest self-esteem of any generation, but also the most depression," she writes. "We are more free and equal, but also more cynical. We expect to follow our dreams, but are anxious about making that happen."

Not to paint with too broad a brush. There are many well-rooted members of Generation Y. But Twenge's treatise on GenMe is nonetheless damning.

It isn't a perfect compendium. Twenge's liberalism shows through with ample force, particularly in the area of feminism. But she provides accurate assessments in many other areas. The book is worth a look.

— DAVID N. BASS CJ

## Book review

## One Nation Will Make You Angry

• Paul Rosenzweig and Brian Walsh, eds., *One Nation Under Arrest: How Crazy Laws, Rogue Prosecutors, and Activist Judges Threaten Your Liberty*, Washington, D.C.: The Heritage Foundation, 2010, 268 pages, \$14.95.

By GEORGE LEEF  
Contributor

A good case can be made that *Overcriminalization of the law* is among our most serious national problems.

True, our economic troubles are deep and may reduce us to a poor, strife-ridden nation like Greece. But it also is a travesty when people who have not done anything wrong deliberately — and often have not done anything wrong at all — can be subjected to vicious military-style raids, tried before judges who don't seem to care about injustice, and then sent to prison.

Most Americans are aware of our government-caused economic debacle, but very few realize how badly our legal system has been perverted. That's why I strongly recommend *One Nation Under Arrest*. You will be outraged at the injustices the authors present. You may find yourself thinking, "This seems like the way people were treated in the Soviet Union. America should be different."

The essays in the book are filled with well-documented cases in which prosecutors have terrorized and ruined people who had harmed no one, their "crimes" consisting of accidents, inconsequential violations of regulations, conduct that ran afoul of ridiculous "zero tolerance" policies, and more. The real criminals are the nameless, hyperzealous government officials who benefit from the abuse of power but are never held to account for it.

The editors and writers argue that the root of this problem is the erosion of one of the most fundamental distinctions in our legal tradition, the distinction between crimes and torts. Under common law, no one could be charged with a crime without proof that he acted with a guilty mind — the *mens rea* requirement. That is, the person charged had to have meant to do wrong.

Now, mere accidents can lead to criminal prosecution. One of the cases

discussed involved Edward Hanousek, a supervisor at an Alaskan construction site. He was responsible for a rock quarrying operation when a backhoe operator accidentally hit and ruptured an oil pipeline, causing oil to spill into a river. At the time of the accident, Hanousek was not on duty.

Federal authorities prosecuted Hanousek under the Clean Water Act, accusing him of the "crime" of failing to supervise adequately and thus causing a discharge of pollutants. Hanousek was sent to prison for six months for not having prevented an accident when he was not even on the scene. If someone else's accident can land you in prison, are any Americans safe?

Another reason Americans are endangered by malicious prosecution is the profusion of laws, many of which are written vaguely. In his excellent essay "Blameworthiness and Intent," Cato Institute scholar Tim Lynch quotes James Madison:

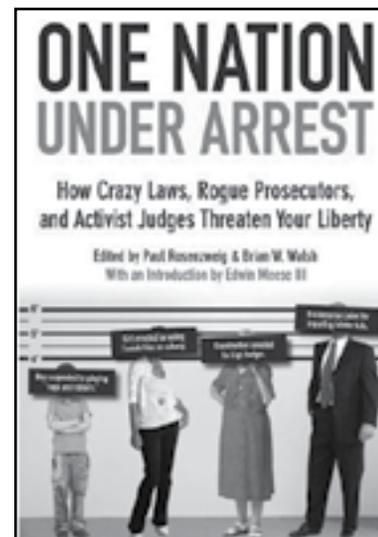
*It will be of little avail to the people that the laws are made by men of their own choice if the laws be so voluminous that they cannot be read, or so inco-*

*herent that they cannot be understood; if they be repealed or revised before they are promulgated, or undergo such incessant changes that no man, who knows what the law is today, can guess what it will be tomorrow.*

Sadly, the Supreme Court has allowed Congress and state legislatures to enact criminal laws that turn on what judges and juries think is "unreasonable," "excessive," or other imprecise terms. Lynch also argues that the old legal maxim "Ignorance of the law is no excuse" needs to be jettisoned (at least in criminal prosecutions). He writes: "It is wholly inappropriate in a labyrinthine regulatory regime that criminalizes activities that are morally neutral."

*One Nation Under Arrest* will make you angry and frustrated. You will be angry over the horrible mistreatment of honest people by government officials who seem to lack any sense of decency. You will be frustrated by the realization that almost no politician discusses the need to ratchet down our overcriminalized society.

Rosenzweig, Walsh, and the contributors may be tilting at windmills, but theirs is a message that Americans desperately need to hear. CJ



## Book review

# Andrews: Responsibility Movement Key to U.S.'s Next Century

• John Andrews, *Responsibility Reborn: A Citizen's Guide to the Next American Century*, Greenwood Village, Colo.: MT6 Media, 2011, 175 pages, \$19.99.

BY DAVID N. BASS  
Associate Editor

RALEIGH

Personal responsibility is an eroded American value. Republicans largely preach freedom, Democrats equality, but responsibility, when mentioned at all, plays second string. It's no wonder, then, that America is becoming bailout nation.

The year 2011 was a good time for John Andrews, former Republican president of the Colorado Senate and long-time conservative think-tanker, to pen *Responsibility Reborn: A Citizen's Guide to the Next American Century*. The pull-yourself-up-by-your-bootstraps tenet is alive and well among many Americans, but their number is shrinking in favor of those who covet European-style handouts.

The Occupy movement has shown that reality in vibrant Technicolor: violence, sexual assault, and disregard for private property. Mobilized as a political force, envy is among the most powerful of human vices.

What's the cure? Personal responsibility, defined by Andrews as "the quintessential American character trait" of doing "the right thing by choice." It's a value that Andrews believes can pull the United States out of a moral quagmire and put her on the path to a second American century.

It won't be easy. Liberalism appeals to baser instincts: envy, jealousy, and sloth, to name three. Conservatism requires far more of us: accountability for our own decisions and voluntary restraint in our actions. Although law-

making plays a role in fostering such values, there is no substitute for cultural renewal arising from the private domain — marriages and families, schools and churches.

"Our toughest challenges now are not political. They are moral," Andrews writes. "Civil government will get better when individual self-government does, and not until then."

Andrews traces the genesis of the responsibility movement to the cultural upheavals of the mid-20th century. He says that "pampered young" threw a "national tantrum" in the 1960s. It worsened in the '70s, a decade of moral decadence and economic stagnation.

"Dependency on government was up," Andrews says. "Promiscuity, illegitimacy, and divorce were up. Crime and drug abuse were up. Black poverty was up. Family stability and childbearing were down. Academic standards were down, and educators were disrespected. The warrior spirit was down, and soldiers were spat upon."

But even as cultural and economic liberalism made sweeping gains, Andrews points to the rising sun of conservatism, born out of the dark days of moral decay after Watergate. It was an economic and social force that beat back the tides of unchecked liberalism. Andrews' thesis: A renewal of this responsibility movement is needed if America is to continue as a great nation.

Don't mistake *Responsibility Reborn* exclusively as a conservative's

call to arms against the excesses of liberalism, though. It's certainly that, but it's also a call for self-reflection among lovers of freedom. Andrews carefully probes a sore spot in conservative circles: the seeming conflict between personal freedom — the right to do what I want — and personal responsibility — the duty to do what I should.

With the all-out assault on individual freedom prorogated by the proponents of big government, conservatives are concerned chiefly with ensuring that liberty endures. But in so doing, have we lost sight of personal responsibility?

It's a question that Andrews wrestles with. His conclusion (emphasis mine):

*Until quite recently, my keynote for a personal testament and a reflection on citizenship would not have been responsibility and obligation, duty and trust. It would have been freedom and independence, rights and liberty. ... Yet in reflecting on my life as a whole — family, friendships, schooling, military service, career, community, church — I've realized that most of it was not about doing what I chose, but doing what I should. The moral and ethical component is inescapable in a life well lived, whether for an individual or a nation.*

Preaching responsibility isn't as sexy as preaching freedom, but it is no less critical. The two concepts go hand in hand. A nation can't be free without citizens who take responsibility for their actions; true responsibility isn't

possible outside the sphere of freedom.

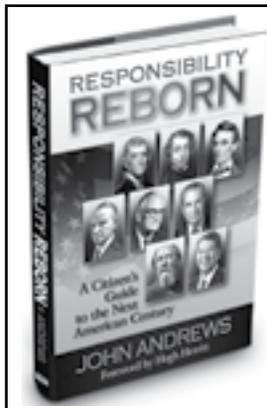
The big question conservatives must answer is, "Freedom for what?" Freedom should not be license to become libertine, but to do what's right. "For you were called to freedom, brothers," the Apostle Paul writes. "Only do not use your freedom as an opportunity for the flesh, but through love serve one another."

Andrews suggests that conservatives — and, more broadly, Americans — return to such an ethic. "What government should or shouldn't do is an important question for keeping America true to itself," he writes. "But too narrow a focus on that question has tended to distract conservatives from one that's even more important: *What qualities of character are essential to sustain a free and good society?*" (Emphasis in original.)

Along those lines, Andrews' prescription for cultural and economic renewal in the United States is, first, personal and, second, political. He calls for strengthening families, expanding charity, expecting more of churches, and renewing a common culture. "The higher we score on the scale of character," he writes, "the more fit we are for freedom — and the less need there is for intrusive restrictions by government."

*Responsibility Reborn* is an excellent charter for the responsibility movement. Despite the challenges of contemporary political life and the excesses of American culture, Andrews' treatise is infused with optimism. The next few years are critical in determining whether America will stagnate or see a rebirth of responsibility.

"It's a great time to be alive," Andrews writes. "Now comes the decade of decision." CJ



## BOOKS AUTHORED BY JLF STAFFERS



By John Hood  
President of the  
John Locke Foundation

### Selling the Dream Why Advertising is Good Business



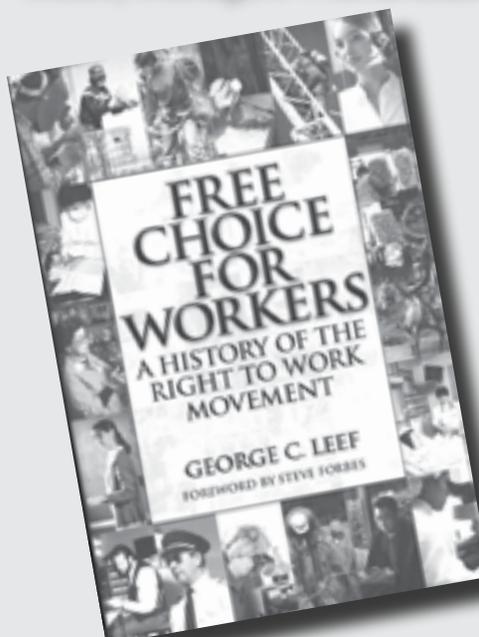
"[Selling the Dream] provides a fascinating look into the world of advertising and beyond ... Highly recommended."

Choice  
April 2006

[www.praeger.com](http://www.praeger.com)

## Free Choice for Workers:

A History of the Right to Work Movement



By George C. Leef  
Vice President for Research at the  
John William Pope Center for Higher  
Education Policy

"He writes like a buccaneer... recording episodes of bravery, treachery, commitment and vacillation."

Robert Huberty  
Capital Research Center

(Call Jameson Books, 1-800-426-1357, to order)

## COMMENTARY

## Diapers For 26-Year-Olds

Young people are turning out in droves for Occupy Wall Street — and its subsidiary protests in cities across the country — because they're fed up with student loans and dim employment prospects. The Associated Press dubs it the "lost generation" — those born in the 1980s and 1990s who are floundering in a hellish job market, supposedly brought on by The Man.

But is society really to blame for Generation Y's economic plight?

It's a given that macroeconomic forces beyond the power of an individual are curtailing my generation's opportunities for financial stability. (I'm 25.) Recent census figures show that the employment rate among young adults is 55.3 percent, the lowest rate since the end of World War II. One in five young adults lives in poverty. Teen unemployment stands at 25 percent.

The job market is flooded with older, more experienced workers jockeying for the same entry-level positions that college graduates desire. The cost of basic needs — groceries, housing, clothing, and gas — has spiked. Wages are stagnant. Due to the federal government's spendthrift ways, my generation faces a debt-saturated future.

But young people also are lagging because of self-inflicted wounds: massive student-loan debt, high consumer credit-card balances, poor work ethic, entitlement attitudes, heightened standard-of-living expectations, preoccupation with self-esteem, and delay of marriage and parenthood.

Consider: In 2009, the average four-year college graduate owed \$24,000 in student-loan debt. That's sustainable if a student leaves school with a degree in a high-demand field — say, nursing or engineering — paying a decent salary right out of the gate. But for liberal arts majors who often spend the first year (if not more) of post-college life waiting tables, it's financial hara-kiri.

The occupiers don't understand this basic economic fact. One of the ostensible planks of their

movement is forgiveness of all student-loan debt. Who is left to pick up the tab for your degree in music therapy? Productive taxpayers.

It doesn't stop at student loans, though. Graduates leave school, on average, with thousands in credit card debt. Throw in an auto loan, and the debt-to-income ratio goes off the charts. It's tough to get ahead in that financial scenario.

When we do get a job, there is often the expectation of a fat salary in exchange for phoned-in job performance — and we're not afraid to admit it. A Pew Research Center study found that Baby Boomers' favorite identifying mark was their work ethic, while only 5 percent of my generation reported the same.

Prior to the Sexual Revolution, young men and women had excel-

lent reasons to keep a job and work hard: family responsibilities. In the 1940s, men on average married at age 24 and women at 22. Now, it stands at age 28 for men and 26 for women. Increasingly, those who do get married delay childbearing.

With Millennials' delay of marriage has come a delay of adulthood. If no job is waiting after they graduate college, or if it's a job they don't like, Millennials always can move back in with mom and dad.

"It's a safety net — or safety diaper — that allows kids to quickly opt out of a job they don't like," said reporter Morley Safer on the CBS program "60 Minutes."

Every generation has faced its version of a "raw deal" — whether it was the Great Depression and World War II for the Greatest Generation, or the Vietnam War and stagflation for the Boomers.

What matters is whether we shrug off the victim mentality and get our hands dirty making a better life for our loved ones and ourselves.

Of course, that involves a dirty word: work. It's easier to smoke a bong in lower Manhattan. CJ

*David N. Bass is an associate editor of Carolina Journal.*



DAVID N. BASS

WAZZ/STRETT/ARND BRONKHORST



## EDITORIAL

## The \$3.8 Billion Question

What's the ideal number of government workers for North Carolina? Getting the answer right could allow the government to return billions of dollars to taxpayers. Getting it wrong could play havoc with our overall economy.

Ask Democratic politicians and left-wing interest groups how many government workers we need, and the only answer you'll get is, "more than we have now" (which was about 630,000 state and local government employees in October). When it comes to government workers, in their view, there's never enough of them.

But public employees are compensated with taxes. Those are resources removed from the private economy. Some public workers are essential, of course, to enforce the laws, adjudicate disputes in court, and provide other services that cannot be handled fully by private providers, such as open-access highways. The state constitution makes basic public education a right, so we'll always have teachers funded by taxes.

Yet with the economy stuck in neutral, to put it mildly, a bloated public sector serves as a drag on economic growth, jobs, and wealth creation. So what's the proper level of government employment? We can get an idea by comparing our public employment levels with those of neighboring states.

Start by assuming that every state delivers public services adequately.

The 2010 census found roughly 9.535 million residents of North Carolina. Unadjusted September figures from the Bureau of Labor Statistics counted 613,800 state and local gov-

ernment employees, making up 6.44 percent of the population. (October BLS numbers were not available at press time.)

The state closest to us in population is Georgia, with 9.687 million residents. Georgia has more residents but a smaller state and local government work force: 546,600 employees, or 67,200 fewer than North Carolina. Those workers comprise 5.64 percent of the Peach State's population. Meanwhile, Virginia's state and local workers make up 6.52 percent of its population; South Carolina's, 6.49 percent; and Tennessee's, 6.11 percent.

Our public employment levels are among the highest in the region. Georgia chooses to do more with less. How much money could we return to taxpayers if we brought our government employment in line with that of Georgia?

Assume an average annual compensation (salary and benefits) of \$50,000 for each public employee. By reducing our state and local work force to 5.64 percent of the population — Georgia's level — we would employ 76,026 fewer workers. At \$50,000 per worker, that's a little more than \$3.8 billion a year in potential savings for taxpayers.

Returning that money to the private sector would boost business development, capital formation, and job growth. Many of those former government workers could find gainful employment in our newly energized private sector.

The next time you hear a liberal pundit or politician gripe about our state's "inadequate" government work force, remember: \$3.8 billion ain't hay. CJ

## EDITORIALS

## Look North

*North Dakota plays the energy card well*

The Old North State's economy is in a shambles. The New North State's economy isn't.

North Carolina, the Old North State, has posted the nation's weakest recovery from the 2007-08 recession, according to the Bloomberg Economic Evaluation of the States. The index includes measurements of unemployment, income growth, home prices, mortgage foreclosures, government finances, and the stock performance of public companies based in the state.

From the fourth quarter of 2008 to the third quarter of 2011, North Carolina ranked dead last in performance on the BEES index. North Dakota ranked first — in fact, it was the only state posting significant economic growth during the period.

One reason for North Dakota's success is, of course, its energy industry. Rising worldwide demand for energy has pushed up prices for oil and natural gas. As far as we know, North Carolina does not hold any significant oil reserves, onshore or offshore. But the situation is entirely different when it comes to natural gas. There is no good reason for North Carolina not to allow additional private exploration of natural gas, which will create jobs, boost incomes, and reduce long-term energy costs.

The energy sector isn't the only

bright spot in North Dakota's economic climate, however. Consider these facts:

- North Dakota's unemployment rate was just 3.5 percent in September, vs. 10.5 percent in North Carolina. Jobs are relatively abundant in North Dakota across a range of occupations, not just in energy.

- While North Carolina ranks a dismal 40th on the Tax Foundation's State Business Climate Index, North Dakota ranks 20th. The top state income tax rate in North Dakota is 4.89 percent; in North Carolina, it's 7.75 percent.

- North Dakota's work force is better educated than North Carolina's. North Dakota students have long exceeded the national average in reading, math, and science proficiency, while North Carolina has better-than-average performance only in math.

Admittedly, North Dakota is a much less populated state — about 675,000 residents, vs. North Carolina's 9.5 million. And in which place would you rather spend the winter? In which place would your business be closer to large urban and suburban markets?

The truth is that whatever economic cards the two states have been dealt, North Dakota has played its hand more skillfully. CJ

## Off the Rails

*Changes need to be made in N.C. rail policies*

We are pro-rail. We think railroads remains a viable transportation option for North Carolina, and that state policymakers should pursue a systematic strategy of removing impediments to the expansion and success of the railroad industry.

That's one reason why we rail so much against taxpayer subsidies for passenger rail.

Long ago, railroads became primarily a freight business, not a passenger business. Other than a few lines in the Northeast, Amtrak service is a subsidized luxury, not a viable business. While passengers finance virtually the entire cost of the alternatives — roads and airlines — through user taxes and fees, passenger rail is the only transportation alternative that is heavily subsidized by non-users.

Trucking long ago became the mainstay of the freight business in North Carolina and the nation, and rail isn't really an option for many

kinds of customers. But if you are hauling bulk goods — and particularly coal for North Carolina power plants — rail is the logical, least-cost choice.

The best way to allow North Carolina businesses to make efficient use of rail transportation in the state would be to:

- Require passenger-rail service to pay for itself through tickets, advertising, or other revenue. If it does, fine. If it doesn't, clear the tracks for the paying customers.

- Reform environmental and other regulations that unnecessarily increase the cost of the rail lines themselves or of the industrial customers who make up the majority of the demand for rail transportation.

- Sell the state-owned North Carolina Railroad to the highest bidder. Use the proceeds to pay down state debt and invest in valuable state infrastructure such as roads and bridges that cannot practically be shifted into private management or ownership. CJ

## COMMENTARY

Swear Off  
The Bubble Gum

Now that the 2011 election cycle is history, voters will begin to turn their attention to next year's crop of political candidates. They will judge these candidates — for president, Congress, governor, state legislature, and other offices — on the basis of whether they offer sensible and realistic solutions to our economic woes.

What policies do they think will draw investor dollars into new business ventures and job creation? Can governments address their long-term fiscal imbalances while also boosting growth? What can be done to improve the productivity of spending on physical and human capital — that is, on infrastructure and work force development?

These are the right questions. Each has a good answer, but translating the answers into salable policies will be challenging. After all, if it were politically painless to reform taxes, privatize government assets or services, and increase choice and competition in education, these policies would have been implemented long ago.

Rather than begin with what political candidates should promise to do, it might make more sense to begin with what they should not do. Here's a handy list of tempting but unhealthy political confections that would-be leaders should swear off in the strongest possible terms:

- **Crony Candy.** Government never should attempt to predict which businesses will succeed and then risk public money on the accuracy of their predictions. Such predictions assume too much knowledge on the part of central planners, and inevitably become junked up with special-interest pleading and crony capitalism. Just say no to "investing" taxpayer money in particular firms or industries. Just say no to all bailouts and loan guarantees.

- **Bubble Gum.** The Great Recession and Not-So-Great Recovery of the past four years began with the collapse of the housing bubble, including all the securities markets and financial deals based on the idea that real estate is the economic equivalent of a perpetual motion machine. It's not. Real estate is one

class of assets among many. Abolish loan guarantees, Fannie Mae and Freddie Mac, the Community Reinvestment Act, the mortgage-interest deduction, "quantitative easing," Smart Growth regulations, and all other government policies that either inflate artificial bubbles in housing demand or gum up the ability to meet real demand with new housing stock.

- **Tunnel Cakes.**

Never spend government dollars on infrastructure projects with the goal of creating jobs. Spend government dollars on infrastructure projects that promise to move lots of people or freight at a low cost — which will typically be roads and bridges, not passenger rail. If you do that, you'll create construction jobs as a welcome side effect of investing in valuable infrastructure. If

you start with the wrong goal, you may end up doing the equivalent of paying people to shovel dirt from one hole to another. These shovel-wielders would be "working," but not productively, and the money spent on them would represent lost jobs elsewhere in the economy.

- **Moon Pies.** If advocates of solar power, wind power, feces power, or whatever can manage to convince private investors to finance their pie-in-the-sky experiments, fine. But leave taxpayers and captive utility ratepayers out of it. Our energy needs will continue to be met primarily with fossil fuels for decades to come, and the current boom in oil and gas exploration promises to lower costs and employ thousands — as long as government does its proper job of ensuring public health and otherwise gets out of the way.

Instead of indulging in political junk food, candidates should propose a sound diet of enhancing public services through competition, balancing budgets, reforming tax and regulatory codes to promote growth, and taking better care of the infrastructure government already owns and operates.

In short, no more sugar rushes. CJ

*John Hood is president of the John Locke Foundation.*



**JOHN HOOD**

## EDITORIAL BRIEFS

## Privatize The Post Office

The U.S. Postal Service is in deep financial trouble. It's projected to lose as much as \$10 billion this year and already has gone through a \$15 billion line of credit with the U.S. Treasury. The solution, writes Tad DeHaven of the Cato Institute in *Forbes*, is privatization.

While the post office has cut costs somewhat, it hasn't cut them enough to overcome the ever-declining volume of mail. That's largely a result of the USPS' agreements with its unions, which provide generous benefits and restrict the use of part-time labor. Only 13 percent of the USPS work force works part-time; by comparison, 53 percent of UPS employees and 40 percent of FedEx workers are part-time.

With the USPS on the ropes, there's talk of a bailout. Under the terms of a congressional bill, which has 216 House co-sponsors, the post office would receive \$50 billion to \$75 billion for alleged pension overpayments it made in the past.

"Forty years after the Post Office was turned into a government business, it's time for Washington to take the next step: privatization," says DeHaven.

"Otherwise, taxpayers could ultimately find themselves back on the budgetary hook for USPS operations."

DeHaven notes that privatization has succeeded in many other countries. Deutsche Post, the German post office, is now only 31 percent government-owned, with the rest owned by private investors. In the Netherlands, the post office has been privatized completely.

### Unemployment insurance reform

The economic downturn has battered unemployment insurance programs across the country. It's time for these state-run programs to consider reforms, writes Joseph Henchman of the Tax Foundation in a new background paper.

Between 2008 and 2011, state unemployment insurance programs have taken in \$174 billion in employer taxes but have paid out \$450 billion in benefits. This disparity has forced 34 states to borrow money for their UI programs from the federal government over the past two years. Twenty-seven states, including North Carolina, have outstanding balances; together they owe \$37 billion.

Unemployment insurance programs are supposed to be countercyclical; the program is intended to collect more in taxes in good times and pay out more in benefits when the economy is slow. That's not happening, though, as states often cut taxes when the economy is strong. Several states now are raising unemployment insurance taxes and/or reducing benefits to deal with program deficits.

"At a time when the unemployment insurance system is exhausting its financial reserves, failing at its countercyclical objective, and imposing higher taxes on employers and greater fiscal pressure on the states, and a time when the public is skeptical of extending benefits without broader changes, it may be an opportune moment for significant UI system reform," says Henchman. CJ



www.illustrations.com/cartoons

## Should You 'Buy Local'?

There's a movement afoot to change how we buy. It's not about how much we buy or even the kinds of products we buy. Instead, it's directed at the "origins" of what we buy and "where" we buy. Broadly speaking, it's called the "buy local" campaign.

There are two elements to this campaign. The first has to do with the origins of the products we purchase — specifically, in what country are they made. The argument is that the more products we buy from companies located in the United States — rather than foreign countries — the more money stays in the country and the more jobs are created here.

There is compelling evidence for this viewpoint. The U.S. imports \$2.3 trillion of products and services annually. Using an average rate of job creation per dollar of domestic production, purchasing all these goods and services from domestic companies would create more than 20 million jobs.

Of course, there are some things we import which we just don't have domestically — at least in the short run. Oil is a good example. If we kept importing oil but reduced all other imports to zero, then we still would add 17 million slots to our employment base.

However, there are three twists to this conclusion. One is exports. If the U.S. replaced its nonoil imports with domestic production and buying, what if other countries did the same, bringing our exports to zero?

This would have a big impact on job creation from "buying local" because our exports are also huge, totaling \$1.8 trillion annually. If both our nonoil imports and all of our exports went to zero, we would net 1.8 million jobs in the country, a 1.4 percent increase from current employment levels.

The second twist is foreign investment. Foreign countries that sell more to the U.S. accumulate U.S. dollars, and eventually those dollars find their way back to our country in the form of foreign investments. These foreign investments can take many forms, including the purchase of U.S. govern-

ment securities, stocks from U.S. companies, or the building of factories and other facilities in the U.S. Foreign-owned auto factories are a good example of the latter kind of foreign investment.

It's estimated these types of foreign investments support almost 6 million domestic jobs. Without international trade, some of these jobs might disappear, or — at the least — they wouldn't expand very fast.

Last, sometimes the specific product or service a person wants just isn't available in our country in the quantity needed to satisfy domestic demand (like oil), or if it is, the price is higher than a foreign-made substitute. So here the buyer is faced with a dilemma. Does the person purchase the domestic-made version and pay more while creating jobs here, or does the consumer buy the foreign-made alternative and save some money?

Now let me move closer to home and look at the second piece to the "buy local" movement: the "where" you buy. Here the idea is to shop at retailers and sellers in your city or county rather than at merchants outside your immediate area. By doing so — the theory is — money will go to local businesses, be spent locally, and create local jobs.

There's no question this can work. On average, every \$1 million spent locally will support between 15 and 30 community jobs. The reason the job creation number isn't higher is because most local companies purchase a significant fraction of their merchandise from outside the local area. So all of local spending doesn't remain in the local area.

And again, that's just the rub of trying to buy only from local sellers. Even more than at the national level, many products and services simply aren't available in all localities. Small communities, especially, tend to specialize in what they do and what they have to sell. Bigger cities — because they have more people and consequently a wider diversity of talent and skills — usually will have more of what buyers want.

"Buy local" may make for a good slogan and sentiment, but it likely won't be the "game-changer" for our sluggish economy. CJ

Michael Walden is a William Neal Reynolds Distinguished Professor at North Carolina State University.



**MICHAEL  
WALDEN**

# Eventful Year for New Majority

It's been an interesting year. In January, a new General Assembly, with a Republican majority for the first time since 1870, was sworn in. Lawmakers promptly got to work. They met for 101 legislative days. There were 1,731 bills filed, and 428 became law. Gov. Bev Perdue vetoed a record 15 bills; the legislature overrode her six times. Five vetoed bills remain eligible for an override.

The Republicans promised to pass a budget without tax increases and do it by the Fourth of July. They were faced with an anemic economy, the loss of \$1.6 billion in federal stimulus money, and another \$1.3 billion loss in expiring taxes. In the face of these challenges and unrelenting accusations from the Left of crippling state government, the majority passed a \$19.7 billion budget that reduced the size and scope of government.

Perdue vetoed their budget (hers spent 5.5 percent more), but with the help of five House Democrats, the General Assembly was able to override Perdue's veto and set a new fiscal path for North Carolina — one adhering more to the core government



**BECKI GRAY**

functions outlined in the N.C. Constitution.

Small businesses were offered help by exempting the first \$50,000 of business income from taxation and repealing a local land transfer tax. In May, a shortfall in the State Health Plan was addressed, and further changes will ensure that it remains viable.

Tort reform passed in June will limit business liability by placing limits on attorney fees and allowing actual medical bills to be submitted to a jury. Medical malpractice reform passed in July caps noneconomic damages at \$500,000 and sets a higher standard of clear and convincing evidence before malpractice can be proved. Passed in June, workers' comp reform ensures North Carolina's business climate is competitive.

Property-rights advocates won a major victory with annexation reform that's more than 50 years overdue. Residents now have a voice in whether to be annexed, pay city taxes, and accept services they may neither need nor want.

Thirty percent of our high school students do not graduate. Of those who graduate and go on to community colleges or universities, 60 percent have to take remedial courses. And yet if your child is caught in a failing school, you have no choice to get them out. This year brought changes that begin to look at education in a new

way.

A law passed in June lifted the cap of 100 charter schools in North Carolina. Twenty-seven applications for new schools already have been submitted for consideration. Pending approval from the State Board of Education, we'll have more choices in more communities for more families soon. Competition is a good thing.

Fifty-six percent of our state budget goes to education. That's a lot of money without great results. This General Assembly made cuts to school administration while funding student enrollment growth fully, reduced the class size for younger students, and added five extra instructional days to the school calendar.

Government has gotten too big, too burdensome, and too duplicative. This year we've seen efforts at consolidation and reorganization. The Department of Environment and Natural Resources was modified with some divisions transferred and several programs eliminated completely.

Three agencies for law enforcement have been consolidated into one Department of Public Safety. Government will become more accountable and more transparent, and will save taxpayers millions of dollars.

What could be better? How about getting government out of the way and restoring the limitations set forth in the constitution?

In addition to 21 volumes of statutes, there are 23,940 rules under the North Carolina Administrative Code. That's a lot of rules and regulations.

A comprehensive regulatory reform bill was introduced eliminating unnecessary permit rules, mandating that no state environmental rule can be stricter than its federal counterpart and requiring a cost-benefit analysis on all proposed new rules. The bill passed, the governor vetoed it, and the General Assembly overrode her veto.

In July, congressional and legislative maps were redrawn based on 2010 census data to ensure the constitutional principle of one man, one vote. The U.S. Department of Justice has given its OK. Barring successful lawsuits filed by disgruntled Democrats, most likely we'll call them the maps for North Carolina for the next 10 years.

A balanced budget without tax increases; help for businesses; property rights protection; family-oriented, student-focused education; government consolidation and accountability; regulatory reform; and redistricting.

Not bad for the Republicans' first year. Wonder what's next? *CJ*

*Becki Gray is vice president for outreach at the John Locke Foundation.*

## Gingrich and Political Dynamics

In June of this year, former Speaker of the House Newt Gingrich's presidential aspirations were pronounced dead by the D.C. insiders and pundits.

In their minds Newt had committed the cardinal sin of criticizing a fellow Republican on the handling of policy and legislation — a policy (reforming Medicare and Social Security) he instinctively knew was "red hot" electorally.

As a student of past elections, Newt understood that if not handled right, the Democrats would use the issue to scare seniors to the disadvantage of the GOP.

In fact, Fox News contributor and syndicated columnist Charles Krauthammer confidently stated this about Newt. "This is a big deal. He's done. He didn't have a big chance from the beginning, but now it's over.



**MARC ROTTERMAN**

... He won't recover."

Krauthammer believed that Gingrich had violated Ronald Reagan's 11th Commandment by questioning a fellow Republican and that his statements were "deadly" for Newt's presidential aspirations.

A media firestorm ensued as Washington élites and the K Street establishment piled on.

There was a mass exodus by numerous staff and consultants from Newt's campaign. Many subsequently joined Texas Gov. Rick Perry's team.

Gingrich has said numerous times that June and July of 2011 were the toughest two months of his entire political career.

To the astonishment of the D.C. establishment and the political elites, Newt dug in and continued to campaign, drawing large crowds in Iowa, South Carolina, and New Hampshire.

Then the first round of debates kicked in, and to Republican activists it became clear who was speaking to them and who they wanted across the stage from President Obama in the fall of 2012.

Now as we enter the critical

months of the Republican primary campaign. Gingrich is surging in the polls, and as I write this column he is the front-runner in the Republican presidential race.

How did this happen, and how could the pundits and elites be so wrong?

First, sheer perseverance on the former speaker's part got him back into contention. Newt Gingrich has the energy of a man half his age, and he works tirelessly every day.

Over the years, he has traveled countless miles for Republican candidates and, for lack of a better term, is a "chronic" campaigner. By his own account, he has probably given more than 15,000 speeches over the course of his life.

Second, his message of American exceptionalism resonates with Republican and Tea Party activists. And it is in great contrast with President Obama, who routinely apologizes for America while overseas.

Gingrich has avoided attacking his opponents and has stated that the focus should be on Obama and not on each other. And in doing this, he has

adopted the role of statesman.

Newt has run an unconventional campaign — relying on news coverage, social media, Facebook, and Twitter. He has roughly 1.3 million Twitter followers and 175,000 Facebook fans.

Not only has he caught fire with the grassroots, but social media has introduced him to college students nationwide. They may well provide him with troops on the ground in the upcoming primaries.

Finally, in the view of many, Newt has been the most important Republican after Reagan during their lifetimes. Like Reagan, Gingrich is offering real solutions to a nation plagued with dysfunctional government.

In 2012, the political dynamics may well be working in Newt Gingrich's favor. *CJ*

*Marc Rotterman worked on the national campaign of Reagan for President in 1980, served on the presidential transition team in 1980, worked in the Reagan administration from 1981-84, and is a former member of the board of the American Conservative Union.*

# Perdue Announces Official Response to Occupiers (a CJ parody)

BY ANNE R. KIST  
Protest Correspondent

RALEIGH

After months of ignoring Occupy Raleigh and similar protest movements around the state, Gov. Bev Perdue announced a bipartisan response developed with Republican legislative leaders called the Occupy North Carolina Initiative.

Former U.S. Rep. Bobby Etheridge, a Lillington Democrat, will lead ONCI as the state's occupation czar. "Congressman Bobby has a proven track record of dealing with camera-wielding street punks," Perdue told *Carolina Journal*. "I gave him a few ideas, but this program is his baby."

Etheridge previously served as North Carolina's stimulus czar and more recently as Perdue's special adviser for Hurricane Irene recovery efforts.

The initiative will contain three key components: an awards program honoring the best Occupy groups; a grant program to start Occupy movements in communities that don't have one; and a staff to coordinate the various Occupy organizations.

Perdue said she convinced the Golden LEAF Foundation and the Z. Smith Reynolds Foundation each to contribute \$100,000 to fund the program for one year, and expects it to last no more than a year. "These Occupy



Josh Harris, at right in blue-plaid shirt, has been hired by Occupy Czar Bob Etheridge for his media savvy and ability to get his face on TV and in newspapers. (CJ photo by Don Carrington)

folks will surely be gone after the 2012 election," she said.

Etheridge hired as his first staff member Josh Harris, an Occupy Raleigh protest leader and former financial adviser who showed an uncanny knack for being shown on television and in newspapers, becoming known to many as "Fidelity Boy" because of a shirt he wore early in the protests.

"I am counting on Josh to deliver results. He obviously understands the media," Etheridge said. "But a lot depends on getting more grant money.

The governor made it clear that no taxpayer money should be used for this program."

Etheridge said he already has appointed an award committee and a grant committee.

"Occupy Raleigh and Occupy Chapel Hill have been identified as nominees for our award program," Etheridge said. While the committee will make the final decision for the first award, he thinks Chapel Hill has the edge. "You know the occupiers are making a difference when the police

bring out a SWAT team," he said.

The first award of \$3,000 will serve as a startup grant for Occupy Roanoke Rapids, a group that plans to take over the building and grounds of the city-owned complex on Interstate 95 formerly known as the Randy Parton Theatre.

"They have a unique situation up there in Roanoke Rapids," Etheridge said. "The facility is underutilized. Occupiers won't really bother anyone, but they will be very visible. Thousands of vehicles pass by there on a daily basis, so we are expecting to get national attention. Josh will be up there helping the folks organize, and we are on schedule to have a viable occupation movement by Dec. 15."

Perdue told *CJ* she had no plans to respond to the Occupy phenomenon until she received a visit from three elected officials who support the Occupy movement: Secretary of State Elaine Marshall, U.S. Rep. Brad Miller of Raleigh, and state Rep. Bill Faison of Orange County, all Democrats.

"I didn't want to deal with those nasty kids, but I owed Elaine a favor, and Bill promised he wouldn't primary me if we lent a hand to the occupiers," Perdue said.

Anyone with suggestions for ONCI can contact Etheridge via email at [whoareyou@nc.gov](mailto:whoareyou@nc.gov). *CJ*

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