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CAROLINA JOURNAL

Statewide Edition
February 2008 • Vol. 17, No. 2

www.CarolinaJournal.com

A Monthly Journal of News,
Analysis, and Opinion from
the John Locke Foundation

www.JohnLocke.org

Raleigh Plan Spurs 'Planning vs. Freedom' Questions

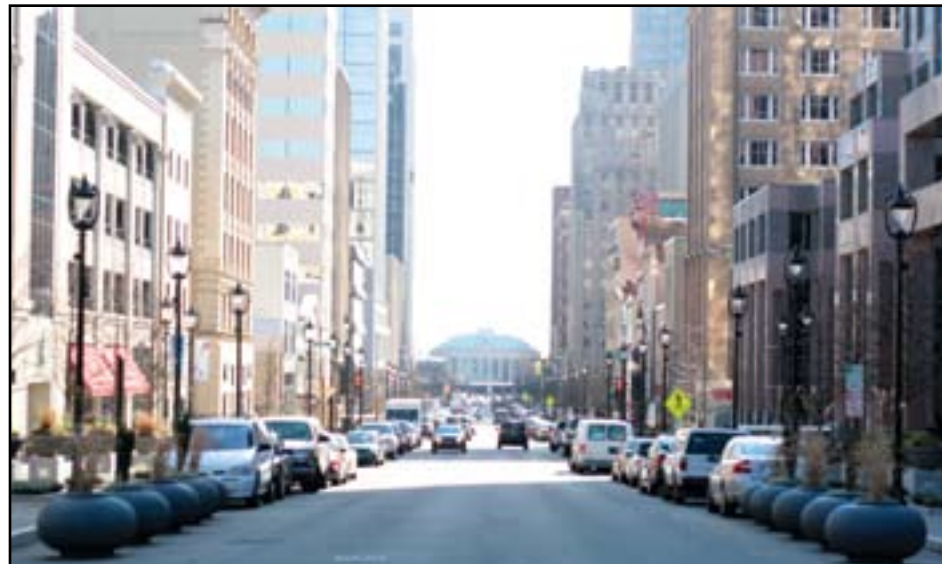
Critics of new city plan
say it will result in
a loss of property rights

By DAVID N. BASS
Associate Editor

RALEIGH
Raleigh officials say they are updating the city's comprehensive plan to better manage growth, but some see dire consequences as a result of the effort.

Some elected officials fear the plan could violate private property rights, inflate taxes and cost-of-living expenses, and drive development and industry away from the region.

"The property owner is the real loser in this," said Wake County Commissioner Paul Coble, a former Raleigh mayor and city council member. "When they add up revaluation, higher taxes, and fewer property rights, people are not going to be happy campers."



The new city plan would "refocus" development in already-developed areas such as downtown, say city officials. (CJ photo by David N. Bass)

The city says the plan, which was last updated in 1989, will reduce urban sprawl and achieve environmental sustainability, public records show.

Raleigh's comprehensive plan is an official policy statement on where

public officials hope to take the city by 2030. The new comprehensive plan is designed to provide a framework for city leaders to steer the region's land use, urban design, transportation structure, and environmental protection.

Regional growth

Raleigh is one of the fastest-growing metro regions in the country. Population estimates released last year by the U.S. Census Bureau ranked Raleigh eighth on a list of the top 10 cities with the highest growth rates from 2000 to 2006.

Raleigh is home to nearly 370,000 residents and is estimated to double in size over the next 20 years, according to city planners. Facing these growth projections, Raleigh's Department of City Planning issued a request for proposals in January 2007 asking for bids from qualified consultants to assist the city with the creation of a new comprehensive plan.

The proposal request says the selected consultant team "will be responsible for land use and data analysis and the bulk of the plan narrative, including key elements for which the City lacks the

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Basnight, Black Instrumental in Launch of Randy Parton Theatre

By DON CARRINGTON
Executive Editor

RALEIGH
State Senate leader Marc Basnight, then-House Speaker Jim Black, and DOT Transportation Secretary Lyndo Tippett helped state economic developer Rick Watson launch the Randy Parton Theatre in Roanoke Rapids, according to documents obtained by Carolina Journal.

Basnight and Black were instrumental in moving the project forward, while Gov. Mike Easley's transportation

secretary, Tippett, approved special funds for the project.

Watson was the president and CEO of the state-funded Northeast Commission, a regional economic development organization. Records show he began working on a theater concept as early as August 2004.

A Dec. 16, 2004, letter from commission attorney Ernest Pearson to Watson revealed the plan to secure support from key leaders. "Attached is a draft of a letter which can be used to evidence the commitment of senior legislative

and executive branch officials to support the Parton entertainment project," Pearson wrote.

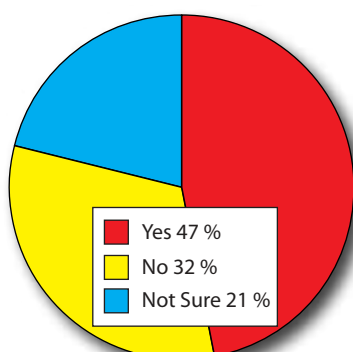
Pearson had used this tactic before. "This is very similar to letters like I have used for previous projects that need some level of support to be shown as to a future legislative action," he wrote. "I think it goes about as far as we can. They obviously cannot commit to what the 170 members of the legislature will do in the future. To imply otherwise, would likely not be credible to anyone and I do not think any legislative leader would

sign it if we implied that they could control a future legislative action. On the other hand, everyone should know that if the officials who are indicated sign this letter, it would be highly likely that the requested assistance would be approved."

The draft letter had signature lines for Easley, Basnight, Black, and Lt. Gov. Beverly Perdue. On Jan. 18, 2005, Black sent Parton a letter supporting the proj-

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Should the state eliminate the 100-school cap on charter schools?



John William Pope Civitas Institute Poll, Jan. 2008

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Raleigh, NC 27601

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Published by
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Raleigh, N.C. 27601
(919) 828-3876 • Fax: 821-5117
www.JohnLocke.org

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Carolina Journal is a monthly journal
of news, analysis, and commentary on state
and local government and public policy issues
in North Carolina.

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Plan Spurs 'Planning vs. Freedom' Questions

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necessary capacity and expertise, and/or where new thinking and national best practices are needed."

Ken Bowers, deputy planning director for the city's Planning Department, said the age of the current comprehensive plan is one reason why planners saw the need for an update.

"The plan itself has been a good plan, but the city is some 70 percent larger than it was in terms of land area," Bowers said. "There has been a change in development trends of certainly a lot more refocusing of development in areas that had already been developed, in contrast to the past when development was on greenfield and undeveloped land."

Planning officials created a 24-month timetable for completion of the revision. The project is split into five phases. The planning department will end phase two (called "define the plan") in early February. A final draft plan is to be completed by early 2009.

In April, the city council chose HNTB, an infrastructure consulting firm, to help complete the update of the comprehensive plan. The city signed a contract with HNTB Aug. 7, paying the firm \$600,000 and making available a reimbursement account for additional services.

According to Mitchell Silver, director of the City Planning Department, the update of the plan is on schedule, and the relationship between the city and HNTB is "working out very well."

Engaging the public

As the project moves forward, the planning department has scheduled a series of seminars to solicit public feedback on how the plan is revised. The first round of workshops was conducted in mid-November, and two more rounds are scheduled for March, October, and November.

More than 300 residents attended the workshops in November, according to the planning department's Web site. Participants discussed "the state of the city, whether the vision and themes were on-target and resonant, and what issues should be given particular focus as part of the plan update."

Regional transit was the No. 1 issue at the workshops, followed closely by affordable housing, Bowers said.

Starting in January, planners began conducting eight "stakeholder meetings," where the public may attend but not speak. These meetings will focus on the needs of specific interest groups, such as environmentalists or developers.

City planners are trying to be as involved in the community as possible, Bowers said. "There is a standing invitation to any community group — planning staff will come out and give a presentation and answer questions,"



"Our intern chose to use phrases that were colorful, but not necessarily how I would have described it."

Ken Bowers
Deputy Planning Director
City of Raleigh

he said.

'Garbage in, garbage out'

Although planners stress community involvement, documents obtained by *Carolina Journal* through a public records request indicate a different tenor of comments regarding public input among some contributors to the new comprehensive plan.

On Aug. 3, staff from the planning department, including Silver and Bowers, met with public officials and consultants to discuss the project. Minutes taken during the meeting show that at least one consultant, Don Edwards, principal and CEO of the Washington, D.C.-based Justice & Sustainability Associates, LLC, questioned the ease of resident engagement in the planning process.

"Plan to increase citizen participation and better define neighborhoods," the minutes say. "Don adds that engaging citizens can actually be quite a pain and everyone seems to agree."

When questioned about the comment in a phone interview with *CJ*, Edwards first asked who wrote the minutes and then said he could not recall whether he made the comment.

"I didn't write the minutes," he

said. "I don't know if I said it or not."

According to the Justice & Sustainability Associates Web site, the organization's goal is "the creation of technologically smart, culturally competent, environmentally secure, economically just, moral, humane 'beloved communities' across the world." Edwards is serving on the project as an HNTB adviser.

Participants made several other remarks regarding public feedback during the course of the meeting. At one point, the minute taker wrote, "Before we get citizens' input, they need to be informed and educated so their input can actually be helpful. We need thoughtful input, not crazy ideas. (Garbage in, garbage out.)" At another point, the question was posed, "How restrictive should this plan be? Are people simply afraid of being told what to do, and should those people not live in Raleigh?"

In response to the remarks, Silver said the meeting was the first time the Planning Department's core group met with consultants for the project. Participants were free to make comments or ask questions.

"I don't know who added the embellishment of 'garbage in, garbage out,' but we have made it a priority to educate," he said. "We have heard many knee-jerk or shooting from the hip comments. For example, if people say we shouldn't grow, we should explain how no growth could hurt an economy."

Bowers refused to vouch for the accuracy of the notes since the Aug. 3 meeting was informal, with participants taking internal notes that were "cobbled together."

"These are not official minutes," Bowers said. "Our intern chose to use phrases that were colorful, but not necessarily how I would have described it."

He added that Edwards, who facilitated the meeting, "is constantly pushing us to go further with being ever more inclusive with our public outreach."

"It's a lot of work to do a community outreach process, so it's a pain in the sense that owning a house is a pain or other things are a pain that are worthwhile," Bowers said.

Asked to clarify the section suggesting that Raleigh residents who can't follow orders should leave, Bowers said he could not recall the remark. "That does not ring a bell with me, and I can't imagine that someone would have said that," he said. "The tenor of the meeting was not to express sentiments of that nature, and I don't know why that was in there."

Political fallout

Other documents obtained by *CJ* suggest that city planners have tested the political waters in determining which growth strategy to pursue. Silver sent an

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Basnight, Black Instrumental in Launch of Parton Theatre

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ect. Black's letter incorporated many of the phrases used in Pearson's draft.

Black wrote, "I wanted to take the time to let you know that I was sincerely pleased to learn of your company's interest in locating an entertainment facility in the Northeast region of the state. Please know that I am very supportive of this project, and I certainly will do what I can."

"I would appreciate you sharing your business plan with members of the legislature in order to gather support for any needed legislation." CJ did not find similar letters from Easley, Perdue, or Basnight in records obtained from the Northeast Commission.

Meetings with Parton

On Oct. 27, 2004, Watson met Parton and his wife Deb at the Raleigh-Durham Airport and escorted them to scheduled meetings with state officials. According to the itinerary, they met with Rolf Blizzard, chief of staff to Basnight. Then they met with Black's staff members Meredith Norris, Rita Harris, and Patrick Clancy, while Black participated by phone. Finally, they met with Frank-

lin Freeman, senior policy adviser to Easley.

On May 10, 2005, Watson met in Raleigh with former Gov. Jim Hunt to discuss the theater project. On Dec. 3, 2005, Watson's travel records show he took the Partons to Manteo to meet with Basnight.

CJ could find no record of Watson and Parton meeting with Perdue in the early stages of the project, but one e-mail shows that Watson was planning to meet with Perdue in 2006.

"I think we need to talk with Allan Fluke. We are going next week with him to Lt. Governor Perdue and Golden Leaf



Letter from Dolly Parton compliments Rick Watson on his "impressive investment company."

for \$10 million commitment for the Amusement Park," stated a Sept. 1, 2006, e-mail from Watson to Dennis Nelson, a Nashville, Tenn., entertainment consultant.

Watson and others involved in the Parton Theatre said they also planned an amusement park and other attractions for the Carolina Crossroads entertainment district where

the theater is situated.

Fluke, a Raleigh-based entertainment consultant, told CJ in January that he had met with Watson but that he never went with him or alone to meet Perdue on business related to the theater or other Carolina Crossroads projects. He

said he had only a brief association with the project to explore the possibility of an amusement park.

Perdue's spokesman, Tim Crowley, told CJ in January that she did not sign a letter in support of the project and that she never met with Watson about the project, but, "She thinks she bumped into Rick Watson at an event where he may have brought it up."

Watson apparently tried to get the attention of state leaders in another way. Campaign finance records show that after he started the Parton project Watson gave \$500 to Basnight on Sept. 11, 2004; \$500 to Easley on Sept. 22, 2004; and \$500 to Black on Oct. 28, 2004, and another \$500 on Jan. 26, 2005. He gave \$500 to Beverly Perdue on May 22, 2006. Since 1997 Watson has given a total of \$6,250 to Basnight, \$2,550 to Easley, \$1,750 to Black, and \$950 to Perdue.

Leaders deliver

In 2005 the General Assembly approved the legislation to create an entertainment district in Roanoke Rapids. That action was necessary before the Local Government Commission could

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Raleigh Plan Spurs 'Planning vs. Freedom' Questions

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email dated Oct. 30 to Jane Dembner, an associate vice president for HNTB, describing the ideological composition of the Raleigh City Council. Silver sent the e-mail shortly after the 2007 municipal elections, in which new council members favorable to stricter development regulations were elected.

"I spoke to a few members [of the City Council] and the agenda will not be slow growth, but most likely sustainable growth or balanced growth," Silver wrote in the e-mail. "I will try to get a better understanding of what 'balanced growth' means... The mayor would most likely want to keep the council balanced as it relates to growth. I am hearing there is some concern about a full progressive agenda whatever that is."

In response to his statements in the e-mail, Silver said that Dembner was checking in to see what "the mood of the city" was regarding growth. "Initially, the consultants were asking me, 'Is there a slow growth agenda moving forward?'" Silver said. "From what I have observed, my belief is that we should continue with balanced growth."

Asked to define what balanced growth looks like, Silver said it could mean "more concentrated and more dense development in areas, lower density in other areas."

Silver and Bowers agreed the update of Raleigh's comprehensive plan



"Will the comprehensive plan really achieve what it's designed to achieve, or are we just trying to social engineer?"

Paul Coble
Wake County Commissioner

would not push growth away from the region, but a recent study by the Heritage Foundation found that regulation-heavy areas of the country are losing residents to other states.

Citing data from the U.S. Census Bureau, the study said that domestic migration—defined as the number of residents who move to a state minus the number of current residents who leave that state—is common between states that favor more stringent regulations and those with more flexible regulations.

Between 2000 and 2005, for example, California, New York, and Massachusetts lost hundreds of thousands of residents, while areas with more competitive land-use practices, such as Arizona, Florida, and Nevada, gained population.

Coble said that decisions made by the planning department might push people outside the Raleigh city limits, worsening the very thing that planners

hope to avoid — sprawl.

"Government has never been successful at dictating what the free market and economic forces should decide," Coble said. "They will almost always overstep their bounds."

Due to Raleigh's extraterritorial jurisdiction, other areas of Wake County could be affected by the new comprehensive plan, Coble said.

"Will the comprehensive plan really achieve what it's designed to achieve, or are we just trying to social engineer?" Coble asked. "Is a group of planners and/or elected officials trying to thrust their own personal opinions on lifestyles, transportation, housing decisions? Are they trying to foist that on citizens, sometimes against citizens?"

The Heritage study also found that taxpayers could bear the brunt of local land-use regulations as those residents priced out of the market come to rely on government assistance. In such a situa-

tion, taxpayers "across the nation could be forced to offset the costs of counterproductive local land-use policies."

Raleigh's updated comprehensive plan will not drive away residents or businesses, nor will it adversely impact landowners, Silver said. Instead, it will open up opportunities to keep the city growing.

"Raleigh is not pursuing no growth," he said. "That would be counter to what's best for the city."

Property concerns

Other elected officials are concerned about private property rights. Philip Isley, a city council member from Raleigh's northwest district, said the city's plan needs to be updated but should not be used as a weapon to limit landowner freedom.

"As I listen to people around the table who are trying to determine what can be built where in existing neighborhoods," Isley said, "it seems very obvious to me that this is another end run on trying to limit what people can do with their own property in a city that many believe has been built out enough."

Coble said infringement on private property rights is one of his greatest concerns with the comprehensive plan update.

"In the process of social engineering, the city may very well take people's personal property rights," he said. CJ

Gubernatorial Candidates Tackle Issue of Economic Incentives

Two Democrats and three Republicans took part in event

By DAVID N. BASS
Associate Editor

RESEARCH TRIANGLE PARK
Five candidates vying for North Carolina's top executive office argued about how best to manage growth, illegal immigration, and financial incentives during a debate broadcast statewide Jan. 10.

The forum, the first in a series of three sponsored by UNC-TV before the primary May 6, focused on economic issues. The three Republican candidates — Bill Graham, Bob Orr, and Fred Smith — participated in the first half of the hourlong debate, while the two Democratic candidates — State Treasurer Richard Moore and Lt. Gov. Beverly Perdue — took up the second half.

One of the top questions was whether North Carolina should continue using taxpayer dollars to attract new industries. Orr, a former N.C. Supreme Court associate justice, was the only candidate to condemn financial incentives outright.

"Everyone knows that I have felt that the use of large, targeted incentives is the wrong policy for North Carolina," Orr said. "What we have to do is take again these resources and invest them, not in these larger packages of tax breaks and grants to a selected handful of corporations, but we've got to use those incentive dollars for all our businesses."

Other candidates expressed displeasure over incentives, but they said the option needs to be kept on the table.

"The problem with incentives is they're patently unfair...[but] to have



Bill Graham, Republican candidate



Bob Orr, Republican candidate



Fred Smith, Republican candidate



Richard Moore, Democratic candidate



Beverly Perdue, Democratic candidate

every tool in the economic development toolbox available is something that's very important," Moore said. "As long as we're competing with other states in this matter, we're going to have to have them."

The candidates also discussed solutions for North Carolina's deluge of illegal immigrants. Moore and Perdue blamed the federal government for failing to pass immigration reform.

"I suggest that Washington do what Washington is supposed to do — that's why we send them to Washington — and pass a comprehensive immigration reform, and pass it very quickly as they go back to Washington," Perdue said. "What I mean by that is a really fair, controlled access for people to come into this country, because we're a country built on legal immigrants."

Smith, a state senator from Johnston County, said border protection is necessary for the United States to remain a sovereign nation. "We've got a governor and the president of our community college system picking and choosing which laws they want to enforce and which laws they won't enforce," he said. "That's not a good example for our people."

How best to handle economic growth and diversity was another topic candidates discussed. Graham, known for his statewide campaign against North Carolina's gasoline tax, said high taxes are burdening the state economy.

Many governors around the country try to attract new businesses that end up in one county, causing the region to become dependent on a single industry, Graham said.

"We've got to diversify each one of our counties, so that we're not just dependent upon one economic sector of the economy," he said.

When asked how he would handle the state's budget, Graham emphasized more transparency.

"One of the first things we need to do with the budget process and with the government in Raleigh in general is shed a little sunshine into the General Assembly and also into the executive branch," Graham said. "There need to be live streaming webcams in the Senate and the House so that we can see how this stuff is put together."

On growth, Orr pointed to reform in public education as a key to generating sustainable economic expansion, while Smith said that growth might be a problem for urban areas but that rural counties, such as Greene and Jones, would love to grow more.

"We're either going to grow and thrive, or we're going to wither and die," Smith said.

Perdue said she would work to create a unique green economy. "I believe that North Carolina can lead the country in how we go green and how we decide in this state that green is gold," she said.

The three Republican candidates avoided criticizing one another throughout the evening, underscoring what has been a largely tame campaign for the GOP gubernatorial nomination. Perdue and Moore, on the other hand,

traded attacks on several topics, including the Randy Parton Theatre in Roanoke Rapids. Moore, who is chairman of a committee that approved financing for the theater, has come under fire for his connections to the project.

"We would like to know the background on [the theater]," Perdue said. "We would like to know why the decisions were made, and I would like to ask the treasurer publicly, because a lot of us have asked the treasurer, to soon release the feasibility study so that we can all understand the party palace of Randy Parton."

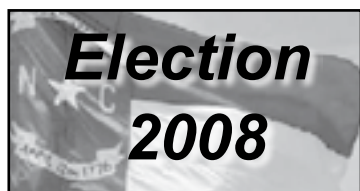
Moore countered that Roanoke Rapids is only six months into the theater project, while the Research Triangle Park took 30 years to be successful.

"Beverly, you don't have your facts straight," Moore said. "We've made everything public in the feasibility study, and I would love it if you'd agree to a more lengthy discussion so we could talk about this."

"We'll talk about it in another debate and at another time," Perdue responded, "but I think that we all deserve to know where those \$20 million in tax dollars went and what happened to the feasibility study."

Later in the debate, Moore went on the offensive against Perdue's proposal aimed at making college tuition more affordable, saying the plan is "typical of what's wrong with Raleigh."

"You spent the last 20 years never meeting a tuition increase you didn't like," Moore said. "We've already got a North Carolina promise — it's in the state constitution that says that tuition will be as free as possible. So you drive up tuition for 20 years, and then you turn around and have a new program that five, eight years from now is going to help people. We need to get our people in college now." CJ



Basnight, Black Instrumental in Launch of Parton Theatre

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consider allowing Roanoke Rapids to borrow \$21.5 million to finance for the project.

In 2006 Basnight and Black each also designated \$500,000 from Department of Transportation accounts that they controlled to rebuild state roads adjacent to the theater.

Also in 2006, Tippet approved an additional \$2 million in economic development highway funds to rebuild roads at the theater.

A 2005 feasibility study stated that the theater was expected to receive

marketing support "including \$500,000 in initial marketing and advertising, an appropriation of \$800,000 from the North Carolina General Assembly, \$200,000 from the state of North Carolina, and \$500,000 from Governor Easley." The Assembly did approve \$500,000 in 2005, but the rest of the money did not materialize. Easley's office denied making any such promise.

A failed concept

The Parton Theatre is one of North Carolina's most unusual economic

development projects. Parton came to North Carolina without a viable company, without an established band, and apparently without money of his own to invest in the project.

Watson and Parton proposed building up to 20 such theaters in northeastern North Carolina and sought proposals from the 16 counties. The deadline for proposals was Dec. 3, 2004.

In June 2005 Parton signed a deal with city officials to build his first theater in Roanoke Rapids. Parton performed his first show July 26. He normally gave performances four days a week, but he

did not schedule any other acts. City officials became concerned when they frequently saw fewer than 100 people per show in the 1,500-seat facility.

Parton could not produce the crowds and revenue necessary to pay off the money that Roanoke Rapids borrowed for the project, so the city cut his pay and hired a new management team. City officials refused to let him perform after they say he showed up intoxicated for a show Dec. 6. He was not allowed to perform again. On Jan. 8 the city council renamed the facility the Roanoke Rapids Theatre. CJ

Peer Review Lambasts CAPAG Consultant's Report

By CJ STAFF

RALEIGH

A consultant's report on proposed global warming policies is plagued by problems that render it useless to N.C. policymakers, a recent peer review by a Boston-based economic research group says.

The review of the N.C. Climate Action Plan Advisory Group report arrived as the legislative climate change commission met Jan. 16 in Raleigh. The commission considered 56 recommended policy options for North Carolina to reduce greenhouse gas emissions. Advocates think reducing emissions will mitigate global warming.

"This peer review raises serious questions about the process North Carolina has used to come up with these proposed climate change policies," said Dr. Roy Cordato, John Locke Foundation vice president for research and resident scholar. "The legislative commission should think twice before using this discredited NC-CAPAG report to make any changes that could have dramatic negative consequences for North Carolina consumers and taxpayers."

This is the second peer review in the past week from the Beacon Hill Institute at Boston's Suffolk University. A peer review issued Jan. 9 found serious flaws in the work of the Appalachian State University Energy Center. The Energy Center used a faulty model and questionable data from the NC-CAPAG report to project economic benefits for North Carolina.

"This new peer review marks the latest blow against the bad economics tied to these global warming policy recommendations," Cordato said. "First,



"This peer review raises serious questions about the process North Carolina has used to come up with these proposed climate change policies."

Dr. Roy Cordato
Vice President for Research
John Locke Foundation

we learned that Appalachian State University researchers used a bad model to project hundreds of thousands of new jobs and economic benefits for North Carolina. With this second peer review, we learn that more than just the model was bad. The data used as the primary input for the model are bad as well. So we have bad data, a bad model, and results that are worth less than the paper used to print them."

The Beacon Hill Institute has served since 1991 as research arm of Suffolk University's Department of Economics. Peer review report author Ben Powell is an assistant economics professor at Suffolk with a doctorate in economics from George Mason University.

Powell focused on the cost-benefit methods used for the NC-CAPAG report by the Center for Climate Strategies, a Harrisburg, Pa.-based consultant. The center helped formulate North Carolina global warming policy recommendations and estimated their costs and benefits. Powell had found "serious flaws"

in the center's methods in an earlier peer review issued in October 2007.

"Unfortunately for North Carolina policymakers, these same ... problems plague the NC-CAPAG study, rendering it useless for making any informed policy choices," Powell wrote in the peer review. "We have briefly examined the cost-benefit assumptions for the five most important proposals in the NC-CAPAG report. In each case we have found the analysis to be seriously flawed."

The 56 global warming policy proposals under consideration for North Carolina include ideas that would increase taxes, restrict land use, ration energy use, and raise energy costs.

"Surprisingly, the NC-CAPAG report claims that the implementation of these measures would bring 'significant cost savings for the State's economy,'" Powell wrote. "The NC-CAPAG report gives the impression that the state policy makers can have their cake and eat it, too, and that North Carolina can both reduce greenhouse gas emissions and at the same time actually save the economy

money. Unfortunately, the seriously flawed nature of the report undermines these conclusions."

The Beacon Hill Institute peer review labels as serious flaws: the NC-CAPAG report's failure to estimate any dollar value for the benefit of reducing greenhouse gas emissions; the report's routine mistake of treating costs as benefits, especially when discussing new jobs; and the report's underestimation of costs tied to proposed global warming policies.

Those flaws raise serious questions about any conclusions listed in the NC-CAPAG report, according to the peer review. "This finding — that mitigating [greenhouse gas] emissions amounts to a free lunch — does not hold up under scrutiny, and is an artifact of NC-CAPAG report's unrealistic assumptions and incomplete listing of costs."

After picking apart faulty analysis within five proposed global warming policies, Powell concludes that the NC-CAPAG report offers "zero guidance" to policy makers. There's "no sound scientific basis" for claims that the proposed policies would save North Carolina billions of dollars, according to the peer review.

"NC-CAPAG's cost savings estimates are not just wildly optimistic; they are the product of a purely fictitious analysis," Powell wrote. "Its cost savings estimates cannot be believed, and it fails to quantify the monetary benefits of reduced carbon emissions. Thus policy makers are left with no basis on which to judge the merits of the NC-CAPAG report's recommendations for action on the mitigation of emissions of greenhouse gases." CJ

Homeowners Say Watershed Rules Infringe on Private Property

By DAVID N. BASS
Associate Editor

RALEIGH

Dozens of residents attended a meeting of the Raleigh City Council and Planning Commission on Jan. 22 to fight a proposed watershed ordinance change that opponents say would infringe on private property rights in the name of environmental conservation.

The proposal would zone approximately 5,000 acres in North Raleigh as a watershed protection area overlay district in hopes of preserving a potential source for drinking water. The zoning change is designed to comply with a law approved by the General Assembly that limits what residents living in a watershed can do with their property.

Raleigh is required by state law to adopt the watershed ordinances or face possible fines, according to documents available at the public hearing. The city had delayed implementing the ordinances for more than two years while unsuccessfully pursuing appeals to the

state's Environmental Management Commission and through the courts.

Nearly all residents at the public hearing, however, had little patience with the city's efforts. Michael Munn, a resident of the Woodspring subdivision who attended the hearing on behalf of his homeowner's association, took council members to task for waiting until two weeks before the public hearing to notify homeowners of the proposed ordinance change.

"Homes are typically the largest investment that an individual will make,"

"Homes are typically the largest investment that an individual will make, and it will be damaging to impose on our property rights and encumber our properties with unnecessary restrictions."

Michael Munn
Woodspring
Homeowners Association

Munn said, "and it will be damaging to impose on our property rights and encumber our properties with unnecessary restrictions which have a negative impact on our ability to construct improvements to our property and affect our potential resale value because of a confusing zoning overlay district."

Another resident, Donald Reel, asked city council members to consider the impact the zoning ordinance would have on home values. Reel said the proposal's negative impact would far outweigh any benefits.

"This proposal would put an encumbrance on my property and the property of others, and would severely impact our ability to sell our homes when other neighborhoods simply do not have this encumbrance," Reel said.

Only a handful of residents addressed council members directly, but two-thirds of those seated in the council chambers stood when Mayor Charles Meeker asked those opposed to the zoning ordinance to rise.

Only one resident, a representative of a local environmental group, spoke in favor of the zoning change, saying that protecting water quality means homeowners must give "something up for the good of all."

Raleigh public officials are currently in the process of updating the city's comprehensive plan, which is an official policy statement providing a framework for land use, urban design, transportation structure, and environmental sustainability.

A final draft plan will be completed by early 2009. CJ

NC Delegation Watch**Myrick Wants Facility**

Gaston County could soon be home to a detention facility for illegal immigrants, according to a statement by U.S. Rep. Sue Myrick, R-N.C. Current plans are proceeding after "insurmountable obstacles" prevented the facility from being located in Mecklenburg County, according to Myrick.

"I am as determined as ever to get a detention and deportation facility for our area," Myrick said. "We have a limited amount of time to make this happen. We are currently reassessing our options, and Gaston County could be one of the options. As things become more clear and concrete, I will let the public know more about the detention and deportation facility."

Discussions to open the deportation facility began in mid-December and involve the U.S. Department of Immigration and Customs Enforcement, according to the *Gaston Gazette*. The facility would house illegal immigrants awaiting deportation to their home counties.

Jones Pushes Border Bill

U.S. Rep. Walter Jones, R-N.C., introduced legislation Jan. 16 that would require construction of a double-layered fence along 700 miles of the U.S.-Mexican border by the middle of 2009. The bill would also authorize all funds necessary to complete the project.

"By fully funding a physical fence across the U.S.-Mexican border, and setting a date for completion, we can regain control of our nation's borders and stop the flood of illegal immigration," Jones said. "The illegal immigration crisis is causing higher taxes for social services, higher costs for health insurance, and it costs our public schools millions each year. It also threatens national security, as our open borders provide an easy entry point for terrorists who wish to do us harm."

The bill requires the fence be completed by June 30, 2009. Rep. Peter King, R-N.Y., ranking member of the House Homeland Security Committee, joined Jones in introducing the legislation. The bill has 17 cosponsors, including N.C. Reps. Sue Myrick, Virginia Foxx, and Howard Coble.

An exact cost for the fence is unknown, but when Congress passed the Secure Fence Act in October 2006, a House committee estimated that the fence would cost \$2 billion to \$4 billion. CJ

'We're looking at a tsunami'**Will: Conservatives Have Reason to Worry**

By MITCH KOKAI
Associate Editor

CHARLOTTE

Conservatives have good reasons to worry about the outcome of the 2008 presidential race, political analyst George Will warned a John Locke Foundation audience five days before the Michigan primary.

"The bottom line, ladies and gentlemen, is that we are looking at a tsunami," Will told more than 200 people at JLF's 18th anniversary celebration Jan. 10 at the Charlotte Westin. "If the Democrats can't win the presidency this year, they have to get out of politics."

"I mean, it is not being insulting to our president to just acknowledge the fact that it is not the 22nd Amendment that's preventing him from seeking a third term," said Will, a Pulitzer Prize-winning writer, *Newsweek* contributing editor, network television analyst, and syndicated columnist whose work appears regularly in 480 newspapers. "He must feel like Herbert Hoover did when in 1932, on the eve of the Roosevelt landslide that swept him out of office, a disgruntled voter sent Hoover a telegram that said: 'Vote for Roosevelt and make it unanimous.'"

 Dems will choose Obama

Will said he thinks Democrats will choose Illinois Sen. Barack Obama over N.Y. Sen. Hillary Clinton as the party's 2008 presidential nominee. "I think he'd be better for the country, and a Clinton restoration is just too weird-sounding."

The Republican picture is not as clear, Will said. "[Rudy] Giuliani is testing a theory about how to compete in the primaries, and we're going to see if he's right," Will said. "I think [Mitt] Romney would be an excellent president. He just doesn't connect with the voters so far. And Mr. [John] McCain is an acquired taste."

The McCain-Feingold campaign finance restrictions constitute "the worst law passed in my lifetime," Will said. "It is, however, arguable that McCain is the front-runner, and it is arguable that McCain would be the strongest candidate against either of those two Democrats," he said. "Some of us will have to decide how badly we want to win."

Will offered advice to the one Republican candidate with extensive business experience. "If I were Romney, the one candidate who actually knows how wealth is created in this country because he's done it ... I would say a simple question: Who do you want to be president in 2010 when the Bush tax cuts expire? It's a simple question, and it will concentrate people's minds."

Regardless of campaign strategies, all normal indicators point toward a Democratic presidency, Will said.



Columnist George Will makes a point at the John Locke Foundation's 18th anniversary event in Charlotte on Jan. 10. (Photo by Jim Woltjen)

"Seventy-two percent of the country says the country is on the wrong track," he said. "Fifty-seven percent of the American people say we are already in a recession."

Recent American history also points to a change in the president's political party, Will said. "Since the Second World War, only once — George Herbert Walker Bush — has a party extended from two to three consecutive terms in the White House."

Republicans also have a geographic problem, Will said. "Republicans who for years have been saying they have wonderful strength in the South, now have a problem in the North," he said. "When New Hampshire shifted [in 2004] and voted for John Kerry, it gave the Democrats all 37 electoral votes from New England. There are 22 congressional seats in New England. Twenty-one of them are Democratic."

In 2000, George W. Bush became the first president in history to win the presidency without carrying a majority of Northern electoral votes, Will said. Bush won re-election in 2004 only because he earned a narrow victory in Ohio. "Ohio was the only large state outside the South that he carried."

Geographical factors

Those geographical facts have been good for Republicans in recent years, Will said. The GOP has dominated 173 electoral votes in the 11 states of the old Confederacy, plus Kentucky, Oklahoma, and West Virginia.

Republican success in Western states has forced Democrats to focus on just 19 states that can give them enough electoral votes to win. "That is a recipe for being up late on election night staring at the state of Ohio with tears running down your cheeks, which is exactly what happened to John Kerry."



Now there's a new competitiveness, Will said. "Democrats are meeting this year in Denver," he said. "They're convening in Denver because the Mountain West — which in the 1990s was even more reliably Republican than the South was — the Mountain West is not so any more."

Today five of the eight Mountain West states have Democratic governors, compared to zero Democratic governors five years ago, Will said. "A change of 65,000 votes combined in New Mexico, Nevada, and Colorado would have made John Kerry president."

A religious test

"The competitiveness is growing, and the Republicans are decreasingly competitive outside the South," he said. "This is why some of us find Gov. [Mike] Huckabee so alarming, in addition to his alarming views. [If nominated] he would reinforce the image of the Republican Party as a Southern party with almost a religious test — certainly a religious pretension — that a good many people all over the country, including in the South, find disturbing."

"All of this is why I say it behooves us well to understand that the Republicans who are now voting to select a nominee hope they are picking a president, but president or not they're picking someone the choice of whom will define what their party still considers important. So this choice matters independently of what happens Nov. 4."

Republican presidential candidates are avoiding some important topics that will have major impacts on the nation's future, Will said. "It is directly pertinent to the mission of the John Locke Foundation, that is strengthening the idea of an entrepreneurial society, with light government, valuing freedom and energy and individual responsibility."

Among the issues candidates are ignoring is the growing burden of federal entitlement programs, Will said. CJ

O'Rourke: Adam Smith Laid Moral Foundations of Capitalism

CHARLOTTE — Author and political satirist P.J. O'Rourke recently addressed a John Locke Foundation Headliner event in Charlotte. He also discussed his recent book, *On The Wealth Of Nations*, with Mitch Kokai for Carolina Journal Radio. (Go to <http://www.carolinajournal.com/cjradio/> to find a station near you or to learn about the weekly CJ Radio podcast.)

Kokai: If you are a student of history, you have probably heard of *The Wealth of Nations*, a book written by Adam Smith of Scotland in 1776, the year of the Declaration of Independence. *The Wealth of Nations* is considered one of the building blocks of economics, but has anyone alive ever read the whole 900-page book? The answer is yes. P.J. O'Rourke wrote a book about the famous book. You could have written about any topic, and you have written about many. Why did you decide it was worthwhile to look at this really long book that is never read and to tell people what it is all about?

O'Rourke: Somebody asked me to after I had had too much to drink. I was out to lunch with this fellow, Toby Mundy, who runs Grove Atlantic, [which] has been my publisher just forever. And Toby Mundy runs our British operation. I was over in London, and Toby and I were out to lunch, and Toby had this idea for this series of commentaries on great books, books you are never ever going to read, daunting books. And so his idea was to get — not experts, really — but enthusiastic lay people to read these great books and explain them to the public. And so we are having lunch, and we are having a little too much to drink at lunch, and he said, "You've read *Wealth of Nations*." And I had had just enough to drink that I said, "Sure, I have." And he said, "Well, why don't you just, you know, whip off something here, just 50,000 words. You know, it won't take you that long." And I said, "Sure." And then I got back home, and I started. I hadn't read *Wealth of Nations*. I had read maybe six pages out of 900. And, not only that, you have to read *The Theory of Moral Sentiments*, this doorstop that Smith wrote before *The Wealth of Nations*, if you are going to understand, properly understand, *The Wealth of Nations*. So it ended up ... Toby was right, it didn't take me that long. It only took me about five, six months to write the book. It took me a year-and-a-half to do the reading. Whew.

Kokai: Despite that, you say in the book, *On The Wealth of Nations*, that this is a very important book, even if people don't read it from cover to cover.

O'Rourke: It is worth reading in. You don't really have to read the whole thing. A lot of stuff has been overtaken by events, and some of the stuff may not



Author and political humorist P.J. O'Rourke speaking at a John Locke Foundation event in Charlotte on Nov. 16, 2007.

have been interesting, even at the time. But it is a crucial ... book about capitalism because it lays the moral foundations for a free market. And Smith is talking about the three necessary things that you have to have for economic progress, and they all have to do with individual freedom. I mean, it is the division of labor, that is to say your right to pick and choose what you want to do for a living, you know, and trade, which is a very fundamental freedom here. And everything he has to say about the — about his fundamental theory of free markets has to do with individual liberty and property rights, starting with our right to ourselves, our right to our own self-possession, our right to be free people.

Kokai: One of the things you write is: "Smith began by asking two very large questions: how was wealth produced, and how was it distributed? Over the course of some 250 pages, he answers: Division of labor, and mind your own business."

O'Rourke: Yes, exactly. Here is what he comes down to. And there is a lot of stuff. You have to realize the poor guy is inventing a science of economics. There is a lot of stuff. And he has no reliable statistics, so every time he comes up with a number when he is trying to prove a point — he is trying to prove the point, for instance, that gold does not have a set value, that it varies in value like any other commodity. But he doesn't have 200 years of the records of the price of gold from some reliable source to go on, so he has to go all over Europe and — pricing things in precious metals — give us each of the statistics and vet that statistic and show us how that statistic is comparable to the next statistic he gives us. And so

"[Adam] Smith is talking about the three necessary things that you have to have for economic progress, and they all have to do with individual freedom ... starting with our right to ourselves, our right to our own self-possession, our right to be free people."

P.J. O'Rourke
discussing Adam Smith's
The Wealth of Nations

it is a huge job, and it is a huge bore to read, but I mean — but it was a necessary accomplishment because it is the beginning of real quantifiable analysis of economics.

Kokai: If anyone knows anything about Adam Smith and the original 230-year-old book, *The Wealth of Nations*, it is probably the phrase "the invisible hand," meaning the unseen force guiding the free-market process. But you mentioned in your book that the invisible hand is not a huge piece of Smith's book.

O'Rourke: "Invisible hand" is mentioned only three times in all of Smith's writing, and once in a dismissive way, where he is talking about people's instinctive understanding of physics, and he said that even the most primitive people don't believe that the hand of Jupiter is necessary, you know, to make water wet or fire hot and so on. And, really, the most important reference to the invisible hand is in *The Theory of Moral Sentiments*, where he is really — what he is talking about, by invisible hand, he means unintended consequences. He doesn't mean that if you just let capitalism do anything it wants that everybody will get rich and everything will be hunky-dory, which is the way the phrase is usually used.

Smith was a rather conservative, proscriptive person about economics. He believed firmly in free markets and in market freedoms, very firmly in those freedoms, but he also believed in rule of law, and he held rule of law to be absolutely the highest good of human governance. He said better, basically, he was saying, to be ruled by mediocre law, you know, than for there to be chaos. Better for the law to be imperfect than to live in a world where, you know, the

mighty take what they want.

Kokai: Would Americans be surprised by what Adam Smith thought of the American colonists fighting for their independence back in 1776?

O'Rourke: He didn't like America. He didn't have much use for the American colonists. He felt, basically, that we had taken all of the benefit from being British subjects — that is to say, basically, defense against the French in the French and Indian War, for which we had paid nothing — and then now we were upset that Britain wanted to tax us. He felt that Britain had every right to tax us. On the other hand, he also felt that we had every right to a say in Parliament, and that — for a solution to this, which was Franklin's early position, too — was actually a union, a proper union, between the two countries, abolition of the colonies as colonies, and a union with Britain.

Kokai: Despite what Smith said, Americans have proven much of what he had predicted to be correct.

O'Rourke: Well, yes and no. I mean, actually, America was remarkably isolationist and protectionist in its economic policies. It was only by dint of our development of a huge internal market that we overcame some of the things that Smith thought would ensure our failure. He felt that the American colonies were likely to fail, partly because he had an 18th century skepticism about democracy.

Their only model, really, was Athens and a few small principalities and some Swiss cantons and some few small, you know, democracies in Italy and the Swiss cantons — but also because he was afraid that we would recede into this protectionist, anti-free trade [state], and we did. And yet our internal market was able to develop so fast and grew so fast that we became rich in spite of our economic policies.

Kokai: If people see this big tome, *The Wealth of Nations*, sitting on their shelves and admit they are not going to read it, what at least should they know about this famous book?

O'Rourke: Well, that is basically my book, is to give the individual reader some idea of what he or she might be interested in, in *The Wealth of Nations*. For instance, there are five books in *The Wealth of Nations*.

One book — and it is the briefest book — is devoted to a kind of economic history of Europe, showing how the middle class essentially defeated feudalism. Even if you aren't interested in the technicalities of economics, but if you are interested in the history of human freedom, that one book in there is an absolutely fabulous book to read. CJ

State School Briefs

School bus cameras

Students on Tracy Howie's bus are "petrified."

And that's a good thing, *The Charlotte Observer* reported.

What's got the kids shaking in their seats are security cameras installed this month on some Charlotte-Mecklenburg school buses, technology that has started to improve discipline, according to drivers and principals.

Next month, almost 40 percent of the fleet will begin receiving Global Positioning Systems to help supervisors track buses and respond to parent concerns.

School district leaders hope the new equipment will help improve safety and customer service, relieving some of the bus-system headaches that have long frustrated parents, principals, and drivers.

The cameras record sound and pictures from four angles. It cost \$374,000 to put them on about 170 buses, nearly 15 percent of the fleet. Since their installation, Howie said, she's written only three or four discipline referrals, down from about 20 a month.

Watching what students eat

If Amy Croom's sons get a second helping at lunch, she knows about it.

But she doesn't have to visit the Wrightsville Beach Elementary School cafeteria to sneak a peek, the *Wilmington Star-News* reported.

With a few clicks of a button, Croom can find out whether Trey, 10; Andrew, 9; or Jac, 7, went back for more of their favorites such as spaghetti, corn dogs, or cheeseburgers. She also can see how many ice cream treats the boys gobble up on Fridays—the only day their school offers the dessert.

An online monitoring system called LunchPrepay.com is giving New Hanover County parents the ability to see how large, or small, their children's appetites are during the school day.

"I can go and see which child is eating the most," said Croom, who is the school nurse at Wrightsville Beach Elementary. "It's nice to see the breakdown of how much they're eating a day."

The school system began offering the online service, which also allows parents to add money to their child's lunch account, in late October to make paying for school meals more convenient. There are 425 families using the service, which is provided at no cost to the district. CJ

Smart Growthers Target Schoolchildren

By JIM STEGALL

Contributing Editor

CHEROKEE

When Jackson County officials began to put together a plan to deal with development along U.S. 441 near Cherokee, they looked to an unusual source for ideas. Schoolchildren from elementary grades through high school were given an opportunity to weigh in with their views on what their community ought to look like 30 years down the road.

Local officials and educators praised their efforts, but the exercise the children were guided through to help them develop their vision has come under scrutiny.

Critics of "smart growth" fear that such exercises might indoctrinate children into accepting increased government control over the use of private property, while short-changing free-market viewpoints.

Highway 441 is the main artery connecting the town of Cherokee with U.S. 74 and the outside world. For most who visit this tourist-dependent area, the bucolic countryside along U.S. 441 is their first introduction to the town.

But officials are worried that new water and sewer lines being laid in the area will lead to commercial development that would harm the image of the region and scare away tourists. Other residents, citing quality-of-life issues, are just happy with the "view shed" as it is and would like to preserve it.

Last year Jackson County commissioners teamed up with the Eastern Band of Cherokee Indians to bring in a Raleigh consulting firm, Kimley-Horn, to create a land development plan for the U.S. 441 corridor.

The Eastern Band operates a number of cultural and recreational tourist attractions in the area and is keen to preserve the rural nature of the land around the road. Funding for the study was provided by the Cherokee Preservation Fund, a foundation that seeks to preserve Cherokee culture and history but has recently taken on economic development projects as well.

Michael Rutkowski of Kimley-Horn explained that getting schoolchildren involved in the planning was an important part of the process, because they would be the ones who would have to live with the resulting development, or absence of it. He said that it was also an educational opportunity for the children. "This helps them understand the process" of community planning, with the emphasis on why it is necessary.

Planning workshops were conducted by Kimley-Horn at Smokey Mountain Elementary School over three days in January, and involved children from most grade levels. The workshops were based on the "Box City" activity developed by Ginny Graves, an art educator, and her architect husband Dean



"Smart growth" proponents are teaching children in Jackson County that development along U.S. 441 is undesirable, and that bucolic scenes like the one above at the Mountain Farm Museum near Cherokee are the preferred development model.

Graves, of the Center for Understanding the Built Environment. According to Graves, the Box City exercise is designed to teach children and adults about architecture, community planning, "and most importantly, the value of being a responsible citizen."

Sheree Case, a sixth- and seventh-grade science teacher at the school had only good things to say about her, students' experience.

"It was really well done, and I was impressed with the students' participation and interest." She said that the students' ideas varied; sixth- and seventh-graders wanted to see shops, restaurants, a mall and a theme park, while the eighth-graders were adamant that the area should remain "natural" and undeveloped.

Case characterized the workshop as "a useful learning experience."

However, it appears that there was little or no discussion about the balance between an individual's right under the Fifth Amendment to the U.S. Constitution to do as he pleases with his own property and the needs or desires of the community.

Case indicated that from what she saw and heard, the emphasis of the workshop was on the children's vision for the future, not the politics of land use regulation.

But such regulations will be central to any development plan the county adopts. According to Jackson County Planning Director Linda Cable, virtually all the land in the four-mile-long 441 corridor is privately held. A memorandum from Kimley-Horn to County Manager Ken Westmoreland, posted on the Web site of the Jackson County planning department entitled "441 Corridor Plan," outlines a proposed "US441 Corridor Protection Ordinance" that would set standards for building types, sizes, placement, and permitted uses.

What's worse, from the point of view of property rights advocates, is that the documents define the regulated area as being from ridgeline to ridgeline. Traditional zoning ordinances regulate development activity in more closely defined areas such as a stated number of feet from the road. Thus, the entire

valley through which the highway runs could be regulated.

Jackson County has had its share of controversy over development recently, and now there's controversy over the use of Box City itself. Ginny Graves calls the activity "a process, not a platform for supporting a certain idea."

Critics counter that there is nothing in the curriculum that leads students to think about the constitutional rights of property owners, either. For example, at no point does the Box City curriculum ask participants to consider the cost to private citizens of public regulations limiting the use of their own property.

In a recent op-ed for the *Smokey Mountain News*, Dr. Michael Sanera, research director and local government analyst at the John Locke Foundation, said, "Any education program about land-use regulation must be a balanced presentation. The Box City curriculum does not pass that test." Sanera pointed out that Box City is a program of CUBE, which lists as its ultimate goal "responsible action" and "knowledgeable community participation," which in his view means electing pro-regulation, smart growth advocates to office.

In an e-mail Ginny Graves pointed out that Box City presenters should not "try to lead people to our [CUBE's or the workshop presenter's] point of view but to help the group formulate their own point of view." However, in response to a question about how Box City defines a "responsible citizen," she wrote, "A responsible citizen votes for responsible candidates even to the point of beginning an initiative to get those who are educated in the issues in office."

Sanera suggests that involving schoolchildren in the planning business is a way for those who want stricter zoning to make the idea more palatable to the public.

"The word 'zoning' is the kiss of death [politically] out there now," he said. He suggests that having schoolchildren first attend biased, pro-smart growth workshops is a cynical manipulation of children to influence the public hearings that follow because many children will take their "lessons" home to mom and dad. CJ

New Poll Indicates Parental Support for School Vouchers

By KAREN WELSH
Contributing Editor

RALEIGH
A recent poll by The Economist found that 53 percent of Americans support school vouchers and that the numbers continue to rise as more parents become disgruntled with public education.

Darrell Allison, president of Parents for Educational Freedom in North Carolina, said his organization started 2 1/2 years ago because of the dismal 66 percent graduation rate in the state. "This has gotten people's attention," he said. "It really resonates. It's really connected with people and has moved them to action."

"Thousands have joined us," he said. "There is a movement building from the grassroots up. No longer can we sit idly by. It's not a theoretical debate. For a lot of mamas and papas it's life or death. They need an escape for their children. This is not hyperbole. There is a generation that's being lost. Parents want to have the right to make fundamental decisions of determining where and how their children are educated. This is what North Carolinians want."

He said the start is House Bill 388, which allows parents of children with special needs to receive up to \$3,000 in tax credits to put their children in the educational institution of their choice. "It has strong bipartisan support," he said. "It passed the education committee resoundingly."

Rep. Marvin Lucas, D-Cumberland, cosponsored the bill to help alleviate pressure from public schools. He said he thinks the bill has a good chance of passing. However, Lucas, a retired public school principal, said that doesn't mean he supports across-the-board vouchers.

"House Bill 388 is a no-brainer because it helps handicapped children and saves the taxpayers money," he said. "We owe the handicapped the best education. We really do. But, if other people want their children to go to private school then they're going to have to pay for it. If they are living on the public dole, then they need to live on the public system. If you don't want to do that then you have to pay for it."

Roger Gerber, director of The League of Charter Schools, said despite the good news from the poll he remains skeptical. He said parents need to remain vigilant because reform doesn't happen overnight. In fact, he said the fight now might ultimately benefit future generations.

"You can never say never," Gerber said. "It could happen. The movement is gaining strength, but I've yet to see a real voucher support bill. There is also

lot of vested interest in the system that already is. Even if vouchers became a reality, the public schools would go to court and fight."

There are other considerations. Joe Haas, executive director of the North Carolina Christian School Association, said his contingency wouldn't support vouchers.

"There's not that much traction for vouchers in the conservative Christian community," he said. "We want a tax credit.

The money needs to go directly to the parents in order for our organization to support it. We don't want any government strings attached to it. That's always critical when you put it on the table because the right to religious freedom is still lost with a voucher. I couldn't recommend it."

Despite the uphill battle, Andrew Campanella, director of communications at the Alliance for School Choice in Washington D.C., said the alliance remains optimistic about the trend towards education vouchers.

"As with any reform, it takes a tremendous amount of support from a broad base of constituents, and I think we're seeing that support," he said. "Public schools are not meeting the expectations we thought they would. As a result, we've seen an 80 percent increase in the number of students enrolled in school choice programs across the country in the last five years.

"We certainly hope that we continue to see rapid growth, Campanella said. "Although a specific time line is impossible to say, I don't think it's going to take another 50 or 60 years. People are not going to sit back and take it any more. I don't think there's any other option than serious and systemic reform in education." CJ

"There is a movement building from the grassroots up. No longer can we sit idly by. It's not a theoretical debate. For a lot of mamas and papas it's life or death. They need an escape for their children. This is not hyperbole. There is a generation that's being lost."

Darrell Allison
Parents for Educational Freedom

Commentary

A Teacher Turnover Crisis?

The release of the N.C. Department of Public Instruction teacher turnover report in January makes for a good opportunity to revisit the facts about teacher turnover and retention. Regrettably, most North Carolinians are convinced that the state faces a teacher turnover "crisis" that necessitates huge increases in state and local spending to curtail.

To make matters worse, advocacy organizations will soon be hard at work spinning the report's findings in their ongoing campaign to pressure legislators into approving higher teacher pay, enhanced employee benefits, and new programs. But does North Carolina truly have a teacher turnover crisis?

Put simply, the answer is no. According to the state's turnover report, North Carolina's teacher attrition rate is significantly lower than the national average. In 2006-2007, North Carolina's teacher turnover rate was 12.3 percent, while the National Commission on Teaching and America's Future estimated that the national average teacher turnover rate was 16.8 percent. Both are considerably lower than the overall U.S. voluntary turnover rate, which was about 23 percent last year, according to the Bureau of Labor Statistics.

A closer look at the reasons teachers leave the profession is more encouraging. The top four reasons for leaving a teaching position, accounting for two-thirds percent of all leavers last year, were teachers who resigned to teach elsewhere, 2,836 teachers; retired, 2,106 teachers; resigned because of family relocation, 1,705 teachers; and resigned for other reasons or reason unknown, 1,648 teachers. Obviously, the state cannot do much to curb the number of teachers who retire or resign because of family relocation. In fact, most of the teacher turnover in North Carolina is beyond the control of the state.

Of those who resigned to teach elsewhere, only 482 teachers resigned to teach in another state, while 95 teachers moved to teaching positions in North Carolina private schools. That means the 2,260 teachers who resigned to teach elsewhere took a job at another public school system or charter school

in North Carolina. The teacher turnover rate falls to 11.6 percent if recalculated to exclude teachers that transferred to another public school in North Carolina.

Unfortunately, the state's survey does not identify teachers who leave because of dissatisfaction with pay and benefits. According to the survey, 843 teachers, or 6.6 percent of the total, left their school to change careers or because they were dissatisfied with teaching. Discontent with pay and benefits might have prompted some of these teachers to leave the profession, but, according to state and national research, working conditions, personal issues, and job satisfaction are more likely culprits. It

should come as no surprise that the 2006 North Carolina Teacher Working Conditions Survey found that schools with the lowest turnover rates also had positive working conditions.

A July 2007 study by the National Institute of Education Statistics found that family commitment, particularly raising children, was a major reason that teachers nationwide leave the teaching profession. In fact, nearly 30 percent of female teachers left their teaching position for that reason. Only 13 percent of former teachers cited "low pay" as the reason why they left.

One of the most interesting findings in the NCEs report was that most teachers are very satisfied with their decision to become teachers. A remarkable 93 percent of the teachers in the study, all of whom had been in the profession for 10 years, said they were satisfied with teaching. Researchers concluded that job satisfaction was a major reason why teachers were among the least likely occupational groups to change careers.

If North Carolina's public schools want to lower their already low teacher turnover rate, the formula is straightforward. School administrators should focus on improving working conditions and maintaining a satisfying educational environment for teachers. CJ



Terry Stoops

Terry Stoops is education policy analyst for the John Locke Foundation.

Local officials call them harmful

State's Successful Charter Schools Coming Under Fire

By HAL YOUNG
Contributing Editor

Gaston College Preparatory School, founded only six years ago in rural Northampton County, already has earned high praise in the national media and in other influential circles for its demanding, and successful, academic programs. However, if local school officials were doing the grading, GCP would find itself in detention.

Although the majority of GCP's students are "economically disadvantaged" and many entered the school with inadequate reading and math skills, after one year at GCP more than 90 percent of them score at or above grade level.

The head of the local school system is not happy with GCP's success, though. In a letter to the State Board of Education, Northampton County Schools Superintendent Kathi Gibson said that GCP has been "extremely harmful" to the county schools, "draining [them] of finances, human resources, and students," and that the school's request to add students next year would devastate the county school system, harm neighboring school districts, and force closure of conventional public schools nearby.

"I beg do not allow Gaston College Prep the luxury of increasing its enrollment by 150 students," Gibson asked the SBE.

Northampton County's is not the only school system in conflict with the privately managed charters. At the December meeting of the State Board of Education, superintendents in Durham, Vance, and Wilson counties also gave a thumbs-down to the continued growth of charter schools in their districts. They alleged that the popular programs threatened the progress of their traditional schools and that charters would "re-segregate" local schools. Paradoxically, it is one of the most successful schools in the state that has drawn the sharpest criticism, as the most detailed complaint was directed at GCP.

Success in a depressed area

While other areas of the state were among the nation's fastest-growing communities, Northampton County experienced a decline of nearly 4 percent in its population since the 2000 Census. Five textile mills have closed in nearby Roanoke Rapids, the local paper mill was divested by its parent company and sold to an investment group, and the county as a whole is considered economically depressed.

GCP is a bright spot in the area. Started in 2001 with 80 fifth-grade students, the school has grown to serve grades five through 11 and will add 12th grade next year under terms of the original charter. The school operates under the Knowledge is Power Program, which addresses the needs of underserved students with longer instructional days and demanding expectations in academics, character, and personal responsibility.

The program has been working. Students entering the fifth grade at GCP mirrored their Northampton County counterparts on the North Carolina End of Grade tests, but by the start of the sixth grade already showed a marked improvement in both math and reading skills.

By the eighth grade, 97 percent were on or above grade level in math, and 100 percent were at or above grade level in reading. Their former classmates in the county schools were at 55 percent and 83 percent, respectively.

"These schools are the answer to the achievement



Gaston College Prep Principal Caleb Dolan (sitting on hood of bus) poses with some of the school's students. (Submitted photo)

gap," said UNC Chancellor James Moeser during a recent visit to GCP. Moeser said their high school, KIPP Pride, "sets the standard for the whole state of North Carolina." Visitors to the school have included congressmen from both parties and journalists from major national news outlets.

"For a lot of years people have been saying this is not possible in this kind of area," said Eric Guckian, executive director of KIPP North Carolina. "Just because you're in a poor rural area of North Carolina doesn't mean you can't do serious college preparatory work."

But Northampton County school officials said the results were simply the fruit of selective admission. Gibson told the SBE that "GCP tends to select and recruit the highest performing students, a practice they deny, but we are all aware of." She said that few of the students enrolling at GCP were below grade level at the time, and that students failing at GCP are returned to the county schools. "Many times, they return to us just before the testing begins," she told the board. Although Gibson did not provide specific numbers to the SBE or to *Carolina Journal*, she reiterated the charge, saying, "We have this all the time."

Guckian said these allegations are "patently false." GCP's principal, Caleb Dolan, emphatically denied the allegations in his own letter to the SBE, pointing to the number of GCP students receiving services for learning disabilities, as well as statistics showing tremendous improvements in students' first years at GCP. Contrary to the district's charge, data provided by GCP show that two out of five of its incoming fifth-graders score below grade level on the end-of-grade tests in math — the same as students in the Northampton County schools — but by the sixth grade, 93 percent were scoring at grade level or higher. In reading, incoming students were below the 40th percentile on nationally normed reading tests, but improved by 17 percentage points their first year at GCP.

"There is no skimming going on here," Guckian said. He said the charges were "entirely baseless."

"Many of the students who are achieving such outstanding academic results came to GCP performing well below grade level," he said. "I believe we can make a strong case that we are getting more results with the same students and the same resources."

Dolan also contested the claim that students were being dumped on Northampton County before annual testing in the spring. Dolan told the SBE that with one possible exception, the students who left GCP voluntarily either transferred in the fall or during the summer months. Even the ones who were expelled for "major offenses" did not return to Northampton schools during the year.

Of the 18 voluntary transfers, Dolan said, 12 were performing at grade level.

Funding still at issue

Gibson, like some of her counterparts, said the current rules leave per-pupil funding with the charter school if a student returns later in the year, and they don't account for costs that remain in the system even when students leave. School bus routes, for example, might not change though the number of passengers declines, because the charter school draws students from across the district. "We feel it all over the county," she said. "GCP is having and has had devastating effects on Northampton County and the surrounding districts."

But leaders in neighboring school systems don't feel the same pinch. In Roanoke Rapids, two miles from GCP, city schools Superintendent Dennis Sawyer said school officials were aware of the cash flow but preferred to focus on improving their own school system's performance. Weldon City Schools Superintendent Elie Bracey said that eight to 10 students per year opt for GCP, and while students who come back to Weldon after the money is allocated don't bring funding with them, he estimated only one or two return each year.

Actually, Gibson's district is feeling pressure from two directions. According to Census estimates, Northampton County's school-age population has fallen by more than 18 percent since 2000, and all of the county's schools are operating below capacity. One high school has 349 students less than it was built for, and Gibson is concerned that any expansion at GCP might force the county to close or consolidate schools.

"This year we have lost, I can't tell you in exact numbers, we have lost numerous teachers and support personnel simply because we don't have the funding to keep them on. We are not replacing people who have retired," Gibson said. She said the schools have made progress, but, "At the rate they're going, I don't know what will happen to the Northampton County schools if we continue losing money at the rate we are to GCP."

Gibson said her objection to charter schools goes beyond the financial. "Funding is a major part of it, but there are things that charter schools are allowed to do that we are not. It's not an even playing field," she said.

To Guckian, that is the whole point.

"We don't want to go toe-to-toe with public schools. We are a public school and we wear the label proudly," he said. "We feel this is a replicable model. We have some best practices we'd like to share, and our doors are open to anyone ... [but] we're going to continue to try to make inroads. We want to reach as many kids as possible."

"There is a change under way in Northampton County, in North Carolina, and nationwide, in how we educate our children," Guckian said. "Are we perhaps pressuring change within the county structure? Yes, absolutely. As long as students benefit from it, I'm for change, and students are benefiting from KIPP. That's undeniable." CJ

N.C. Court Hears Arguments in School Conversion Lawsuit

By DAVID N. BASS
Associate Editor

RALEIGH

One day after the Wake County Board of Education met to discuss a school reassignment proposal that would require more students to change schools for the 2008-2009 school year, the N.C. Court of Appeals heard arguments in a lawsuit that seeks to prevent the county from forcing families to convert to year-round schools.

The hour-long hearing Jan. 19 hinged on the divisive question of whether parents or school board members should have the final say on year-round school reassignments. The court is expected to rule on the case within 90 days.

Three appellate court judges, J. Douglas McCullough; Martha A. Geer; and Sanford L. Steelman, Jr., presided over the case.

The hearing pitted lawyer Ann Majestic, who represented the school board, against the plaintiffs' lawyer, Robert Hunter, who represented Wake CARES, a group of Wake residents opposed to mandatory conversion to year-round schools.

Majestic and Hunter agreed that N.C. law allows school boards to create year-round schools but the lawyers diverged on the question of whether school boards have the authority to involuntarily assign students to those schools.

"It's the compulsion, the coercive nature of the school board's reassignment, that is the issue here," Hunter said. "The school board is taking what used to be predominantly volunteer year-round schools and coercing parents into them."

Most of the discussion centered on interpretation of statutory law. Majestic



The N.C. Court of Appeals is expected to rule on the forced year-round school policy within 90 days. (CJ file photo)

argued that state law allows school boards to assign students to year-round public schools even without the permission of parents, while Hunter said the involuntary nature of the forced conversion to year-round schools violates the statutory requirement of "equal access to opportunities."

"The opponents would have you believe this is simply a school assignment question, but our complaint frames it differently," Hunter said. "This is a broader issue of whether people can attend [a traditional calendar school]."

Hunter argued that forced conversions affect the core of the family unit by adversely affecting the student, siblings, and parents. "If the family consents to [a year-round school], then the problem goes away," he said. "It is only when you are compelled to go that we have a problem. We object to the coercive nature of it, where they had a voluntary program before, but now they are making it coercive."

Majestic countered by claiming no right exists for parental review. "There is no evidence in the statutes of a requirement of informed parental consent," she

said. "It reminds me of modern dance — creative, but contortive. That's good in art, but it's not good in statutory construction."

Majestic also questioned whether the plaintiffs, a group of parents who claimed harm from having to convert to a year-round schedule, have appropriate standing to bring the lawsuit. "There has got to be some injury here," she said.

Wake CARES filed the complaint in March. In May, Wake County Superior Court Judge Howard Manning, Jr., ruled that the county lacked the authority to convert traditional calendar schools to mandatory year-round calendars. Manning also found that the school board could not compel students to attend such schools without informed parental consent.

In June, the Court of Appeals denied a request by the school board to stay Manning's decision, which would have allowed the board to continue converting some students to year-round schedules with the case pending before the appellate court.

The appeals court hearing followed a Wake County school board

meeting in which the board considered a "growth management proposal" for the 2008-09 school year. The plan, which could affect more than 6,800 students, would transfer about 3,200 students to schools farther from their homes and 3,600 students closer to their homes. The proposal would affect only elementary schools.

Hundreds of parents and students from Davis Drive Elementary in Cary attended the meeting Jan. 8 to protest the proposal, according to *The News & Observer* of Raleigh. The proposal would transfer some Davis Drive students to Laurel Park Elementary.

The school board scheduled three public hearings on the reassignment plan — Jan. 15 at Sanderson High School in Raleigh, Jan. 17 at Green Hope High School in Cary, and Jan. 24 at Middle Creek High School in Apex. The board was to vote on the proposal Feb. 5.

The issue of school assignment is pressing in Wake County since the county's public school system is one of the fastest growing in the nation. Total enrollment in Wake County schools for the 2006-07 school year was more than 128,000 students, and the county projected an annual 8,000-student enrollment increase over the next four years.

The school board has pushed year-round schools as a way to deal with crowding. Traditional calendar schools operate for 180 days and run from late August through early June.

The multitrack year-round calendar, also 180 days, splits the school year into four nine-week quarters with three-week breaks between.

School systems operating on a multitrack system use buildings 12 months each year, while school systems using a traditional calendar option use buildings nine months each year. CJ

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Locke, Jefferson and the Justices:
Foundations and Failures of the U.S. Government

By George M. Stephens

Preface by Newt Gingrich

"This book is about American politics and law; it is also about the roots of the Contract with America. A logical place to find the intent of the Founders is in Locke, [and] Stephens makes a contribution to highlighting this."

Newt Gingrich
Former Speaker
U.S. House
of Representatives

Algora Publishing, New York (www.algora.com)

Campus Briefs

• The Pope Center for Higher Education Policy has initiated two efforts to find the best college courses in North Carolina. The center's Spirit of Inquiry Contest is seeking the best courses by the most open-minded faculty in North Carolina. Any undergraduate or graduate student can nominate a course. Five judges will select a winner and two runners-up. The awardees will be announced at a banquet in the fall. At the University of North Carolina at Chapel Hill, the Pope Center is surveying students to find the best general education classes, the courses that students elect to fulfill requirements outside their major. Students are invited to rate courses based on academic rigor, absence of faculty bias, and quality of course material. More information about the Spirit of Inquiry Contest and the UNC-CH General Education Course Survey can be found under "Students" at www.popecenter.org.

• The University of North Carolina at Chapel Hill was ranked the best value in American public higher education by *Kiplinger's Personal Finance* magazine. It is the university's seventh consecutive No. 1 ranking since the magazine started publishing its analysis in 1998. *Kiplinger's* February issue examined data from 500 public four-year colleges and universities to identify the top 100 schools "based on outstanding academic quality plus an affordable price tag." Of course, this ranking comes at a high price for taxpayers. UNC-Chapel Hill spends \$27,108 per student on instructional, student services, and academic support expenditures, and even more when expenditures for research, public service, institutional support, plant operation and maintenance, and scholarships are included. In-state students pay \$13,430, says *Kiplinger's*, and that includes room and board.

• Political candidates spoke at North Carolina State University and UNC-CH in January. Jim Neal, a Democratic candidate for U.S. Senate, spoke at both schools. He is running for the Democratic nomination to face off against U.S. Sen. Elizabeth Dole. B. J. Lawson, Republican candidate for Congress in District 4, spoke to UNC-CH students at the Jack Sprat Café on Franklin Street. He expressed his admiration for America's founding documents — the Declaration of Independence and the Constitution. *CJ*

Commentary

Winston-Salem State Enters Free-Speech Fray

It must have seemed like a good idea at the time — making sure that people who wished to grab a soapbox and publicly announce their views on the campus of Winston-Salem State University do so in an appropriate fashion.

But by declaring a small area of the campus a "free speech zone," the WSSU Board of Trustees stepped into one of the most controversial issues in American higher education. Crafting speech regulations that do not infringe on the rights of the regulated today requires hair-splitting attention to legal precedents and language.

Once Winston-Salem's policy became known, the criticism came hard and fast. The *Winston-Salem Journal* wrote a critical editorial, suggesting that the entire campus "should be a refuge for free speech." Samantha Harris, director of legal and public advocacy for the Foundation for Individual Rights in Education, sent a letter to the university's chancellor, Donald Reaves. In response to these objections, WSSU is revising the policy.

Because there have been many attempts to limit the legal right of students and others to speak freely on campuses, often for political reasons, observers of higher education tend to be suspicious of all regulations that limit speech.

Winston-Salem State's original policy, however, had no explicit restriction on the content of speech, merely on the location. In fact, the policy tacitly made the right to voice one's views on campus part of the official regulations by specifying a designated area for such speech.

Reaves expressed surprise at the uproar, and he said there was no attempt to limit the content of speech. He said that the policy was intended to create an orderly process that would direct those who wish to speak to large groups of random people to "one of the places where they would get the maximum exposure."

FIRE objected to the policy on three grounds. The first revolved around the fact that the designated zone, the Thompson Center Breezeway area, is a small portion of the entire campus. Federal court decisions have suggested that free speech zones are constitutionally permissible given "reasonable time, place and manner" constraints. FIRE suggested that "there is nothing 'reasonable' about transforming the vast majority of the

university's property — indeed, public property — into a 'censorship area.'"

While the breezeway is only a small portion of the campus, it is also centrally located with some of the heaviest foot traffic on campus. Designating this as the area where speakers can attempt to attract an audience supports Reaves' contention that he wished to offer speakers the most potential exposure.

The second of FIRE's objections is that the policy is too vague and confusing. Third, FIRE officials expressed concern that the regulations would inhibit the ability of students to conduct "spontaneous responses to unfolding events." Yet any administration would be expected to have the ability to prevent disruptions of nearby classes by shouting or cheering.

WSSU's free speech zone policy has two other areas of potential concern not mentioned by FIRE or the *Journal*. The first concerns the policy's Section 3.3.a, which states, "University officials reserve the right immediately to terminate any use of University facilities if, in the judgment of those officials, continuation of such use will result in: (a) danger to participants or others."

While this regulation appears to be sensible and noncontroversial, it could result in the denial of free speech. Suppose that somebody expressed a legitimate but unpopular viewpoint that inflamed a segment of the student population. An implied threat of violence against the speaker could enable the administration to silence the speaker. Declaring that physical intimidation would not be ground for removal of a controversial speaker would remove this possibility.

The college could also make the policy more supportive of free speech by differentiating between public and private speech. Public speech could be defined to include planned assemblies and situations where a speaker attempts to interest random individuals in his or her views.

Speech directed at specific individuals, not during organized assemblages, would be considered private speech. Private speech could be declared legal anywhere on campus, while reasonable boundaries are placed on public speech.

Once the difference between public and private speech has been made, the university's intent could be made clearer by declaring the Thompson Center Breezeway and other such areas as "public speech zones," rather than "free speech zones."

Thus, it might not be necessary for WSSU scrap entirely the idea of containing spontaneous public speech to appropriate times and areas. Certainly, the language of the policy could be made clearer. Perhaps adding several other strategic campus locations would be helpful and would address some of FIRE's concerns.

But the idea of placing some limitations on the time and location of public speech is not inherently unreasonable on a college campus, where there are concerns for safety, order, and a need for a quiet environment in which to teach and study. WSSU should not be condemned for an attempt to limit speech.

Instead, it should be praised for accepting the criticism of higher education observers such as FIRE and attempting to correct the policy's flaws. *CJ*



Jay Schalin

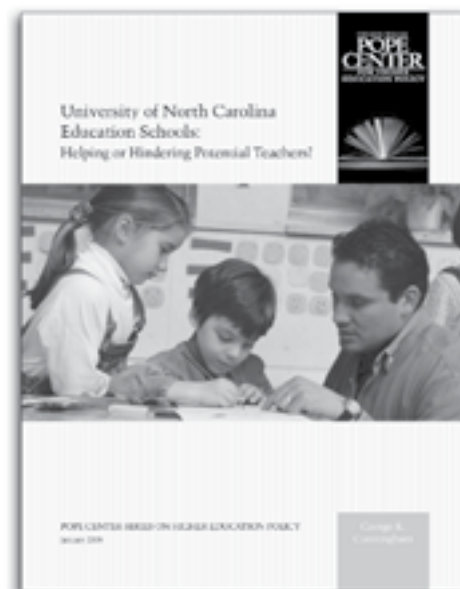
Teacher Education Fails the Test at UNC Schools

as reported in
University of North Carolina Education Schools: Helping or Hindering Potential Teachers?

George K. Cunningham

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Trustees Still in Appeals Loop

By JAY SCHALIN
Contributing Editor

RALEIGH

The role of trustees has become a key component in one of higher education's more controversial issues: Who should govern the universities?

At the UNC Board of Governors' meeting Jan. 10, members of the Tenure and Personnel Committee averted an attempt to reduce trustees' power. The committee addressed a comprehensive revision of the section of the university system's code involving academic freedom and tenure for professors. The section includes the procedures for terminating professors.

Although much of the revision involved minor language changes, the committee decided that one matter was not mere "bookkeeping." The proposed changes might have substantially decreased the involvement of the boards of trustees of the individual schools in the UNC system. Because of committee members' objections, the proposals were pulled from the agenda for further discussion and revision.

Some observers of higher education consider trustees to be the essential owners of the academy. Yet the trustees' role has diminished with time; often they do little more than make official the wishes of the administration. Ward Connerly, a former member of the California Board of Regents, said that trustees are often "nothing more than a rubber stamp for the administrators."

At UNC, for example, the faculty dominates curriculum and academic hiring. While each university has its own hiring practices, the policy at UNC-Chapel Hill is representative of all 16 schools in the system. "The primary responsibility for recruiting new members of the faculty rests with the school or department seeking new members, since the faculty members of each unit are best qualified to determine the needs of the unit and to evaluate the qualifications of candidates to meet those needs," it says.

The administration has control over most other matters.

Many wish that were not the case. One of the hopes expressed by reform-minded speakers at the 2007 Pope Center Conference in October was that boards of trustees of universities will regain

some of their former independence and clout.

The decision by the Board of Governors' tenure committee to shelve the proposed code changes reflected, at least, a desire to keep trustees involved.

The UNC code defines three reasons for dismissal of a tenured professor: incompetence, neglect of duty, and misconduct. Professors who have been terminated for those reasons can appeal within 14 days. The appeal initially goes before a standing committee of faculty members. If the committee decides in favor of the terminated professor, and the chancellor of the school concurs, then the chancellor's decision is final.

But if the faculty committee rejects the appeal or if the chancellor disagrees with the committee's decision, the faculty member can appeal to the university's trustees for an additional hearing. If the trustees decide in favor of the professor, their decision is final, but if they deny the appeal, the faculty member can still appeal to the Board of Governors.

The proposed changes would have eliminated the trustees from the process.

Annually, there are one or two such cases in the UNC system in which a dismissed professor's appeal progresses beyond the faculty committee and chancellor, said Charles Waldrup, a university lawyer.

Most committee members wanted to keep the trustees in the process. Vice Chairman Frank Grainger said that "the boards of trustees ought to be the one to make the decision" because they have "a better understanding than us [the BOG]." Hannah Gage, committee chairwoman, was concerned that leaving trustees out of the process would inhibit their effectiveness because of the loss of information. "Are they [the trustees] going to be made aware of what's going on?" she asked. "Sometimes in one process we begin to see other problems."

In 2004, trustees were removed from the appeals process for non-tenured teachers whose contracts are not renewed. While the long-term trend seems to be a gradual erosion of trustee involvement, this time that erosion was stalled. CJ

Jay Schalin is a writer for the John William Pope Center for Higher Education Policy.

Some observers of higher education consider trustees to be the essential owners of the academy. Yet the trustees' role has diminished with time; often they do little more than make official the wishes of the administration.

Commentary

A Refreshing Twist

Critics have been pointing out the failings of education schools for decades, with few positive results. So why not foster competition instead?

That is the proposal offered by John E. Stone, an education professor at East Tennessee State University, who spoke at a Pope Center luncheon Jan. 11 in Charlotte. What bothers Stone is that schools of education are more interested in esoteric education theory and social justice issues than they are in teaching future teachers practical methods that lead to academic achievement.

If colleges aren't going to reform, then let others see whether they can do a better job, Stone said. He points out that the typical university has departments that could easily expand their offerings to produce effective teachers. A psychology department, for example, has a strong foundation for teaching potential teachers. Even a special-education department within an education school could build a curriculum to train effective teachers without getting sidetracked by education theory.

And what about a business school?

Many programs, Stone said in an email to me, "have the behavioral science, training, and human resource development expertise that would be needed but without all of the conceptual and ideological baggage carried by the traditional P-12 faculty." (P-12 is the new name for K-12, by the way, because it now starts in pre-school.)

Stone is a fan of competition in his role as president of the Education Consumers Foundation, which represents students and parents. It describes itself as a Consumers Union in the field of education. (See education-consumers.org.)

Stone said that the door has opened for such competition in North Carolina. The State Board of Education, which oversees K-12 public education, just adopted a policy that allows for innovation in training teachers.

This plan is designed to correct a severe problem in North Carolina — the difficulty of becoming a certified teacher if you have a degree in a discipline such as math or English, but not in education.

Until now, such "lateral entry" has been riddled with restrictions. Last year, the legislature loosened some of the most onerous ones, such as the requirement that lateral entry teachers have been out of school for five years.

And in August, the Board of Education approved a route by which a college or community college can work with a specific school system to develop an alternative program for lateral entry. Such a program could be expanded to undergraduate programs such as psychology, Stone said.

The Pope Center has ventured onto the tempestuous seas of K-12 education with the

publication of a paper on schools of education in the University of North Carolina system (see article on page 14). In "University of North Carolina Education Schools: Helping or Hindering Potential Teachers?" George K. Cunningham argues that most education schools (not just in North Carolina but around the country) put a low priority on getting children to learn traditional math and reading. Instead, they stress "non-academic goals including diversity, self-esteem, 'critical thinking,' and efforts at promoting social justice."

Cunningham was a speaker Jan. 11 along with Stone and Mary Lynne Calhoun, dean of the school of education at UNC-Charlotte. Calhoun contended that the education school that she heads stresses both academic achievement and students' learning experiences.

As one who favors competitive markets, I find the idea of intra-university competition proposed by Stone to be refreshing. Education schools would be strengthened by having to focus on their best programs so that they retain students. "If the programs that have historically prepared teachers are as expert and effective as they claim to be, the results will affirm their claim," Stone said. "If not, they will either need to rethink their approach or find some other line of work." CJ



Jane Shaw

Jane S. Shaw is executive vice president of the John William Pope Center for Higher Education Policy.

Bats in the Belltower**Sexual Assault and Leftist Hypocrisy**

When a gay man was assaulted and beaten by several men on Franklin Street in Chapel Hill in 2005, the news led to many protests on the campus of the University of North Carolina at Chapel Hill and even to calls to amend the state's "hate crime" laws.

None of the 136 other assaults on Franklin Street from 2000 to 2004 received such attention. Nor did a Franklin Street rape just six days later (the fourth rape there in two months, as well as the fourth to receive no attention from campus protesters). No protests were held, no calls to strengthen laws were made, nothing. It was as if the other crimes hadn't happened. Why?

When white athletes at Duke University were accused in 2006 of raping and assaulting a black exotic dancer, the allegations unleashed what was called the "perfect storm" of race, gender, and class issues. The Triangle area was suffused with protests, candlelight vigils, angry leftist professors' tirades, a huge, embarrassing mess when it was later shown to be a hoax.

None of the other allegations of rape in Durham that year were treated to any of those things – neither the healthy expressions of community support nor the egregious instances of hysterical demonization and political cooption. And this was no small oversight. In 2006, according to Federal Bureau of Investigation statistics, there were 96 forcible rapes reported in Durham. It was as if the other rapes hadn't happened. Why?

It might have seemed cynical to say that the other rapes and assaults in Durham and Chapel Hill didn't present a race, gender, or class angle to titillate leftist activists.

It might have seemed unfair to think that to the pot-bangers, placard-wavers, and op-ed writers some victims are more equal than others.

It would have seemed so, were it not for their continued complete silence about a sexual assault reported in December.

The alleged crime was in Chapel Hill. It involved white athletes, black women, and forcible sexual

assault. Another perfect storm, no?

Let's not be so hasty, Mr. Crimes-Are-Crimes. This was the complete inversion of Durham's perfect storm.

In Chapel Hill, white athletes were the ones assaulted. UNC-CH football players were allegedly tied up, robbed, and sexually assaulted at knifepoint.



Jon Sanders

Their assailants were two black women and a black man: Tnikia Monta Washington, Monique Jenice Taylor, and Michael Troy Lewis. (For the record, in January District Court Judge Alonzo Coleman found no probable cause for some of the charges

brought against the three. Taylor still faces the charges of criminal conspiracy, first-degree kidnapping, first-degree sexual offense, and resisting a public officer; Lewis faces numerous charges, including attempted felony larceny, first-degree kidnapping, criminal conspiracy, robbery with a dangerous weapon, and assault on a government official; and Washington is charged with resisting a public officer. And all are to be presumed innocent until proven guilty.)

Granted, the alleged assault took place at semester's end. But is true outrage governed by the academic calendar? Even so, the silence continued after the spring semester started. As of this writing, in three weeks' worth of *The Daily Tar Heel*, UNC-CH's student newspaper, there can be found no mention that fellow students – let alone football players – say they were robbed and sexually assaulted at knifepoint.

Why not?

Are we to understand that the victims' race, gender, athletic status, class, etc., make a difference in whether sexual assault is either awful or so ho-hum as not to warrant discussion?

If what was alleged in Durham was a perfect storm, why was what was alleged in Chapel Hill not?

Aren't the alleged crimes disturbing in and of themselves? If not, why not? CJ

Jon Sanders is a policy analyst and research editor at the John Locke Foundation.

Critics Say Education Schools Stress Beliefs Over Knowledge

By **GEORGE LEEF**
Contributing Editor

When Mom and Dad see little Sally's report card, it probably never occurs to them to wonder how competent her teacher is. Teachers, after all, are professionals. They're trained in university programs and licensed by the government, so they must be good at their jobs — right?

There is a surprising amount of disagreement over that. As long ago as 1953, Professor Arthur Bestor ridiculed education schools, where nearly all aspiring teachers must obtain their credentials, as "educational wastelands." More recently, in her 1991 book *Ed School Follies*, Rita Kramer wrote, "What we have today are teacher-producing factories that process material from the bottom of the heap and turn out models that perform, but not well enough."

Criticism of education schools doesn't just come from outsiders. Some knowledgeable and vocal critics are to be found among the ranks of current and former education school professors.

One of those critics is George Cunningham, who taught for many years at the University of Louisville. In a new paper for the John William Pope Center for Higher Education Policy, Cunningham explains why he does not believe that schools of education in North Carolina are doing an adequate job of training future teachers. The paper is available on the Pope Center's Web site at www.popecenter.org.

As he sees it, the great problem is that most of the American public holds to one view of the role of schools, while most of the education school elite holds a different view. The public overwhelmingly believes that the function of schools should be academic, making sure that children learn the skills and knowledge it takes to succeed in life. For those who accept that view, schools should graduate students with a high degree of literacy, proficiency in mathematics, a good working knowledge of science, history, social institutions, and so forth.

It follows that teacher training programs should ensure that their students are expert in teaching those things to young people, critics say.

On the other hand, the dominant view among those who run the education schools is that the main purpose of schooling is to achieve various social objectives. In their opinion, it's more important for teachers to adjust students'

outlook on life and society properly than to instruct them in "mere" knowledge and facts. Under that view, teachers who devote too much time to "rote learning," for example, learning multiplication tables, aren't doing a good job. Cunningham writes that according to this theory, "a child's education is successful if he is exposed to the right attitudes by teachers, even if he does poorly in measures of learning on reading, math, history, science, and so on."

Cunningham has long observed the march of this "progressive" view of education through the nation's education schools and finds that it's widespread here.

Because progressive theory dominates in education schools, many courses are devoted to in-

structing prospective teachers to be "change agents" helping to combat all manner of social ills. Lacking are courses that emphasize the most effective ways of imparting knowledge to young people. Education school students aren't taught about a proven approach to primary education called "direct instruction," for example, because its focus is purely on academic mastery, leaving no scope for socio-cultural diversions.

Reading is the sine qua non of primary education. If a child doesn't learn to read well, he will struggle in nearly everything. Research supports the importance of competent instruction in reading. How well do UNC education schools do in that regard? Cunningham reports on a 2006 study of 70 education schools nationwide that graded them on how many of the five key components of reading instruction they covered. Of the four UNC schools included UNC-Chapel Hill, UNC-Greensboro, Fayetteville State, and Elizabeth City State, only UNC-Greensboro received a passing mark.

In perhaps the most startling quotation in the paper, Cunningham quotes a principal from an inner-city school who tries to avoid hiring people who have been through education schools.

She would rather hire someone who knows a subject and has the desire to teach it than someone with an education school diploma and a head full of "progressive" theories that waste precious time. CJ

George C. Leef is vice president for research at the John William Pope Center for Higher Education Policy.

'Progressive theory' used in education schools puts more stress on teaching beliefs than traditional subject matter.

Opinion

All Rights But No Freedom at Chapel Hill Mock Convention

By JAY SCHALIN
Contributing Editor

RALEIGH
Professor Judith Blau doesn't like the U.S. Constitution. She has even written a book called *Justice in the United States: Human Rights and the Constitution*, detailing its shortcomings in light of the supposedly superior documents in the rest of the world. She is certainly within her rights as a citizen to criticize the Constitution.

She also doesn't like capitalism. She has long declared her preference for societies with a collective emphasis that stress equality over individual opportunity.

And she doesn't seem to like the United States very much. For example, she recently said, "I'm ashamed to be a citizen of the country with the highest incarceration rates in the world [meaning the U.S.]." That opinion is also not a problem. This is a free country; people have the right to speak their minds.

The question is whether it's within the scope of her position as a sociology professor at UNC-Chapel Hill to have her students hold a mock constitutional convention based on her assumption that our constitution is an inferior document. And whether she should suggest that they can improve the Constitution by eliminating many guarantees to individual freedom while incorporating what appears to be a radical left agenda.

Is it ethical for her to proselytize her beliefs with no rebuttal or opposing opinions presented? In this endeavor, she does not appear to be teaching academic sociology as much as guiding her students toward a particular political ideology.

This convention took place on Dec. 1 on the UNC campus, and involved 50 or 60 students, who were enrolled either in Sociology 131: Social Relations in the Workplace or Sociology 273: Social and Economic Justice. Both classes are taught by Blau. The students' constitution was written "based on their analysis of other countries' constitutions and close study of international human rights law and doctrine."

The constitution's preamble reveals the collectivist agenda, with clauses stating "all humans are interconnected and have a responsibility to act for the common good of all people" and "working for collective rights will create a more harmonious society."

The main body of the constitution consisted of 46 articles or basic rights, many with more specific rights included. They were presented ceremoniously at the convention; a student would solemnly approach the stage and read a single article from the podium. Ten or 12 articles were presented at a time, in between speakers.

These proclaimed rights formed a litany of liberal causes, including abolition of the death penalty and the promotion of multiculturalism, gay marriage, and environmentalism. Some were on the fringes of the political spectrum, such as a right to euthanasia. Others seemed frivolous, even silly, such as the "right to leisure" or the "rights to sports and art."



But embedded throughout the constitution was the belief that the government should pay, and the government should decide. For instance, the students' constitution grants the right to "affordable housing," "affordable contraception and abortion," universal health care insurance, free health care for children, and so on.

To a young mind not trained to think deeply about the inevitable trade-offs implied by various policies, the concept of making everything "affordable" might seem logical and compassionate. No speaker was on hand to explain that the taxation required to support all these rights reduces incentives for people to be productive, that the redistribution needed causes the economy to be less efficient, and that everybody will have less in the long run.

This emphasis on government control is best illustrated in the article entitled "Farmer's [sic] Rights." One clause states, "[L]ocal resources should be distributed according to need." Not only does the phrase bear an eerie resemblance to the classic thumbnail definition of communism, "From each according to his ability; to each according to his needs," but it suggests that there must be an authority to allocate according to need. The authority will be able to decide who gets the resources necessary to produce. This leads to an enormous concentration of power, which lends itself to dictatorship and

totalitarianism.

Notably absent from the students' constitution are other safeguards of liberty, such as the right to bear arms, and freedom of the press. The right to free speech is included, but it is constrained by the phrase "as long as it does not publicly threaten or disrespect an ethnic group or similar group regarding their race, skin color, national or ethnic origin, faith or sexual orientation."

The students produced the constitution Blau wanted them to. She offered effusive praise for their efforts: "If the determination of the students in these two classes were realized, the United States would be a good citizen in the world of nations, and would live up to international human rights standards."

Blau does not appear to bludgeon her students with heavy Marxist theory, but instead leads them incrementally to a body of specific opinions, many of which appear benign on the surface or individually. In total, however, they sum to socialism of the kind found in Mao Tse Tung's China and Stalin's Soviet Union.

Blau and many other professors employed by the state are pushing a doctrine that has been a proven path, in country after country, to poverty and the political disenfranchisement of the great majority of people. Nothing the UNC system can do would be better for securing the state's future economic and political well-being than to end the indoctrination of impressionable young people to believe in this horrible philosophy. CJ

Jay Schalin is a writer and researcher for the John William Pope Center for Higher Education Policy in Raleigh.

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in an Open-Ended UniverseBy Roy Cordato
Vice President for Research
John Locke Foundation

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Annual JLF Analysis Shows State Taxes Continue to Grow

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

The cost of local government continues to climb, according to the recent edition of *By The Numbers*, the John Locke Foundation's annual analysis of tax and fee collections by localities in North Carolina.

The report shows that during fiscal 2006, the typical resident of the median county in North Carolina paid \$1,236 in local taxes and fees, up 4.2 percent from an inflation-adjusted \$1,186 a year earlier. That amounts to 4.75 percent of personal income in the median county, up from 4.65 percent a year earlier.

Because many of the state's larger counties also have above-average local tax burdens, the statewide average is actually higher, at 4.98 percent of personal income.

Calculating burdens

State law requires each county and municipality to file audited reports, which are available on the Web, with the N.C. Treasurer's Office each year.

By The Numbers builds on that data and examines property taxes, sales taxes, and total local-government collections of all taxes and fees for counties and municipalities for fiscal 2006 (July 1, 2005 to June 30, 2006), the latest year for which a complete set of data is available.

For each of the three categories, a revenue per-capita figure was computed. Countywide figures also were calculated as a percentage of per-capita personal income.

Counties are also ranked against each other for both their per-capita collections and collections as a percentage of personal income. Municipalities are sorted by population and ranked within four population ranges (less than 1,000 population; 1,000-4,999; 5,000-24,999; and 25,000 or more).

The recent edition of *By The Numbers* contains a change in methodology. It uses population figures for the beginning of and not the end of the fiscal year, as has previously been the case. Though not the reason for change, this will allow future editions of *By The Numbers* to appear closer to the end of the fiscal year. The edition covering the July 1, 2006, to June 30, 2007, fiscal year should be out in late summer.

While *By The Numbers* shows the cost of local government, it does not attempt to measure the quantity or quality of services provided in exchange for those dollars. Nor does the report consider the additional out-of-pocket costs to individuals for services that their local government might not provide.

In unincorporated areas, for example, homeowners might have to contract privately for garbage pickup, while those living in a town or city might receive this service, paid for through their municipal property and other taxes. Municipalities might also use some of their tax dollars to provide a higher quality of fire protection, which might translate into lower homeowner's insurance rates.

"Importantly, this means that whether a jurisdiction is ranked high or low in cost of government is not the end of the debate over fiscal policy — it is merely the beginning. Citizens of North Carolina's cities and counties must decide whether the services they receive are worth the price they and their fellow taxpayers (residential and business) are paying in local taxes and fees," the report says.

"Citizens of North Carolina's cities and counties must decide whether the services they receive are worth the price they and their fellow taxpayers are paying."

from *By The Numbers*
JLF annual analysis
of taxes and fees

The cost of local government

Dare County residents paid the highest amount in per-capita taxes and fees to local government, at \$4,152. The counties of Mecklenburg, at \$2,605; Currituck, \$2,396; Brunswick, \$2,323;

and Durham, \$2,178, also rank in the top five in revenue collected per capita by county and municipal governments. The results for Dare and Currituck reflect in part their popularity as vacation destinations, with relatively small permanent populations for the property tax base that exists there.

Residents in the counties of Caswell, at \$743; Hoke, \$753; Gates, \$758; Alexander, \$768; and Jones, \$798, paid the lowest average per-capita amounts in taxes and fees to local governments.

Since per-capita personal income varies widely across the state — from a high of \$42,984 per capita in Mecklenburg County to a low of \$20,169 in Hoke County — looking at tax burdens as a percentage of personal income can be illuminating.

Dare County again leads the way with county and municipal revenue ac-

counting for 12.41 percent of per capita personal income. Second through fifth were Brunswick, at 8.65 percent of per capita personal income; Hyde, 8.05 percent; Currituck, 7.99 percent; and Bladen, 7.79 percent, counties.

By comparison, taxes and fees collected by local governments accounted for only 2.68 percent of per-capita personal income in Onslow County. Second lowest was Alexander County at 2.79 percent of per-capita personal income. In 23 additional counties, total collections were at 4 percent of per-capita personal income or less.

Among the 29 municipalities with a population of 25,000 or greater (see accompanying table), Charlotte residents again paid the greatest about in taxes and fees to support local government, with combined city and county revenue coming to \$2,409 per person.

The next highest tax and fee burdens were in Chapel Hill, at \$2,086; Wilmington, \$2,046; Asheville, \$1,996; and Durham, \$1,992.

The lowest combined city and county tax burdens were in Jacksonville, at \$1,025; Thomasville, \$1,169; Goldsboro, \$1,297; Rocky Mount, \$1,360, and Kannapolis, \$1,373.

The entire *By the Numbers* report is available on line at http://www.johnlocke.org/policy_reports/. CJ

Combined City and County Per Capita Tax Burdens

N.C. municipalities with populations over 25,000

CITY	Total revenues	2006 rank	2005 rank	Property taxes	2006 rank	2005 rank	Sales taxes	2006 rank	2005 rank
Charlotte	\$2,409.17	1	1	\$1,378.55	1	1	\$493.65	1	1
Chapel Hill	\$2,055.85	2	5	\$1,371.20	2	2	\$349.27	18	19
Wilmington	\$2,045.64	3	2	\$1,156.31	6	6	\$454.59	4	4
Asheville	\$1,996.13	4	4	\$1,075.28	10	10	\$467.33	2	3
Durham	\$1,991.63	5	3	\$1,193.52	5	4	\$372.61	7	9
Cary	\$1,976.82	6	6	\$1,061.08	11	9	\$360.25	15	11
Huntersville	\$1,954.35	7	7	\$1,268.96	3	3	\$363.54	10	10
Matthews	\$1,873.34	8	12	\$1,252.37	4	5	\$363.13	11	17
Hickory	\$1,846.79	9	9	\$998.41	14	14	\$404.23	5	5
High Point	\$1,833.76	10	10	\$1,103.35	8	8	\$336.35	21	8
Raleigh	\$1,816.46	11	11	\$989.15	16	13	\$362.66	12	12
Winston-Salem	\$1,807.76	12	14	\$1,015.37	13	15	\$349.65	17	21
Greensboro	\$1,801.10	13	8	\$1,094.66	9	7	\$348.70	19	16
Concord	\$1,775.12	14	17	\$1,115.40	7	12	\$387.40	6	6
Apex	\$1,754.15	15	13	\$1,022.34	12	11	\$360.96	14	14
Monroe	\$1,712.37	16	16	\$896.42	19	20	\$312.63	28	23
Greenville	\$1,583.87	17	19	\$774.82	25	25	\$368.88	8	15
Statesville	\$1,565.74	18	18	\$852.60	22	19	\$459.11	3	2
Salisbury	\$1,559.14	19	15	\$975.80	17	16	\$325.01	25	26
Sanford	\$1,520.63	20	20	\$996.66	15	17	\$353.13	16	7
Gastonia	\$1,516.21	21	21	\$930.18	18	18	\$314.69	26	27
Wilson	\$1,500.97	22	23	\$887.65	20	24	\$292.80	29	29
Fayetteville	\$1,480.24	23	22	\$790.21	24	23	\$361.99	13	13
Burlington	\$1,434.24	24	25	\$826.73	23	22	\$346.43	20	20
Kannapolis	\$1,372.70	25	26	\$867.96	21	21	\$313.37	27	28
Rocky Mount	\$1,359.65	26	24	\$707.98	27	26	\$327.99	24	24
Goldsboro	\$1,297.18	27	27	\$713.74	26	27	\$329.84	23	25
Thomasville	\$1,169.23	28	28	\$657.73	28	28	\$335.43	22	22
Jacksonville	\$1,025.19	29	29	\$444.74	29	29	\$365.94	9	18

Note: Total revenues include property tax, sales tax, and other locally collected taxes and fees.

Appeals Court Ruling Clarifies Definition of a Neighborhood

By MICHAEL LOWREY
Associate Editor

RALEIGH
What's a neighborhood? That seemingly simple question was at the core of a recent ruling by the state's second highest court.

In a ruling Jan. 15, the N.C. Court of Appeals held that Concord had properly issued a permit for a new county jail over objections from nearby residents who contended the facility would not conform with the surrounding neighborhood.

In 2005, Cabarrus County proposed building a new jail, or "law enforcement center," across the street from the existing jail in downtown Concord. Concord's zoning ordinances

applied, and the county submitted a site plan along with its application for a conditional use permit.

A number of nearby residents opposed the proposed facility, contending that the building would be too large compared to the surrounding area. After the city approved the permit, 11 opponents of the proposed law enforcement center sued the city, arguing that the permit was improperly issued.

After a Superior Court judge ruled against them, they brought the case before the N.C. Court of Appeals, again arguing that the permit should not have been approved.

While there are six criteria that must be satisfied in order to qualify for a conditional use permit in Concord, only one was at issue: "The proposed conditional use conforms to the character of the neighborhood, considering the location, type, and height of buildings or structures and the type and extent of landscaping and screening on the site."

Opponents of the jail contended that the jail did not fit in with the surrounding neighborhoods of older, smaller houses. The county disagreed.

"The City argues that they have produced substantial evidence that the LEC conforms with the surrounding neighborhood," Judge Robert Hunter wrote for the appeals court. "We agree."

The appeals court first defined "neighborhood." Relying upon Webster's Third New International Dictionary, it held that in the context of this case, a neighborhood is both "a number of people forming a loosely cohesive community within a larger unit (as a city, town)" and "the quality or state of being immediately adjacent or relatively near

to something."

The county had noted that other governmental building such as city hall, the old and new courthouses, the current jail, the sheriff's office, the Board of Elections building, the county office building, and the main post office were all nearby, in the neighborhood of the proposed jail's site. In addition, Concord City Council had heard evidence that a jail and sheriff's office had historically been near the courthouse.



In addition, the design of the law enforcement center had been altered from the precast concrete originally proposed to red brick so that it would better match other nearby buildings.

Opponents of the jail painted a different picture of the neighborhood surrounding the proposed jail. They noted that the law enforcement center would have 28 times the footprint of the average home within 500 feet and would be surrounded on three sides by houses. As the appeals court noted, "obviously, the use of the jail is inconsistent with residential use."

Despite this, the Court of Appeals ruled in favor of the county. The standard of review associated that applies if a locality's actions were not supported by the evidence or was arbitrary and capricious is the "whole record test," whether upon review of the entire record of proceedings it contains substantial evidence to support the locality's decision.

"...The City has presented substantial evidence that the LEC would conform to the surrounding neighborhood," Hunter wrote. "The fact that petitioners have presented contrary evidence does not alter our analysis. ... [T]he 'whole record' test does not allow the reviewing court to replace the [b]oard's judgment as between two reasonably conflicting views, even though the court could justifiably have reached a different result had the matter been before it de novo.' Petitioners' assignment of error as to this issue is therefore rejected."

Court of Appeals rulings are controlling interpretations of state law that are binding upon lower courts unless over-ruled by the N.C. Supreme Court. Because the ruling by the three-judge panel of the appeals court was unanimous, the high court is not required to hear the case should the opponents further appeal.

The case is *McDonald v. City of Concord*, (07-113) (<http://www.aoc.state.nc.us/www/public/coa/opinions/2008/070113-1.htm>). CJ

Commentary

Development and Taxes

Debates usually are framed in overly simplistic terms. Such is life in a world of 30-second attention spans and the 24/7 news cycle. The debate over the real-estate transfer tax or sales tax ends up being about "which" tax to support rather than whether the tax is needed. Similar arguments are made about funding schools without discussion about the rest of the budget. What communities should be doing is looking at potential and existing problems from a broader perspective.

Nothing I've seen in the past decade of local government has perplexed me more than the argument about "growth not paying for itself." Members of the League of Municipalities, county commissioners, legislators, and even journalists espouse this mantra. But there is often little debate about the broader context of why such an argument, which is counterintuitive, would have any merit in a factual discussion.

Originally, North Carolina economic developers and elected officials were clamoring for jobs at the turn of the 21st century. The economy was slumping, and the misplaced desperation meant government needed to get involved. The rationale was that we needed growth to pay for infrastructure, as it had since the beginning of the state.

But bear in mind that up and until this time, local government spent most of its time enforcing laws, building schools, putting out fires, providing health and social service functions, and many other essential government operations.

Then more governments started providing nonprofit funding. They added more nontaxable land for parks and buildings for seniors or agricultural centers. All of these required more revenue. Governments started to put progressively more money toward economic "incentives," which prevent new revenue from coming in from industry. And they increasingly did more of what government could do without stopping to see whether it was something that government should do.

These activities come at a price. They require tax money to

sustain. The state was of little help during this time. In fact, it confiscated millions of dollars in 2003 from counties and cities to balance a state budget that was far out of kilter because of poor management.

With the addition of the agricultural deferments, homestead exemptions, and even the new senior "circuit breaker," in addition to the incentives, more revenue was relied upon by those taxpayers who received no deductions.

Overcoming many of the economic issues faced earlier in this decade, North Carolina is seeing unprecedented growth. But saying that growth does not pay for itself in local government is

myopic and should make us look at our current tax system a bit more.

So, I see the argument as twofold. One is that more should be done on the front end to ensure that infrastructure, such as roads, water and sewer, and fire protection, can accommodate new development. There is no reason why collaboration between developers and local governments cannot address such issues without the need for confiscatory impact fees and silly "adequate public facilities ordinances."

The second is that local government officials should consider getting out of areas that local government shouldn't be in. By providing the public with better performance, higher efficiency, and waste-cutting management techniques, local government builds trust — which will pay dividends when bonds or other capital expenditures need to be made.

There is much work to be done in Raleigh to change the way in which our property tax code is failing. In the meantime, local government officials should aspire to understand the debate about growth without simply throwing out five-second sound bites that inevitably are code words for higher taxes and fees. CJ



Chad Adams

Chad Adams is vice president for development for the John Locke Foundation, director of the Center for Local Innovation, and former vice chairman of the Lee County Board of Commissioners.

Local Innovation Bulletin Board

Spokane's Living Wage

The claim that workers would benefit if retail businesses larger than 95,000 square feet within Spokane, Wash., city limits paid wages from 135 percent to 165 percent of the state minimum wage is ill-founded, says Carl Gipson, director of the Center for Small Business at the Washington Policy Center.

Most of the benefits of a living wage would go toward households that are not below the federal poverty line. Living-wage ordinances also force the least-skilled workers out of the labor market. Economic evidence from other states shows there would be a net job loss within Spokane's retail workforce.

Highway funding inequities

Among the many flaws in the federal highway and transit program are the pervasive regional inequities in the way that federal highway spending is distributed among the states, says Ronald D. Utt, senior research fellow of the Heritage Foundation in Washington, D.C.

Under current law, motorists and truck owners pay a federal fuel tax — 18.3 cents per gallon on gasoline and 21 cents per gallon on diesel fuel. The money is put into the highway trust fund, which returns the fuel tax revenues to the states for their highway and transit projects.

However, as annual U.S. Department of Transportation data show, many states were short-changed. Using the trust fund-returned ratio (returns divided by payments), Mississippi (0.893 trust fund return ratio), the poorest state in the union, subsidizes motorists in Connecticut (1.451 return ratio), the richest state.

The system also effectively transferred \$559 million from motorists in Texas (median income of \$41,645 in 2004) to motorists in Connecticut (median income of \$56,617) and Alaska (median income of \$52,141).

Overall, in the past 50 years, motorists in Alaska — the biggest recipient — have received six times as much from the federal highway trust fund as they have paid into it.

North Carolina has been the third largest donor over time, receiving only an 81.6 trust fund-return ratio over the past 50 years. In 2005, the ration was 89.8, still far from breakeven.

Another perverse consequence of the misallocation is the difference in population. Between 2000 and 2006, among donor states, Texas' population increased by 12.9 percent, South Carolina's increased by 7.7 percent, and Georgia's increased by 14.4 percent. Among the states receiving the most money, Connecticut's population increased by 2.9 percent, New York's increased by 2.1 percent, Pennsylvania's increased by 1.3 percent, and West Virginia's increased by 0.5 percent.

In Alaska the population increased by 7 percent, just slightly higher than the national rate, but its small population, 670,053 in 2006, meant that its 2005 windfall of \$412 million helped to accommodate the road needs of just 43,121 new Alaskans.

Well-compensated workers

The nation's 16 million state and local government workers earned an average of \$61,727 in total compensation (wages plus benefits) in 2006, 11 percent more than the \$55,470 average earned by U.S. private-sector workers, according to the latest annual data on employee compensation by industry released by the Bureau of Economic Analysis of the U.S. Department of Commerce.

According to the new data, state and local workers earned an average of \$46,937 in wages, close to the \$45,995 average earned by private-sector workers. The primary state and local government worker advantage is derived from generous fringe benefits.

State and local worker advantage has remained fairly constant since at least 1990. Private pay boomed in the late 1990s, but state and local pay has grown faster this decade.

The BEA data show teacher compensation has closely tracked the overall state and local government pay average since 1990. The average compensation in state and local education in 2006 was \$62,371.

State and local workers are not paid as well as federal workers, on average, but they usually receive similarly generous fringe benefits, including high job security and lucrative pension and health care plans. The BEA data do not capture the value of non-dollar benefits. CJ

From Cherokee to Currituck

Wilmington Sees Road Problems

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

While Wilmington's streets are in good condition today, the city will have to nearly quadruple its road maintenance spending over the next decade to keep them in as good condition as they are today.

The city recently hired MACTEC Engineering and Consulting Inc., a Maryland consulting firm, to do a survey of the condition of its streets. The good news is, they rate, on average, an 83 on a 100-point

scale, which translates to a being in "very good" condition.

The bad news is to keep them at that high an average score, the city will have to spend an estimated \$31 million on road maintenance over the next decade. Wilmington has budgeted \$8 million for road repairs over the next decade. At that funding level, the average road condition score would fall to 69, or "good."

Wilmington has 372 miles of city-maintained streets.

"It's not on life support at this time," City Manager Sterling Cheatham said to the *Wilmington Star-News*. "But a couple more years of neglect, and it'll be apparent, and a lot more expensive to fix."

The survey is the first step in addressing the problem. Finding extra money for road upkeep has proven difficult in recent years. Wilmington City Council last year rejected Cheatham's proposal to provide \$250,000 to create a road maintenance reserve fund.

"I would like to see us set money aside this year, even if it's a small amount," said Wilmington Mayor Bill Saffo.

Forsyth struggles to fill jobs

Forsyth County is struggling to find enough doctors, nurses, and other health-care professionals to staff its county health department. To fill the gap, county officials are considering increasing pay rates to stay competitive, the *Winston-Salem Journal* reports.

The Forsyth County Department of Public Health is authorized to have 68 nurses. It has 10 vacancies.

"We have been struggling with it as many people have," County Manager Dudley Watts said. "It's been both retention and recruitment. It's a very competitive field."

The openings came despite the

county raising starting pay in the current year. The county has two classifications of nurses. It raised starting pay this fiscal year from \$17.48 an hour and \$19.15 an hour to \$17.98 an hour and \$19.78 an hour, respectively. A further salary review is under way.

The area is facing a general shortage of nurses, which is expected to get worse over time.

"I don't think the salaries are competitive, otherwise I don't see why we wouldn't have more applicants," said Dr. Tim Monroe, the county's health director.

"The willingness to pay competitive salaries is not always there."

The problem extends beyond nurses. The county has been unable to find a full-time dentist for the Cleveland Avenue Dental Center, which it took over from N.C. Baptist Hospital on Jan. 1. And it has given up trying to find a physician to serve as the county's health director.

Charlotte targets hotels

Charlotte is considering new regulations aimed at reducing crime associated with weekly-stay hotels. Proposed new rules would give police and code enforcement officers authority to inspect the hotels and mandate additional record-keeping, *The Charlotte Observer* reports.

The new rules were inspired by problems associated with the Knights Inn in north Charlotte. The weekly-stay hotel was the source of numerous police calls. About 30 or more people were living there among rats. The city was able to shut the hotel down only because it lacked a functional fire alarm.

City officials hope the new regulations would help with about 15 hotels that are creating problems.

Part of the problem with existing regulations is that weekly rental businesses aren't considered hotels under state law and so the city's existing hotel ordinances don't apply. Code enforcement officials also are unable to inspect hotels, because existing city code regulations apply to houses, abandoned buildings, and apartments, but not hotels.

The new rules would create minimum standards backed up by fines. In addition, hourly stays would be banned with limited exceptions, such as for delayed airline travelers.

Police would also be able to inspect registration information of guest suspected of a crime. CJ



Appeals Court Rules for Habitat in Pinebluff Case

By MICHAEL LOWREY
Associate Editor

The state's second-highest court has rejected an attempt by the Moore County town of Pinebluff to prevent a local Habitat for Humanity group from building a 75-home subdivision. The N.C. Court of Appeals held that the town had improperly found the development not to be in harmony with the surrounding area.

The appeals court ruling comes despite a lower-court order in favor of Habitat for Humanity that was written on the stationery of the Habitat for Humanity's lawyer.

In June 2006, Habitat for Humanity of Moore County applied for a conditional-use permit to develop a 75-house subdivision in Pinebluff. The town's planning board recommended approval in July 2006 and the town's board of commissioners conducted a public hearing on the permit request in August.

At a hearing Sept. 21, 2006, the board found Habitat for Humanity's application to be both complete and meeting the requirements of R-30 zoning under the town's unified development ordinance. The board voted to reject Hab-

itat for Humanity's application, however, finding that the homes would not be in harmony with the surrounding community.

Thenonprofit organization challenged the rejection in the courts. On Jan. 4, 2007 Superior Court Judge James Webb ruled that the town had improperly turned down Habitat for Humanity's application and ordered the town to issue the permit.

Pinebluff appealed Webb's ruling, bringing the case before the state's second highest court. On appeal, Pinebluff contended that Habitat for Humanity lacked standing, that it is was not really affected by the decision, and thus could not challenge it because it did not actually own the property at the time. The town argued that while having a contract to purchase land might be sufficient, Habitat

"[W]e strongly discourage lawyers from submitting or judges from signing orders printed on attorneys' ruled stationery bearing the name of the law firm. Such orders could call into question the impartiality of the trial court."

for Humanity had failed to present evidence of such a contract to the town.

The Court of Appeals was not swayed by the arguments. "We hold that Habitat had standing in this matter, and that the trial court correctly concluded that it had jurisdiction over the parties and the subject matter," Judge Sanford Steelman wrote for the appeals court.

Steelman noted that Elizabeth Cox, Habitat's executive director, had testified at the August public hearing that the organization had contracted to buy the land. The board itself found the application to be complete and did not ask for additional evidence of Habitat's authority to submit the application.

"Although Commissioners correctly note that the property owner did not sign the application, this is irrelevant in light of their finding that Habitat's application was complete. Further, the record contains evidence that Habitat had an option to purchase the property at the time it submitted the application," Steelman wrote.

Under N.C. case law, if a proposed utilization of a property is listed as a conditional use for its zoning district, it is presumed to be in harmony with the surrounding area unless evidence is presented to suggest otherwise.

In Pinebluff's case, four local

residents spoken against Habitat for Humanity's proposed subdivision. "The gist of the opponents' objection is that they did not want the rural nature of their property to be compromised by a subdivision," Steelman wrote.

"However, under North Carolina jurisprudence, the fact that the proposed development in a [conditional use permit] application has not already taken place on land is insufficient to rebut a prima facie showing of harmony. Thus, to the extent that the objections to the proposed development centered on the fact that the land had not already been developed, these objections were insufficient to rebut Habitat's prima facie showing of harmony."

The Court of Appeals also made note of a questionable practice in the lower-court ruling that did not affect the appeals court reasoning: Webb's ruling was filed, printed and signed on the stationery of Habitat for Humanity's lawyer.

"Without deciding whether this practice violates either the Code of Judicial Conduct or the Revised Rules of Professional Conduct, we strongly discourage lawyers from submitting or judges from signing orders printed on attorneys' ruled stationery bearing the name of the law firm. Such orders could call into question the impartiality of the trial court," the ruling said.

N.C. Court of Appeal rulings are binding interpretations of state law unless over-ruled by the N.C. Supreme Court. Because the ruling by the three-judge panel of the Court of Appeals was unanimous, the high court is not obligated to hear the case even should Pinebluff further appeal.

The case is *Habitat for Humanity Of Moore County, Inc. v. Board of Commissioners of Town Pinebluff*, (07-406).

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John Gizzi has been reporting on Washington politics for *Human Events* since 1979. He uses his daily access to the White House for the inside scoop in his weekly politics column and Gizz-ette Blog.



John Hood is President and Chairman of the John Locke Foundation. Hood is a syndicated columnist whose column appears in newspapers in over 50 communities. He is a regular radio commentator and a weekly panelist on "N.C. Spin," a discussion program that is broadcast on 16 television stations across the state.



Marc Rotterman is a partner in Rotterman & Associates, a Raleigh-based public relations and political consulting firm. He is a veteran of the 1980 Reagan presidential campaign and 1981 to 1984 was a political appointee in the Reagan Administration. He is the founding president of the John Locke Foundation and currently serves as a Senior Fellow.

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• Did the 2006 election usher in a new era of Democratic dominance? Mark Stricherz addresses that pertinent question in *Why the Democrats are Blue: Secular Liberalism and the Decline of the People's Party*.

In this book, Stricherz shows why, even today, Democrats are blue. He reveals how a group of secular professionals seized control of the Democratic Party, driving away Catholics and blue-collar workers. He also details how New Politics activists hijacked the McGovern Commission, changed the party platform to reflect their secular and elite values, and systematically excluded socially conservative Democratic leaders.

Through the voices of working-class, religious people, Stricherz explains how the Democratic Party has alienated its most reliable voters, reducing the base of a once-great national party to the coastal enclaves that support its secular values. Available at www.encounterbooks.com.

• Our nation is hopelessly and equally divided between liberals and conservatives, right? Wrong, says Newt Gingrich in *Real Change: From the World That Fails to the World That Works*. Gingrich argues that America has a natural, overwhelming conservative majority — a majority that has a better grasp of the challenges facing America than the Washington bureaucrats, politicians, and lobbyists who don't think of solving problems, but of managing "the system."

Using his 49 years of studying American politics and history, and his 20 years in Congress (with four as speaker of the House), Gingrich argues that Americans speak with one voice — a conservative voice — and are ready for solutions that are proven to work. More information at www.regnery.com.

• The bitter national debate over abortion and stem cell research has divided America, but Robert P. George and Christopher Tollefsen argue in *Embryo: A Defense of Human Life* that the state has an ethical obligation to protect embryonic life. The authors eschew religious arguments and make a purely scientific and philosophical case that the fetus, from the instant of conception, is a human being, with all the moral and political rights inherent in that status. George and Tollefsen also offer a summary of scientific alternatives to embryonic stem cell research. Learn more at www.randomhouse.com/doubleday. CJ

Book review**Graham Mingled But Didn't Mix Politics, Religion**

• Nancy Gibbs and Michael Duffy: *The Preacher and the Presidents: Billy Graham in the White House*; New York: Center Street; 2007; 413 pp.

By HAL YOUNG

Contributing Editor

RALEIGH
Who was the most influential North Carolinian in 20th century politics? Jesse Helms? Sam Ervin? Terry Sanford? Jim Hunt? What about Billy Graham?

For half a century, the evangelist from Charlotte was the defining figure in American evangelicalism. He was also the de facto chaplain to the White House, completely unofficially, and counted 10 of the last 11 presidents as personal friends. *The Preacher and the Presidents* is a sympathetic history of the remarkable career of a minister whose pastorate was made up of First Families, the evangelist whose love for politics put him on a tightrope between two worlds, and a confidant to chief executives of both parties.

Give and take, not quid pro quo

In 1949, Graham was a rising young preacher, suddenly in the spotlight, thanks to media moguls Henry Luce and William Randolph Hearst. He was also an interested observer of politics, and his first contact with the White House was a commonplace request for a congratulatory note from President Harry Truman at the opening of a Christian radio station.

When several months later he found himself invited to the Oval Office, Graham was overwhelmed by the moment and nearly forgot his pastoral message to Truman — then he overplayed it. In a scene worthy of Frank Capra, Graham and his colleagues were ambushed by photographers who cajoled them into kneeling for prayer on the sidewalk outside the White House. Truman was furious, and Graham later asked his forgiveness. "That's all right," Truman said. "I knew you hadn't been briefed."

Graham immediately realized that any visits to the president had to stay strictly off the record. His first instinct was correct — the country's leaders often needed spiritual comfort and counsel, and some would cling to Graham as an emotional lifeline — but he would have that opportunity only if he kept his focus on ministering to the man, and not in cultivating the public figure.

From that stumbling start, Graham developed a series of friendships as unique as they were complex. The presidency is at once the most visible and the most isolated position in the nation; a disinterested friendship is the rarest commodity. "Every president needs some people around him who



While Graham didn't use the presidents for personal gain or fame, he did ask them to put in a word with foreign leaders occasionally. In places such as North Korea and Russia, it opened doors normally closed to Christian missionaries.

still call him by his first name and tell him exactly what they think," Graham said. "He becomes isolated partially because even his friends are afraid to tell him the truth."

Graham lived in the same glare of publicity the presidents did, so he didn't need to borrow from the prestige or influence associated with their office. He was fascinated with the inner working of politics, but never sought position or fame from his relationship with the White House. Staff members recollect that Graham, of all visitors, never came with a personal agenda, and when suggested as a possible candidate for office — Nixon once offered him his choice of ambassadorships — he always declined, saying, "I was called to preach, not to govern."

That is not to say that either side missed the practical value of their relationship. One of the most interesting themes in the book is how Graham and the presidents gingerly balanced their separate worlds at the intersection of two kingdoms. Politicians found it useful to

be seen with Graham, and the preacher was willing to coach them on their message to religious voters and share observations from his wide contact with the American public. While Graham didn't use the presidents for personal gain or fame, he did ask them to put in a word with foreign leaders occasionally. In places such as North Korea and Russia, it opened doors normally closed to Christian missionaries.

God's man for the time

Graham prayed constantly for the country's leaders and for God's guidance over upcoming elections. As a result, he believed a sort of *vox populi, vox Dei*, and sincerely told whomever gained the office that he was God's choice for the times. Graham said he grew close to 10 of the last 11 presidents, both Democrat and Republican (he is registered the former and voted the latter), and the feeling was obviously reciprocated — most of the time.

The odd man in the bunch was not the Roman Catholic John F. Kennedy, the duplicitous Richard Nixon, nor the scandal-ridden Bill Clinton. It was Jimmy Carter, a fellow Baptist who once organized a Billy Graham Crusade in Georgia. The authors suggest several reasons for this. Carter was an intensely private man, they said, and he might have been more self-reliant about his faith than other presidents. Graham was still recovering from the fall of his friend Nixon just two years earlier, and he might not have reached out as eagerly as before.

On the other hand, the book omits Carter's growing hostility toward conservatives in the Southern Baptist Convention, later grouping them with radical Islamists as a threat to the nation, and his public break with the SBC in recent years.

This book is not hagiography, though the authors plainly grew to like their subject and handle him with respect. Graham believed that when the apostle Paul wrote that "all have sinned and fall short of the glory of God," it meant presidents struggled with the same failings and doubts as any man, so they needed to hear the same message of redemption and forgiveness Graham preached in stadiums. That gave him the boldness to seek out and befriend powerful men for their own good, though he freely admits it nearly compromised him sometimes. That was the temptation he had to combat for 50 years. As *The Preacher and the Presidents* demonstrates, there is a place where politics and religion can mingle without mixing, and on the whole, Graham managed to negotiate it with reputation and ministry intact. Only time will show whether the next generation of leaders will handle the temptations as well. CJ

Read The Anti-Federalist Papers to Understand Who We Are

Sometimes I wonder whether I live in the same United States of America that was created when the Constitution was ratified in 1789, for the Constitution is ignored in modern times or used only when expedient for certain causes.

It's not far-fetched, to say that Americans have lived under four different regimes. During each, the Constitution has been interpreted differently, and each era's interpretation changed the role of the national government. One from 1789 to 1865. Another from 1865 to the 1890s (the start of the Progressive Era). A third from the Progressive Era to the New Deal Era (the 1930s and 1940s). And the current regime which started during the 1960s. Some may divide the regimes differently, but whether there are three, or four, or five, or more, the main point remains.

This is not a foreign concept to Europeans, who admit that they many



Dr. Troy Kickler

times have lived in countries with the same name yet their governments are different than when first formed. But for Americans this is disturbing stuff. It chips away at the idea that America has been a constant idea that remains intact. I am disturbed, however, because I wonder if a proper understanding of the Constitution, as it was ratified, is even a possibility in modern times and that we can only navigate within the waters of broad constitutional interpretations of the regime in which we now live.

The American mind, even the conservative one, has accepted many of the changes in constitutional interpretations and considers America to be something else than what it originally was. Take the erroneous equating of nationalism and federalism. For many Americans, they are synonyms. During the Founding Era, however, they were considered different types of governments. National governments are controlled from the center, and the hinterland or the government's duchies, regions, bishoprics, or whatever the case may be, are subordinate to and serve the interests of the national government. A federal government is one in which states, duchies, or whatever the case may

be, defer certain powers to the central government yet maintain sovereignty. The central government exists to serve the interest of the alliance's members. We do not now live in a federal government nor have we for at least over a century.

To help understand this concept, Americans should be made aware of arguments put forth not only in the *Federalist Papers* but also in the *Anti-Federalist Papers*. Many believe the former are the key to understanding the Constitution, but the essays were written to persuade states to ratify the Constitution and should be interpreted not only as a commentary to the Constitution but also as, well, propaganda.

Federalist Papers were not as important during the 1780s as they became during the early 1800s to nationalist Chief Justice John Marshall, who reshaped constitutional interpretations. Other essayists held more sway in their states than did Jay, Hamilton, or Madison. James Iredell of North Carolina, for one, was writing in support of ratification of the Constitution before half of the *Federalist* essays were printed. His role was indispensable in convincing North Carolina, which was out of the Union in 1788, to

join the Union.

Anti-Federalists have been rebuked as provincials, lacking vision. This is nothing new. Contemporary critics even used the name Anti-Federalist to misrepresent the defenders of liberty and opponents of the Constitution. Ironically, Anti-Federalists wanted a more federal government than the Federals; the term resulted from a Federal political strategy to present Anti-Federalists as opponents of limited government. Without the Anti-Federalists (the real federalists) and without the action of North Carolina staying out of the Union for a year, we would not have the Bill of Rights. Anti-Federalists' views influenced interpretations of the document and fostered limited government views during the early republic and antebellum eras and, it can be argued, even until today.

To restore America to its constitutional origins, Americans should read the *Anti-Federalist Papers* and start remembering who we are and thinking about who we may become.

CJ

Troy Kickler is executive director of the North Carolina History Project (<http://northcarolinahistory.org>)

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Short Takes on Culture

Dino Exhibit Not for Everyone

• "Dinosaurs: Ancient Fossils, New Discoveries"
N.C. Museum of Natural Sciences
Oct. 27, 2007 - March 2, 2008

Dinosaurs: Ancient Fossils, New Discoveries" is a special exhibit at the N.C. Museum of Natural Sciences in Raleigh. Admittedly, with an exhibit on loan from the American Museum of Natural History in New York, my expectations were high.

The best museum exhibits offer a variety of learning tools including visuals, videos, and reading material. However, visuals always excite me the most. The exhibit proved to offer interesting facts particularly regarding how the dinosaurs walked.

The most fascinating visual was the robotic 6-foot-long mechanical *Tyrannosaurus rex*, which demonstrated how a real *T. Rex* roamed the earth — with bent knees and swaying tail to keep his balance.

Most disappointing for me, however, was the lack of authentic dinosaur bones. Even if dinosaur bones are fragile and weigh thousands of pounds, I expected more from a five-month exhibit. The exhibit is complete with a cast skeleton of a *T. rex* and an aluminum model of a *stegosaurus*. Most interesting in this area were the bona fide, wall-mounted dinosaur skulls, including a *Triceratops*. In my opinion, it is always more exciting to view the real bones, rather than a man-made model.

While this exhibit surely is not a "must see" if you *dig* paleontology, it is amusing and educational for children of all ages.

— JANA DUNKLEY

• "Christmas with the Mormon Tabernacle Choir and Orchestra at Temple Square Featuring Sissel"
Mormon Tabernacle Choir
Directed by Lee Wessman

I tuned in late for this PBS broadcast on Christmas Day, so I did not recognize the featured singer, but I was immediately captivated by her voice. I have not been so mesmerized by a performance since I first saw *River Dance* on PBS.

I could not stop watching and trying to guess who she was. When she sang some Christmas folk songs from Scandinavia, I guessed she must be from Europe. PBS is known for highlighting foreign stars and giving them a U.S. presence. Charlotte Church, Sarah Brightman, and Andrea Bocelli come to mind.

When she read the Christmas

story, I got my second clue. Her accent was very similar to that of my friends who live in Norway. It wasn't until the end of the program that I learned her name is Sissel. By Googling her name, I found out that she is in fact a Norwegian from Bergen.

In the "it's a small world" category, I mentioned to my Norwegian friend, Kjell, that I heard her sing with the Mormon Tabernacle Choir. I asked if he had heard of her since they were both from Bergen. To my surprise, he had not only heard of her, but his brother-in-law had discovered her when she was a child and was her manager for many years.

I highly recommend this or any of her CDs. I enthusiastically agree with the reviewer who said, "Sissel's voice is like a glimpse of heaven."

— MICHAEL SANERA

• "Juno"
Fox Searchlight Pictures
Directed by Jason Reitman

This independent comedy-drama about teen pregnancy follows the life of a young girl named Juno, played by Ellen Page. The movie follows the time period from the time of conception to the birth of her child and all the mishaps and mistakes along the way.

The boyfriend-father, played by Michael Cerra, is a young track athlete whose awkwardness causes a great deal of amusement throughout the story. One should be able to follow his style of comedy if you have seen any of his previous work.

Juno is a quick-witted and abrasive young girl who begins to struggle with the realization that she is pregnant. With an unconventional visit to an abortion clinic, she returns home and faces the challenges that await her. Her closest friend Leah (Olivia Thirlby) sticks by her in the time of need and provides some comedy relief during a bit of the more serious occurrences.

Although the story deals with issues of unplanned pregnancy, teenage sex, and families falling apart, there is still an underlying message that as long as there are people to support you, it is possible to deal with any situation.

An uncomfortable topic for some, "Juno" shoots toward a more open-minded crowd and brings a new spin on the idea of teen pregnancy. In full view, it's a heart-felt story about a daughter, her family, her boyfriend, and the family willing to adopt the child.

— JOEL GUERRERO CJ

Book review

Author Tells What Makes a Hero

*Paul Johnson: *Heroes: From Alexander the Great and Julius Caesar to Churchill and De Gaulle*; HarperCollins; 2007; \$25.95

By MELISSA MITCHELL
Contributing Editor

RALEIGH

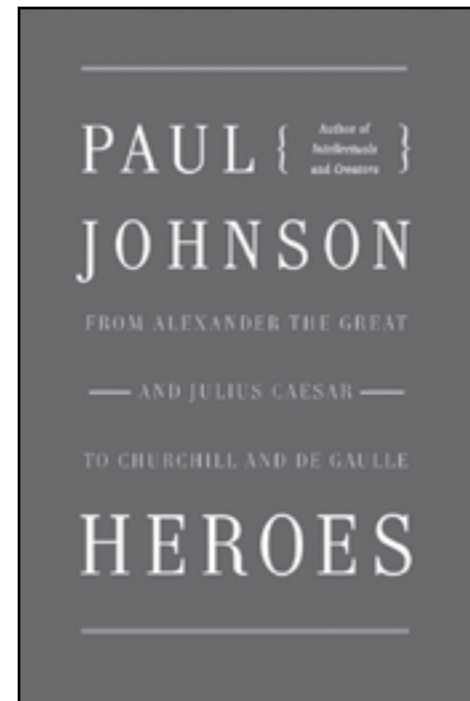
Who are your heroes? Are they family members or personal acquaintances? Are they national or world figures? In his latest book, *Heroes: From Alexander the Great and Julius Caesar to Churchill*, historian Paul Johnson seeks to answer the question, "What is a Hero?" Like Johnson, for most of us the choice of a hero is often personal. Before Johnson takes the reader on a journey through time from antiquity to the 20th century, he points out some interesting facts about heroism.

First, the first heroes were all men. As Johnson notes, "recognizably human...who stood halfway between the deities and the rest." Second, when women become heroines the entire concept of a hero changes. Gone are the military men and the rejoicing in supernatural strength. Third, the personal aspect in choosing ones heroes, as Johnson rightly notes, is that "one person's hero is another person's villain." Finally, Johnson points out that hero status ebbs and flows over time.

Johnson turns to Scripture for his first heroes, choosing Deborah and Samson from the book of Judges and Judith from the Apocrypha. These choices allow Johnson to present his views on women versus men as heroes. Samson illustrates the superhuman quality of strength, while Deborah and Judith are lauded for their knowledge and wisdom. Where other heroines of antiquity are often presented as seers or witches, these two women are known for their piety. He then adds David, which seems like an afterthought.

Certainly, the individuals that Johnson chooses for his book are personal. Some choices, such as King David, Joan of Arc, Abraham Lincoln, Robert E. Lee, and Churchill are synonymous with the idea of a hero, while others such as Julius Caesar, Alexander the Great, Mae West, and Marilyn Monroe are odd choices. But throughout the book, it is clear that Johnson admires intellect and achievement, especially, if the individual is self-educated or has overcome childhood adversity. Johnson's admiration of achievement allows him to overlook the ruthlessness of many of his heroes, including Caesar and Alexander.

Johnson brings the attributes of a scholar and historian to his writing. In telling about each hero, Johnson goes beyond a written description of the individuals' actions and provides information about the person's height, manner of dress, how they carried themselves, and their personal grooming habits, giving the reader a visual image of the individual. He also includes information



about art works that portray the hero and where the works can be viewed. However, at times he includes extraneous bits on information that leave the reader puzzled over its inclusion.

However, like many British historians, Johnson loves the Middle Ages and the English history associated with those years. But one tends to get bogged down in the parentage, marriages, and the hanged and beheaded in the longest sections of the book.

One of the oddest and most puzzling chapters in the book is Chapter 10, which is devoted to the heroism of hostesses. Since this chapter comes after the chapter about the great intellect and philosopher Ludwig Wittgenstein and before the chapter about Churchill and de Gaulle, it seems like a needless bit of information and proves that the choice of a hero is often an unusual personal choice. Even the odd choice of Mae West and Marilyn Monroe makes more sense than someone who gives parties.

Johnson finalizes his list of heroes with what he calls the "Heroic Trinity," ending the book with a unique and superb chapter on Ronald Reagan, Margaret Thatcher, and Pope John Paul II. The insight into each person's personality and the role they played in dismantling the Soviet empire and communism. His personal insights allow Johnson to contrast and compare the personalities of Reagan and Thatcher and how it contributed to the end of the Soviet Union. Johnson's admiration for John Paul leads him to say that John Paul was both hero and saint.

Although the book ends on a strong note, it is not until the last paragraph of epilogue that the reader truly understands Johnson's criteria for choosing a hero. Here Johnson lists his four principal traits for identifying current day individuals for heroine or hero status. The reader might do well to read this paragraph before reading the book. CJ

'The Kite Runner' Shows Cruelty of America's Enemies

• "The Kite Runner"
Dreamworks SKG
Directed by Marc Forster
Rated PG-13

By **SAM A. HIEB**
Contributing Editor

GREENSBORO

"The Kite Runner" is a hard movie to classify. It has all the elements of a "date movie," tugging at the emotional heartstrings. It features as the main character an aspiring young writer named Amir, a sensitive type who draws the ire of his father when he refuses to stand up to local bullies.

"A boy who does not stand up for himself becomes a man who stands up for nothing," the father says.

But "The Kite Runner" is indeed a man's movie, the story of a boy juggling relationships with his father and his best friend in immediate pre-Soviet Afghanistan. The relationship grows more complicated as Afghani society suffers at the hands of the Soviets and later the Taliban.

The movie's grim backdrop is a society beaten down by both Communists and religious extremists, and anyone who has doubts that the United States is right in standing up against either should see this movie.

The movie actually begins in modern-day San Francisco with Amir, played as an adult by the Egyptian actor Khalid Abdalla, and his wife, Soroya, played by Atossa Leoni, awaiting the arrival of his newly published novel. As he gazes upon his work, he receives an ominous call from his old friend Rahim Khan, played by Shaun Toub, without whom Amir would not have succeeded as a writer. Rahim Kahn tells Amir to come to Pakistan, in order to "find a way to be good again."



The movie flashes back to Amir's childhood in Afghanistan and his relationship with Hassan, played by Ahmed Khan Mahmudzadeh, the house servant's son. Amir, played as a boy by Zekeria Ebrahimi, and Hassan spend their days playing cards, watching dubbed versions of "The Magnificent Seven" and, most enjoyably, flying kites.

Each year, Kabul would have a kite-flying competition where the goal is to cut the other kites, with the last kite still flying being declared the winner.

The movie's grim backdrop is a society beaten down by both Communists and religious extremists.

The cut kites are trophies for the winner and are tracked down by a 'runner,' hence the name of the movie. Hassan loyally serves as Amir's kite runner, shouting he will "run kites a thousand times"

for Amir. It is while Hassan is retrieving a victorious kite that he becomes the victim of a horrible act that Amir witnesses. It is Amir's shame in failing to intervene that ultimately ends their friendship.

Amir and his father Baba, played by Homayoun Ershadi, flee the Soviet invasion, traveling through Pakistan and

ultimately ending up in California. Baba must work at a gas station to support himself while Amir goes to community college. Baba's anti-Russian sentiments linger in Reagan-era America.

Baba eventually succumbs to lung cancer, not living long enough to enjoy Amir's success as a writer. But the joy of Amir's success must be delayed for a return trip to the Middle East, where his friend has some shocking information that prompts another trip back to his home country to retrieve Hassan's son Sohrab, played by Ali Danesh Bakhty Ari, who was orphaned by the Taliban.

Amir is shocked by what has happened to his native country after years of rule, first by the Soviets and then by the Taliban. Buildings are in rubble, trees have been cut down, scores of children are hobbling on crutches with legs missing, and Taliban militants are riding around in the back of pickup trucks on "beard patrol." Halftime entertainment at a soccer game is the stoning of an infidel couple.

Eventually Amir tracks Sohrab down in a Taliban leader's compound, where he's serving as a sex slave. Amir can have the boy, the Taliban guy tells him, but nothing's for free, hence the violent struggle for Sohrab's freedom.

As directed by Marc Forster, whose previous movies include "Monster's Ball" and "Finding Neverland," the movie moves at decent clip. I would worry, however, that only those who have read the novel would pick up some of the more subtle themes and plot turns. Despite some great scenery — China stands in for Afghanistan — it would work well as a DVD rental.

"The Kite Runner"'s important broader theme, about the cruelty of America's enemies, past and present, justifies the time spent, in whatever form. *CJ*

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By John Hood
President of the
John Locke Foundation

Selling the Dream Why Advertising is Good Business



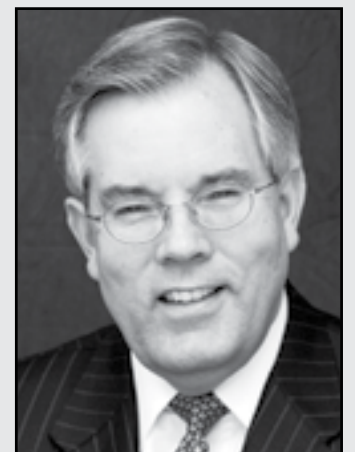
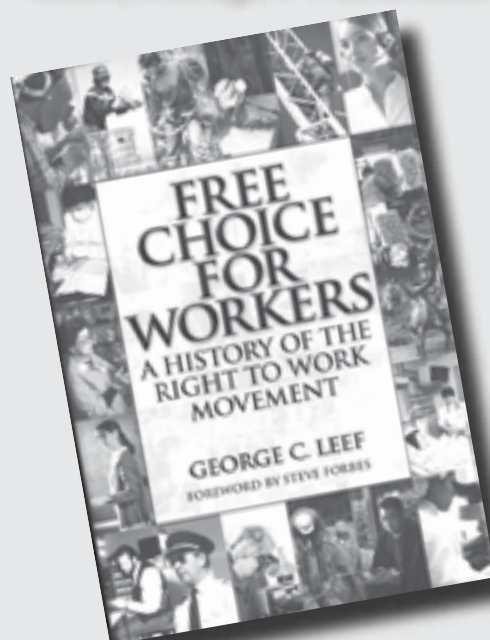
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Commentary

Malignant 'Smart Growth'

A Gore isn't a candidate to be the next president of the United States. That office would mean a demotion for him. As emperor of an environmental empire that spreads across the globe, he wields more power than the commander-in-chief of the most powerful nation on Earth.

Using his campaign against global warming, he has sown the seeds of the No. 1 menace facing Americans. Yet mitigating global warming isn't the real objective. Global-warming fanaticism is a feint, a diversionary tactic that enables government planners to implement "sustainable development," otherwise known under the fuzzy, politically correct term, "smart growth."

The former vice president began tilling the soil in 1993, when President Bill Clinton created the President's Council on Sustainable Development. The council enabled the Clinton administration to make an end run around the U.S. Senate, which in 1994 unanimously defeated the U.N. Biodiversity Treaty.

As it turned out years later, the Senate's vote didn't matter anyway. The president's council succeeded in planting in America an invader more prolific than kudzu. Like kudzu, the smart growth movement basks in bright sunlight, yet it remains unchallenged by the media and overwhelms everything it touches. Now, a little over a decade later, vast expanses of private property across America lie permanently fallow under a carpet of government regulations.

But the spread of smart growth hasn't gone unchallenged on the grass-roots level across America. It is hard to quash the human spirit. Hundreds of property rights associations in all the states are battling the crushing restrictions. The organizations represent millions of property owners — farmers, suburbanites, and most recently residents of cities who are awakening to the threat.

Unfortunately, their pleas for help have been drowned out by the roar of an avalanche of global-warming propaganda. Well-funded organizations and businesses — such as the Z. Smith Reynolds Foundation, the Rockefeller Brothers Foundation, Bank of America, the Sierra Club, the Center for

Climate Strategies, and hundreds of land trusts — form strategic alliances with governmental agencies and influence politicians through campaign donations and raw pressure. In turn, federal, state, and local governments provide billions of dollars in grants to foundations that bolster governments' power and usurp citizens' constitutional rights.



Richard Wagner

One struggle by landowners to save their property and their rights in a South Carolina county epitomized the scope and danger presented by the radical environmental movement. Kay and Bill McClanahan, and a handful of their neighbors, recognized the menace

facing Lower Richland County and organized a powerful property rights association to confront the enemy. Lower Richland encompasses 330 square miles of the southeastern part of the county in which Columbia, the state capital, is situated. The McClanahans and the African-American landowners in their half of the county, were able to push the environmental extremists and executive-styled elitists into retreat, for a while. For the African-Americans, property was sacred. It was bought with blood, sweat, and tears after the Civil War and the end of a century of slavery.

A series of tragedies, however, ended in Bill's death and Kay's near-demise. Without their leadership, paralysis overtook the other members of their grass-roots organization. Meanwhile, smart growth extended its roots throughout the county and into the very fabric of its citizens' lives. Today, Richland County, and many others in the Carolinas and across the nation, are poised to leap headlong into socialism.

Global warming might be today's catch phrase, but in reality, it serves as a catalyst. The real payoff for environmentalists — control of all the land — hovers in the future. In Richland County, 2020 is the date that the enviro-bureaucrats have set for the dawning of a Smart New World. In Raleigh, it's 2030.

In future writings, I will expose the strategy in the Carolinas, and that of the entire smart growth network. Please stay tuned. CJ

Richard Wagner is editor of Carolina Journal.



Editorial

Mayor Meeker's Briar Patch

Please don't throw us in that briar patch!" is the public relations approach Raleigh Mayor Charles Meeker and the City Council has decided to take in its march toward implementing the city's new comprehensive plan, Planning Raleigh 2030. Unfortunately for Meeker and his newly elected majority of "progressive" members on the council, however hard they try, they're having a difficult time upstaging the original, Brer Rabbit.

Meeker's and friends' most recent slap in the face came at a meeting of the council and the city planning department. A horde of homeowners packed the council chambers Jan. 22 to oppose the city's proposal to zone 5,000 acres in North Raleigh as a watershed protection area for a potential source of drinking water. The meeting followed a drubbing city officials took Nov. 20, when another overflow crowd of residents demanded that the city abandon proposed restrictions that would limit the size of homes.

When confronted by homeowners in both instances, city officials pleaded innocence. "We're only following state mandates," they claim. Well, that's true, they are. North Carolina laws require localities to control development in watersheds and to develop comprehensive plans to control growth.

It just so happens that N.C. officials use the same ploy when they enrage property owners in other areas of the state. "Hey, we're just following federal mandates," state officials say. Again, that's surely true, in many instances.

Raleigh and North Carolina have a lot of company in their push to enact what are called "sustainable development," or "smart growth" regulations. Local governments, with the blessing of state leaders, across the nation — in direct violation of the U.S. Constitution — are revolutionizing land ownership in America. Under the guise of environmental protectionism, government at

all levels has entered into unholy compacts with corporations, environmental groups, and wealthy donors to usurp private property rights.

This powerful coalition of government, business, and nongovernmental organizations (or NGOs) has almost unlimited resources at its disposal. Some of it is provided by land trusts, such as the Trust for Public Land and hundreds of others, and nonprofit foundations, such as the Z. Smith Reynolds Foundation and hundreds of its kin. And, some of it is provided by giant corporations, such as Bank of America. But government provides most of the money, in the form of matching grants, to buy land for "conservation."

This mixture of private and public funding for so-called environmental purposes perverts the Constitution and enables government to cannibalize its own citizens.

How did this movement — which is transforming the United States from a republic into a socialist state — get started? Go back to 1994 when the U.S. Senate unanimously rejected the U.N. Biodiversity Treaty because it would have trampled property rights in America. President Bill Clinton liked the treaty. So he issued an executive order that created the President's Council on Sustainable Development and empowered the Executive Branch, through its various agencies, to — incredibly — introduce U.N. land controls in the United States.

"Smart growth" actually had an earlier history, but when combined with the Clinton administration's enforcement of the Biodiversity Treaty, radical environmentalists gained all the tools they needed to take private property, both urban and rural, in the United States.

Dozens of counties and cities across North Carolina are following suit. That includes Brer Meeker and his minions — they love it, regardless of what they tell homeowners. CJ

Transportation and Taxes

The state should remain neutral in the market for fuels

When government works at cross-purposes, it's unlikely to achieve its purposes – and likely to make its citizens cross.

There are many cases of state policies with multiple objectives that conflict, or are at least in tension. For example, North Carolina derives hundreds of millions of dollars a year from excise taxes on cigarettes and alcohol. One goal of this tax policy is to raise revenue for expenditures on public education, mental health, and other government programs. Another goal, though, is to discourage cigarette and alcohol consumption. If the state hopes to make any significant progress towards the second goal, that will undermine its ability to accomplish the former one.

Some fear that we are about to see the same dynamic play out in the area of transportation funding. Political pressures have intensified to reduce the consumption of gasoline and the purchase of certain kinds of automobiles. Some of these pressures were based on legitimate public-policy concerns.

Others, such as a widespread misinterpretation of air-quality trends and a misguided fixation with "Smart Growth," were wasteful detours. With

this in mind, consider the proposed replacement over time of gas taxes with mileage-based fees to finance road construction and maintenance. In theory, there is much to be said for the idea. In practice, there are important challenges such as guaranteeing that mileage charges would truly replace, not just supplement, gas taxes.

Political opposition may well come from those who wish to use the gas tax to force people into compliance with carbon-emissions caps and out of their sport-utility vehicles. SUVs will be more expensive to own and operate in gas-tax regimes than in mileage-tax regimes. Furthermore, advocates of alternatives such as electric cars and hydrogen fuels have been counting on a continued tax penalty on gasoline to make their pet ideas feasible. If drivers are charged per mile, it won't matter to the state which fuels you use to travel those miles.

Because we shouldn't be using the tax code for something other than apportioning the cost of necessary government programs fairly and efficiently, we should keep the state neutral in the market for fuel. But it's doubtful rent-seeking politicians and interest groups will agree. *CJ*

About Those Census Data

What do population developments mean for North Carolina?

The latest population estimates from the U.S. Census Bureau are out, and getting a lot of attention. Here in North Carolina, the news is that, once again, we are among the fastest-growing states in the nation. North Carolina residents exceeds 9 million. The Southeast as a whole is a major growth region, encompassing five of the fastest-growing states.

But just what are some of these new population developments, and just what do they mean? For instance:

- North Carolina now has about as many residents as does the country of Sweden. Notable countries with smaller populations include Austria, Somalia, Bulgaria, Switzerland, and Israel.

- North Carolina remains the 10th most-populous state. To overtake the ninth-ranked state, Georgia, will take some doing, as it has 9.5 million residents and is also growing rapidly. Still, look at it this way. The population of North Carolina is about 90 percent of the population of Michigan (10 million), more than three-fourths of the population of Ohio (11.5 million), and nearly three-fourths of the population of Pennsylvania (12.4 million). That's really quite remarkable.

- Not too far into the future, it is likely that there will be about as many people in the Carolinas (13.5 million in 2007 and exploding) as in all of New

England (14.3 million and barely growing at all).

- The U.S. population, currently at 303 million, is about 5 percent of the world's total. Each of the five most-populous nations on Earth forms the largest single concentration of believers of their respective majority faiths (or non-faiths).

- By the way, Christianity is the most widespread religion in the world, at 33 percent of the population. Islam is about 20 percent, Hinduism and the non-religious category (agnostic, atheist, seculars) are each at about 14 percent, and Buddhism, animism, and Chinese traditional religions (including Taoism) are each at about 6 percent.

- China ranks first in population only because of the way India was partitioned as it gained full independence from the United Kingdom after World War II. India, Pakistan, and Bangladesh together add up to nearly 1.5 billion.

- While Asia is by far the most-populated continent, its share of the world's population was probably larger in the 18th and 19th centuries than it is today. By 2050, Asia's share is projected to fall a little, Europe's share will plummet, and Africa's share will rise. That's one reason why Africa's plight is so tragic, and African freedom so vital to a prosperous, peaceful, and hopeful future. *CJ*

Commentary

Seniority's a Fool's Bet

The worst possible reason to vote for an incumbent legislator or member of Congress is the argument from seniority. Unfortunately, we can expect to hear it repeatedly in 2008, as in all electoral cycles.

"Keep me in the capitol and I'll get you stuff" is a self-serving and appalling pitch. So are late-night TV ads for guaranteed systems to make a killing on real estate with no money down. There is a key difference, though. Most viewers have sense enough to know that anyone brilliant enough to work out an unbeatable real-estate scheme would be stupid enough to market it to the entire public for \$50 a pop.

But many viewers do appear to buy the line that they ought to vote to retain incumbents with whom they disagree so as to maximize the political clout of their district or state. These voters are horribly misguided.

While government spending is a significant — way too significant! — share of the economy, it isn't predominant. Few jurisdictions have ever made themselves wealthy by securing government grants and facilities. Most people still derive, and will inevitably derive, their income from private transactions in the marketplace.

While the federal and state governments can affect these transactions to some degree, it's mostly to the negative, not the positive. Sure, when government performs its core services well, there can be a net economic gain. Safety, legal stability, and true public goods such as unlimited-access highways are cost-effective expenditures of taxpayer dollars.

Also, some regulations are required to protect individual property rights in specific contexts where negotiation and litigation are impossible or problematic, and thus serve to maximize public well-being. Most of what governments tax away our resources to finance, however, meets none of these criteria. Such programs are simply transfers of wealth from those who created to those who didn't, with a generous shipping and handling charge skimmed off the top by the political class in each capital city — by which I mean elected and appointed officials, lobbyists, campaign pros, and the media.

More importantly, even in

the few districts that have a track record of scamming large lumps of fiscal largesse by re-electing their doddering incumbents for many decades in a row, the practical benefits turn out to be scant. Defenders of the seniority argument point to West Virginia, which has attracted a disproportionate amount of federal funds and installations. Well, what's been the result? West Virginia remains one of the poorest states in the country, and is gaining population at a slower rate than most. West Virginians would gain far more from better overall federal governance than they ever would from the current system, which combines what is still a relatively small flow of

federal cash from Washington with a much-larger stream of a fouler-smelling liquid.

Voters ought to choose their political leaders based on political ideas, not fanciful notions of outwitting distant climes and bringing their money home to the district. Rather than allowing district representation in the General Assembly or Congress devolve into the political equivalent of a pack of wild dogs fighting over the morning's kill, we ought to elevate it to what the Founders of our state and nation intended: a means of selecting leaders who bring varied views and experiences to the process of adopting sound public policies.

It makes sense to elect representative and senators based on geographic units, rather than in statewide or national slates, because it facilitates electoral competition and political diversity. Unfortunately, district representation brings with it the temptation to play pork-barrel politics and to protect out-of-touch incumbents by touting their seniority in the spoils system.

If you truly believe that re-electing a scalawag is in your interest because he will eventually have enough clout to get your tax money back, you are making a fool's bet. Indeed, if you still think voting on seniority makes sense, I'd like a moment of your time to tell you about my unbeatable system for winning at every blackjack table in Vegas — which I'll sell you for, oh, \$50. *CJ*

John Hood is president of the John Locke Foundation.



John Hood

Editorial Briefs

System encourages foster care

American children are not languishing in or aging out of foster care because of a lack of parenting resources. There are 500 married couples in America for every child waiting to be adopted, and countless singles that could also provide loving families, says Thomas Atwood, president and CEO of the National Council for Adoption.

The inflexibility of child-welfare financing is one factor behind the long waiting times for those in the system and the record number of children aging out.

Under Title IV-E of the Social Security Act, 61 percent of all federal financing allocated to states for child welfare purposes is spent on maintaining children in foster care and for related administrative and training costs.

Only children whose original families meet the outdated, 1996 income eligibility requirements for the now-defunct Aid to Families with Dependent Children program are Title IV-E eligible. Because these eligibility requirements have never been adjusted for inflation, fewer children are Title IV-E-eligible each year, which continues to increase states' share of the costs.

Title IV-B of the Social Security Act is the second largest source of federal child welfare funding after Title IV-E. Unlike Title IV-E, Title IV-B covers prevention and rehabilitation services and has no eligibility requirements. However, Title IV-B is a capped entitlement program, whereas Title IV-E is open-ended. Title IV-E represents a much larger pool of funding than Title IV-B—\$7.8 billion versus \$721 million in 2006.

This asymmetric funding structure gives states a clear financial incentive to move children into foster care and keep them there.

The poor middle class myth

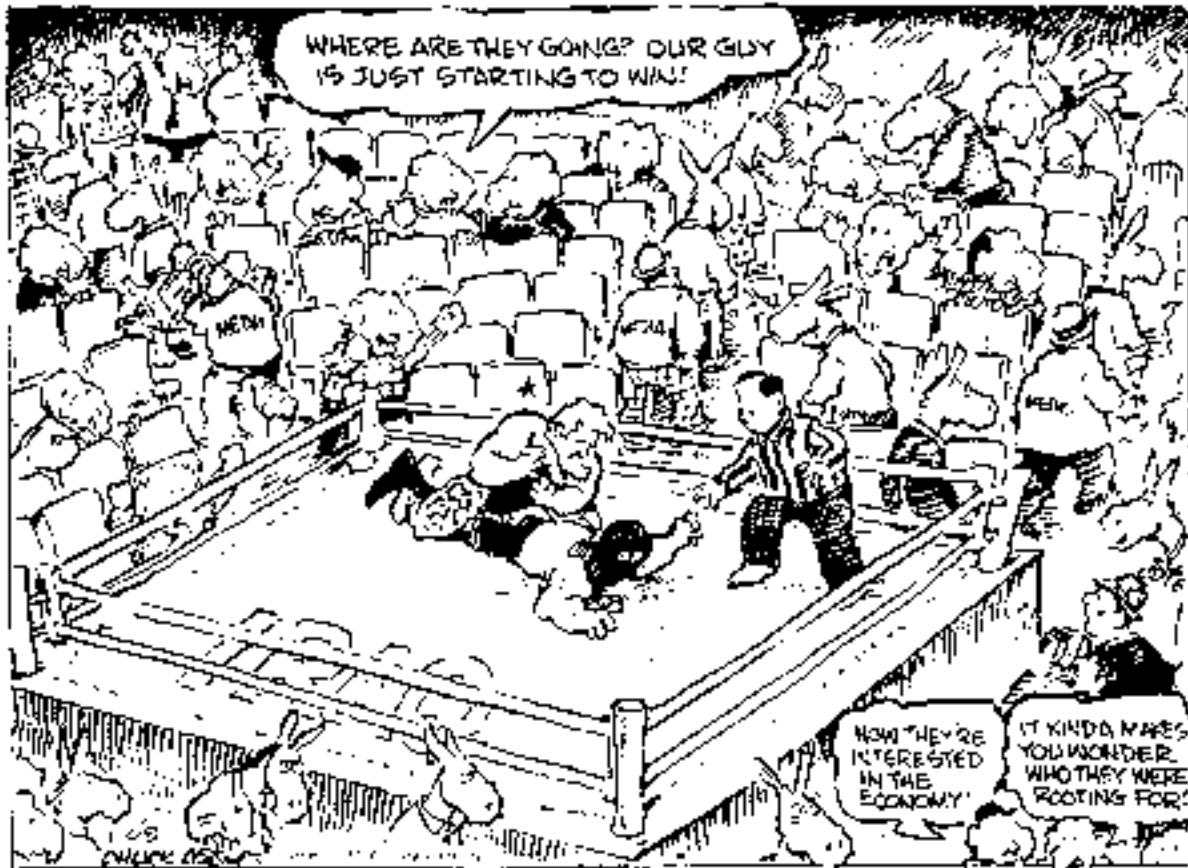
Leading liberal thinkers tell a compelling tale of middle-class decline. Pity it isn't true, says Stephen Rose, an economist and author, in *The Washington Post*.

One myth is that the middle class' standard of living stagnated while the dot-com boom made the super rich even richer. In fact, the U.S. economy hands out wealth far more evenly. Per-capita gross domestic product has increased by more than 65 percent since 1979 — growth that translates to \$26,000 per household. If all that money had gone to the richest 10th of the population, it would now hold more than 60 percent of the national income. That's nearly twice as much as the super rich actually have, according to the best census surveys available.

In addition, the middle class is not shrinking. True, fewer people today live in households with incomes of \$30,000 to \$100,000, a reasonable definition of "middle class", than in 1979.

But the number of people in households that bring in more than \$100,000 also rose from 12 percent to 24 percent. There was no increase in the percentage of people in households making less than \$30,000.

So the entire "decline" of the middle class came from people moving up the income ladder. For married couples, median incomes have grown in inflation-adjusted dollars by 25 percent since 1979. CJ



Are the Best Things in Life Really Free?

The daily economic and business news constantly focuses on spending and the flow of dollars between consumers and firms. Reporters eagerly ask whether consumers are spending enough to keep the economy growing, and whether businesses are earning enough to pay more to workers and stockholders.

Yet there's an old adage that encourages us to look away from prices and profits and consider more intangible, yet important, gifts, such as sincerity, honesty, love, and compassion. Many say traits such as these, which don't have price tags, are really the best things in life. For them, we can focus on their quality and meaning without worrying about any cost.

Wouldn't it be nice to extend these free "best things" to other products and services, such as gasoline, health care, food, and a college education? Wouldn't it be nice if all the necessities required in today's economy were also free?

This is where the reality of economics splashes cold water on our faces. Economists argue that prices actually serve a good role, for both producers and consumers. For without prices, we wouldn't have many of those everyday "good things," such as food on our plates, roofs over our heads, and clothes on our backs. Even if we did, without prices we wouldn't appreciate them as much.

Let's look at the benefit of prices first from the producer, or business, side. I think you'd agree that valuable products are costly to produce. For example, in order to put gasoline in our cars, oil must be pumped from underground reservoirs, transported sometimes halfway around the world, refined into gasoline, and distributed to retailers for purchase. If companies along this chain of production weren't able to receive prices that covered their costs, they wouldn't go to all this effort, and our cars would sit idle.

An increase in a price is often beneficial because it ensures a larger supply of the product later. Again, look at today's oil market. The rapid indus-

trialization of developing countries, particularly in Asia, has spiked world usage of oil and led to record high oil prices.

But the upside of the higher prices is that they have created a stampede by producers to find more oil supplies. Exploration for new oil fields and the conversion of previously untapped sources, such as oil sands and oil shale, to oil are now in high gear and will increase oil supplies in later years.

For consumers, prices are a way of communicating value, of making consumers realize some sacrifice was needed to make the product or service available. In turn, paying a price for a product or service motivates consumers to carefully use the product and to not waste it.

A personal example might illustrate this idea. When I was a teen-ager, my father gave me a "hand me down" car. I was excited and proud to have it and drove the car for a couple of years.

However, my next vehicle I bought myself with money I had earned at a restaurant. I regularly changed the oil, cleaned it, and kept the car in top running order, things I hadn't done with the first vehicle.

Why did I behave differently? I think it was because I paid a price for the second car, whereas I paid nothing for the first. Paying for the second car allowed me to connect the dots between working at the restaurant and getting something good (the car) for my efforts. And I wasn't going to waste my hard work by not taking care of the car.

None of my comments should take away from the importance of unpriced ideals, values, and character traits that are commonly held in high esteem. On a personal level, I agree that these are the "best things." But for other, more mundane, needs, I argue that prices actually help more than they hurt. CJ



Michael
Walden

Michael L. Walden is a William Neal Reynolds distinguished professor at North Carolina State University.

Sluggish Economy Requires Sensible Government

Some economists are predicting a recession in 2008. Others say there's about a 50 percent chance of a recession. Turmoil in the national housing market and rising fuel prices could slow the state's economy. A recession in other parts of the United States also could slow growth in North Carolina when people can't sell their homes to relocate here. A slowdown in the housing market adversely affects construction and associated industries. Still, experts predict that North Carolina's economy will not be hit as hard as other parts of the country.

Despite the ups and downs in the economy, North Carolina remains an attractive and vibrant place to live and to do business. It's the sixth-fastest growing state. Most people, 82 percent of them, who moved to North Carolina in 2006 came from other states.

The rest are international immigrants.

Annual growth rates based on Gross State Product have slowed, but they are still growing. For example, over the years growth was: 3.5 percent in 2004; 5.4 percent in 2005, and 2.5



Becki
Gray

percent in 2006. Growth is forecast at 3.1 percent in 2007 and 2.5 percent in 2008. A total of 75,600 new jobs is forecast for 2007, an increase of 1.9 percent over 2006, and in 2008, 83,900 new jobs are forecast, a 2 percent increase over the expected 2007 level. Unemployment rates are about 0.1 percent above the U.S. average.

That's not to say there is no room for improvement. Income growth lags the national average. Unemployment rates could be lower. Precautions should be taken to ensure that state government regulations don't increase costs to taxpayers without offering significant benefits.

Overall, the biggest risk to the economy is the real estate slump. We are experiencing the effects of national sub-prime mortgage defaults. When adjustable rates are changed in 2008, foreclosures will increase. Meanwhile, the credit collapse will continue moving to credit card debt because many families are unable to pay their bills. Further, because of a decrease in consumer confidence, shoppers will buy fewer big-ticket items.

The accumulation of factors will affect every aspect of the economy because people will become unable, or unwilling, to buy things, home foreclosures will increase, jobs will be lost or salaries frozen, and the cost of essential goods will increase. Tax collections derived from these economic activities, likewise, will falter. Among

these, respectively, are sales taxes, property taxes, and income taxes.

Despite the risks to the economy from the real estate market, however, it is not the responsibility of state government, in effect, the taxpayer, to bail out borrowers or lenders.

As gasoline prices rise and environmental regulations increase the costs of utilities, more money is taken out of consumers' pockets. Utilities affect every aspect of the economy, from the way buildings are built to the way goods and people are transported around the state. As fuel taxes increase the costs of goods and services in every sector, the economy will slow.

Contradictorily, a slow economy will reduce government revenues, while the demand for government services will increase.

North Carolina's constitution requires the governor to balance the budget each year. That doesn't necessarily mean that it has to be a good or responsible budget, just that revenue has to match spending.

In the past, the General Assembly spent all the money that was available and chose to raise taxes to cover additional spending and promises made earlier instead of cutting spending, creating a spend-and-tax rollercoaster.

It's time to get off the rollercoaster. Legislators should stop making commitments one year that will require spending cuts or tax increases

the next year.

Tax reform is only half the answer. Tax reform must be coupled with spending reform as well. Government should fund core functions such as schools, roads, and prisons instead of wasting revenue on the likes of Google, Dell and bike paths.

State government is a consumer and employer just as N.C. citizens and businesses are. State government, including the University of North Carolina system, is the largest consumer of electricity in the state. When fuel prices increase or the cost of electricity rises because of regulations, the state's bills go up too.

The taxpayer pays the bills. State government is the largest employer in the state. It has an obligation to honor pay increases, even those made when there was a surplus of revenue. It has a \$24 billion unfunded liability for retiree health benefits (GASB 45). More employees retire each year and health-care costs escalate.

Despite a national downturn, North Carolina's economy looks to be on track for growth, even if it's more modest than in previous years. The best thing state officials can do to preserve a strong economy in 2008 is control spending and limit regulations. CJ

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

Tired of the AMT? Congress Has Your Fix, at Least for Now

The technology of tire repair has come a long way.

In the past, if a car popped a flat, drivers had few options. Depending on the cause and location of the leak, a tire might or might not be viable. Nowadays, not only can you get your tire patched, you also can do it at home, or even purchase tires that self-seal upon puncture.

While a tire patch may preserve the life of your tire, it won't extend it. Granting that the patching process works, your tire is still only as good as it was when you bought it. And consumers have no problem accepting this fact.

If American consumers follow this logic, why does it seem like many are pleased with Congress' latest action on the Alternative Minimum Tax (AMT)?

Passed in 1969, the Alternative

Minimum Tax was designed to ensure that taxpayers earning large incomes paid a fair share of the federal income tax. Stories of the wealthy ducking out on income taxes by taking advantage of tax shelters, preferential investment opportunities, and incentives inherent in the tax code led to this separate method of calculating federal income tax.

If your gross income is more than \$75,000, you will probably have to figure out your tax liability two ways: with the old-fashioned 1040, including its regular litany of deductions and exemptions; and with Form 6251, a completely different way to calculate federally taxable income with its own type of deductions. After calculating both, you pay the greater of the two dollar figures.

Never adjusted for inflation, the AMT tax brackets continue to capture an increasing number of the population as our economy grows. Those most affected by this foreseeable problem live in relatively high cost-of-living areas with high incomes and high state and local taxes. The benefits

of federal tax cuts, like those initiated by President Bush, only play into the AMT trap by adding to your gross income.

In a state-by-state lineup, the taxman would identify more people in the Northeastern and Western United States for an invitation to join the AMT club. But that doesn't mean North Carolina is in the clear. According to the most recent data compiled by the Congressional Research Service, our state was ranked 17th in AMT returns as a percentage of total tax returns.

Whenever the AMT creeps up on more taxpayers, Congress zooms into action with new tax credit provisions and increases in basic AMT exemptions. Recently, Congress and the president updated the AMT by tinkering with exemptions. These new patches to the system keep the fire of taxation inflated. But the structural integrity of the tax tire continues to be deficient. Sooner or later, this motley tire will have to be replaced.

From the beginning, the AMT was a worthless addition to the tax code. Not only did it fail to identify

and fix the underlying problem of tax avoidance, it added to it. Creating an additional tax system with its own set of exemptions and provisions that must be amended every few years is not the way to remove tax loopholes.

To make the federal income tax code viable (that is if you want to stay with a national income tax instead of a consumption tax), the AMT should be abolished. Instead of using the AMT patch, the tax system should be redesigned to capture the revenue lost to exemptions and deductions – the total of which amounted to about a fourth of all personal income in 2006. By spreading the tax over the broadest amount of the population possible, everyone's tax rate could be reduced substantially without jeopardizing revenue.

Whether Congress ever takes on the federal tax code, it's clear that another patch won't cut it. Eventually, you've got to get a new tire. CJ

Paul Messino is project manager for the John Locke Foundation.



Paul
Messino

State: McMansions, More Pavement Can Aid Runoff (a CJ parody)

By RICHY RAINBARREL
Green Correspondent

RALEIGH

Gov. Mike Easley, who last month was urging citizens to refrain from flushing their toilets, is this month urging them to do all they can to increase stormwater runoff.

"We've got all these tree huggers buying rain barrels, diverting this precious water from our storm drains," the governor said. "That's why our reservoirs and rivers and streams are drying up."

The crisis first came to Easley's attention when hundreds of Department of Water Resources Stream Watchers reported that their streams were drying up. Stream Watchers are volunteers who adopt creeks and streams and keep an eye on them to head off environmental problems.

Originally they were to report on too much polluted runoff feeding the streams, but the ongoing drought has changed their mission somewhat.

"Used to be, we'd yell about volume, assuming that meant pollution," said one Stream Watcher. "Now we'd just be thankful for a little trickle of water, no matter what's in it."

Easley said the lack of stormwater runoff has put in jeopardy such endan-



The appearance of Falls Lake reservoir after months of drought has Raleigh and state officials scrambling to encourage more stormwater runoff. (CJ parody photo)

gered species as the Carolina Heelsplitter, a freshwater mussel. "We used to be concerned that the Heelsplitter would come in contact with some kind of pollution or other," said Easley. "Now they're all dying for lack of water. We never dreamed that we'd kill them off with all the rules we made to protect them."

Among those rules promulgated by state and local governments are restrictions on stormwater runoff. Any water that rolls off a roof, driveway or parking lot has been called harmful to the environment.

"Polluted stormwater runoff is the number one source of water pollution

in the United States, according to the Environmental Protection Agency," says the Durham County government Web site. "It is also the number one threat to North Carolina's water quality."

But that threat has taken a back seat now that the drought is killing flora and fauna, and turning the state's reservoirs into parkland.

Consequently, Easley is urging the following:

- That all owners of homes of less than 2,500 square feet demolish them and replace them with McMansions of at least 5,000 square feet. "This will increase the runoff from rooftops, gut-

ters and downspouts tremendously," said Easley.

- If you have a gravel driveway, Easley and the Department of Water Resources urges you to pave it with asphalt or concrete so that it will produce as much stormwater runoff as possible.

- The governor also urges people to replace their grass with as large a concrete patio as possible so that the impervious surface of their property is enhanced. "We want as little of this water to soak into the ground as possible," Easley said.

- He also urged cities like Durham to repeal their stormwater runoff fees as a means of encouraging more runoff, not discouraging it. "People in Durham have been paying a stormwater runoff fee during a period when there's been no runoff," Easley said. "Not only is that unfair, but it has kept millions of gallons from reaching our storm sewers." Additionally, he urged Durham officials to give a retroactive rebate to all citizens who have paid the fee over the past decade.

- And finally, he said he would ask the legislature to enact fines for anyone using a rain barrel to divert water to their garden. "That's about as selfish as you can get," Easley said. "The rainwater belongs to everybody." *CJ*

Help Us Celebrate Our Anniversary

The John Locke Foundation invites you to join us as we celebrate our 18th anniversary with one of the country's most influential commentators and authors, Peggy Noonan. Noonan will keynote our Triangle anniversary event in February.

February 16, 2008
Embassy Suites Cary
6:30 p.m.
\$60

Peggy Noonan



(Order tickets at 919-828-3876 or
at www.JohnLocke.org/events)