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Voters Hold Fate of Charlotte's Transit Tax

Original \$1 billion
vision of transit future
has grown to \$9 billion

By MICHAEL LOWREY
Associate Editor

CHARLOTTE
Charlotte's first light-rail line is scheduled to enter service late this year or early next year. Before that event happens, though, Mecklenburg County voters will decide whether the South Boulevard line will be the only stretch of rail transit that is built in the foreseeable future.

On Nov. 6, voters will determine the future of Mecklenburg County's dedicated transit tax — and by implication — the redevelopment and transportation policies it supports.

Mecklenburg voters originally approved an extra one-half-cent sales tax for transit in 1998. The tax was sold as part of a \$1 billion plan to strengthen the city's bus system and to build five



The South Boulevard Light Rail Facility, which officially opened in June. (CJ file photo)

transit corridors out from Uptown, as Charlotte's downtown is referred to. The corridors would be:

- To the north, paralleling Interstate 77 to the towns of Huntersville, Davidson, and Cornelius in northern Mecklenburg County.
- To the northeast, to UNC-Charlotte.

• To the southeast, along U.S. 74, or Independence Boulevard to Matthews.

• To the south, along South Boulevard toward Pineville. The route is essentially parallel to I-77.

• To the west, toward Charlotte Douglas International Airport.

At the time, a mode of transporta-

tion for each corridor was not specified. Local officials have since selected light rail for the south and northeast corridors. Commuter rail service on existing tracks is envisioned for the north line. Bus service is favored for the southeast and west lines. In addition, streetcar service on several streets has been added to the plan.

Over the past nine years, the original \$1 billion vision has evolved into a \$9 billion plan. Concerns about cost overruns, low ridership projections, and rising congestion prompted local citizens to conduct a petition drive to again place the tax before voters.

A smart growth vision

While transit is often described to the public as a transportation solution, it is also the central element in an effort to reshape Charlotte.

"Transit is a means; it's not the end," Debra Campbell, Charlotte's plan-

Continued as "Voters," Page 2

Counties Want More Taxes Despite Medicaid Relief

By CJ Staff

RALEIGH
After having the General Assembly ease their Medicaid cost burden earlier this year, several N.C. counties will ask voters in November to allow them to collect more revenues from taxpayers either through retail transactions or home sales.

Eleven counties across the state want to impose up to a 0.4 percent levy on property transfers, and 11 others seek permission to increase their sales

"Most of the counties are using the Medicaid deal with the state as an opportunity to gouge the taxpayers."

Michael Sanera
John Locke Foundation

tax by one-quarter percent. Five more counties have placed both measures on their ballots, but if voters approve each of them, then commissioners may only

impose one or the other.

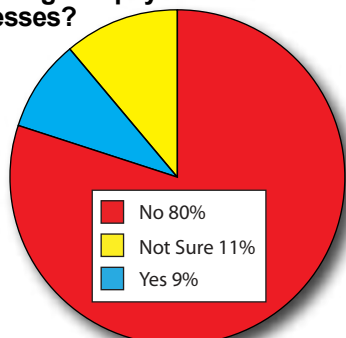
But according to analyses by the John Locke Foundation, which publishes *Carolina Journal*, some counties are sitting

on healthy revenue reserves — or would be had they not shared their resources with nonprofit organizations and corporations through economic incentives — and the need for additional taxes is questionable at best.

"Most of the counties are using the Medicaid deal with the state as an opportunity to gouge the taxpayers,"

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Should the state give corporations cash incentive payments paid by average taxpayers and small businesses?



John William Pope Civitas Institute Poll, Sept. 2007

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Voters Hold Fate of Charlotte Transit Tax

Continued from Page 1

ning director, said in the June issue of *Governing* magazine.

"The end is high-quality development and a way for us to promote better development to make sure we're better stewards of our community and the environment."

Charlotte's version of "smart growth," however, has some of its own peculiarities.

As Campbell notes, "It's also about giving lifestyle choices." The "lifestyle choices" are alternatives to single-family houses: condominiums and town houses.

City officials are equally explicit what the target market for these proffered "lifestyle choices" is. As Tracy Finch said in the same *Governing* article, the needs of Bank of America and Wachovia are critical. Both banks have their headquarters in Charlotte, and often transfer people in from places such as San Francisco, New York, and Philadelphia. A major impetus behind the transit plan was creating exactly these sorts of neighborhoods to attract bank employees that might otherwise have refused transfers to Charlotte.

"These were people used to an urban lifestyle," Finch said. "They didn't want to live on a half-acre lot at the end of a cul-de-sac. They understood the value of a walkable neighborhood."

"This really isn't even about building a transit system," Campbell said. "It's about place making. It's about building a community."

Charlotte's redevelopment efforts extend beyond transit lines and condominiums. It's also effectively pursuing a policy that might best be described as "attraction concentration," using hundreds of millions of dollars in public money to move tourist and entertainment venues from around the city and region to Uptown Charlotte.

The city's new basketball arena is situated in Uptown, as opposed to further out near the airport as the previous arena was. The Mint Museum of Art, situated off Randolph Road a few miles outside the I-277 loop, will be moved Uptown in 2010. The city and county are attempting to arrange a land-swap deal to get the Charlotte Knights, a class AAA minor-league baseball team that plays across the state line in Fort Mill, S.C., to relocate Uptown.

The policy extends to developing new attractions, such as the NASCAR Hall of Fame, which is being built partially with public money.

These relocations come despite a 2001 referendum in which voters rejected a proposal to fund a new Uptown arena, baseball stadium, and various arts projects.

While the transit plan might be good for "place making," its usefulness for actually moving people around is more questionable.

"This really isn't even about building a transit system. It's about place making. It's about building a community."

Debra Campbell
Charlotte Planning Director

Dr. David Hartgen, who recently retired as professor of transportation studies at UNC-Charlotte, has conducted several reports on state transportation for the John Locke Foundation in recent years. Hartgen's research, based upon data supplied by the Charlotte Area Transit System to the federal government, raises serious questions about Charlotte's transit vision.

Since the approval of the transit tax in 1998, CATS has dramatically increased bus service. Between 1997 and 2003, peak hour vehicles in operation increased from 192 to 367, a 91 percent increase. Ridership increases, however, have not kept pace with the increases in service. In 1997, CATS served 11.7 million trips. By 2003, that had grown to 18.9 million trips, a 62 percent increase. With service growing more rapidly than the number of customers, the percentage of operating costs covered by fares fell from 26.7 percent in 1997 to 14.2 percent in 2003. Hartgen projected as CATS continues to add buses, the percentage will continue to fall over time and be down to 11.4 percent by 2010.

The numbers are also bleak for the 9.6-mile South Boulevard light-rail line. Being built at a cost of at least \$463 million, it's projected to have only 9,100 riders per day when it opens, with perhaps

two-thirds of that number coming from existing bus service. South Boulevard itself currently handles about 33,000 vehicles a day.

"This indicates that the South Boulevard LRT line is not likely to have a discernable effect on even local congestion or air quality, let alone traffic volumes on nearby I-77," Hartgen wrote in the 2006 study "Policy versus Performance: Directions for North Carolina's Largest Transit Systems."

Charlotte's transit plan as originally sold to voters was premised upon the ability to build pricey transit lines by leveraging local dollars. The lines were presumed to qualify for federal and state funds, so local tax dollars would have to pay only for about one-fourth of the costs of construction. Recently, that assumption has been called into question. While nearly half of the cost of the South Boulevard line is being paid for with federal money, the prospects for additional matching funds are questionable, at best.

CATS officials essentially have admitted that ridership projections for the north line are too low to qualify. The \$470 million commuter rail route to Huntersville, Cornelius, and Davidson is projected to attract only 4,600 riders a day — in 2030. Opening-day ridership would be lower. The resulting funding gap for the line would be closed through the use of property tax revenues via tax-increment financing.

The flip side of spending heavily on transit is that it leaves less money available for roadwork. Transit will account for 57.5 percent of the Charlotte region's transportation spending between 2005 and 2030 while accounting for no more than 3 percent of total travel. Under the current plan, Hartgen projects congestion in Charlotte will double before 2030 and be as bad as it is in Chicago today. CJ

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Counties Want More Taxes Despite Medicaid Relief

Continued from Page 1

said Dr. Michael Sanera, research director for the foundation. "Certain county commissioners have not managed the money they have effectively."

But county officials who have the tax increase proposals on ballots say the new revenue is needed to fund capital projects and a continuing influx of new residents and the corresponding demand upon public services—primarily for education.

"This tax is supposed to enable counties to address their school needs," said Sara Vanderclute, public information officer for Cumberland County, which has only the sales tax increase up for a vote in November.

Numbers don't mesh

But John Locke Foundation experts say, based upon data obtained from counties, that nearly all of the local governments that have the new taxes on their ballots will be in an improved revenue position after the state relieves them of their share of Medicaid expenses. The legislature in July lifted that burden in exchange for the state taking one-half cent of the sales tax that had previously belonged to the counties. The ballot options of the property transfer tax or the quarter-cent sales tax was intended to enable the counties to recover the ostensibly lost revenue. However, Sanera said, the counties haven't lost any money.

As one example, Cumberland County will save \$2.8 million in fiscal 2007-2008 because the state will pay Medicaid costs previously assumed by the county. The revenue the county loses by giving the state the half-cent sales tax revenue equals nearly \$1.7 million, netting a gain of \$1.1 million. But county leaders are not jumping for joy.

"Welcome as it is, the action by the General Assembly does not result in any kind of windfall for Cumberland County government," wrote Kenneth Edge, chairman of the board of commissioners, in an opinion article for *The Fayetteville Observer* on Sept. 20. "In fact, it is more accurate to characterize the legislative action as a Medicaid swap rather than Medicaid relief."

Sanera, though, said the simple exchange presents an incomplete picture. For example, he said, revenues for Cumberland between the years 2001 and 2006 have exceeded the county's population growth and inflation by 2.6 percent. In addition, Cumberland County is sitting on financial reserves of more than \$66 million, which is \$40 million more than the state treasurer's office recommends for counties to keep on hand.

While many counties cite school capital needs as a chief reason for asking taxpayers for new revenues, the data show dramatic increases in other revenues, compared to a not-so-sharp (in some cases) increase in student en-

| Counties Seeking New Optional Taxes | | | | | | | |
|---|-------------------------|-------------------------------|----------------------------|-------------------------------|----------------------------------|--|-------------------------------|
| Reserve on hand compared to gains from Medicaid swap plus possible new tax revenue* | | | | | | | |
| County | Gain from Medicaid swap | Seeking .4% land transfer tax | Seeking 1/4-cent sales tax | Potential gain from sales tax | Potential gain from transfer tax | Total gain from Medicaid swap and optional tax** | Reserve funds in excess of 8% |
| Brunswick | \$500,000 | x | | | \$5,069,303 | \$5,569,303 | \$45,734,263 |
| Catawba | \$509,941 | | x | \$2,366,037 | | \$2,875,978 | N/A*** |
| Chatham | \$500,000 | x | | | \$964,657 | \$1,464,657 | \$8,034,113 |
| Columbus | \$700,170 | | x | \$457,074 | | \$1,157,244 | \$421,902 |
| Cumberland | \$1,123,355 | | x | \$3,982,803 | | \$5,106,158 | \$40,057,906 |
| Davie | \$500,000 | x | x | \$322,877 | \$366,877 | \$866,877 | \$2,775,421 |
| Gates | \$500,000 | x | | | \$46,415 | \$546,415 | N/A*** |
| Graham | \$500,000 | x | x | \$74,210 | \$91,418 | \$591,418 | \$3,439,756 |
| Greene | \$500,000 | | x | \$84,788 | | \$584,788 | \$4,401,985 |
| Harnett | \$500,000 | x | x | \$736,410 | \$677,898 | \$1,236,410 | \$3,863,824 |
| Henderson | \$500,000 | x | | | \$1,521,375 | \$2,021,375 | \$2,620,373 |
| Hertford | \$500,000 | | x | \$258,334 | | \$758,334 | \$2,631,484 |
| Hoke | \$500,000 | x | | | \$299,200 | \$799,200 | \$315,622 |
| Johnston | \$556,613 | x | x | \$1,677,020 | \$1,623,355 | \$2,233,633 | \$7,673,128 |
| Lenoir | \$520,376 | | x | \$639,408 | | \$1,159,784 | \$2,413,903 |
| Macon | \$500,000 | x | | | \$819,387 | \$1,319,387 | \$14,741,741 |
| Martin | \$500,000 | | x | \$242,935 | | \$742,935 | \$3,335,732 |
| Moore | \$500,000 | x | | | \$1,171,275 | \$1,671,275 | \$2,995,195 |
| Pender | \$500,000 | x | | | \$1,045,231 | \$1,545,231 | \$6,967,448 |
| Pitt | \$1,109,921 | | x | \$2,244,793 | | \$3,262,714 | \$9,111,757 |
| Polk | \$500,000 | x | | | \$394,130 | \$894,130 | \$5,364,723 |
| Robeson | \$1,706,237 | | x | \$1,095,780 | | \$2,802,017 | \$6,848,427 |
| Rutherford | \$500,000 | x | x | \$634,412 | \$670,805 | \$1,170,805 | \$12,689,762 |
| Sampson | \$500,000 | | x | \$528,469 | | \$1,028,469 | N/A*** |
| Surry | \$500,000 | | x | \$944,781 | | \$1,444,781 | \$8,844,307 |
| Union | \$500,000 | x | | | \$3,473,690 | \$3,973,690 | N/A*** |

* Counties may implement only one of the optional taxes. Some counties are seeking approval of both. If both are approved, each county must choose one.
** The higher potential optional tax revenue was added to the Medicaid swap figure.
*** County had less than the 8 percent in reserve funds recommended by the State Treasurer.

Source: JLF Research Department

rollment. Again in Cumberland's case, for example, student enrollment growth is projected to be only a little over 1 percent during the next decade. During the corresponding time period annual revenues for school capital projects, from sources such as the new North Carolina Education Lottery and the state-maintained school building capital fund, is expected to total about \$200 million for the county.

Add to that spending by county commissioners on targeted economic incentives—nearly \$4 million by Cumberland during the last three years—and gifts to nonprofits, and counties' need for new taxes is dubious, Sanera said.

Other reasons for new taxes

But county officials said the ballot options are not only about increasing funds for capital needs, but to give local homeowners more choices other than raising property taxes as sources for needed new revenue.

"Our whole thing during the (General Assembly) session was to try to secure the right of local communities to secure revenue streams that best suit their local communities," said David Thompson, executive director of the

N.C. Association of County Commissioners. "The Medicaid relief does not generate sufficient revenue to take care of the infrastructure needs of our growing counties."

Not in every case is the ballot issue entirely about infrastructure, however. For example, in Rutherford County, property values in this year's revaluation increased by more than 40 percent. According to County Manager John Condrey, new large subdivisions in more mountainous areas of the county, near Lake Lure, have nearly doubled in value. He said the county commissioners hoped, through the other tax options, to offer some relief to senior citizens and lower-income families who are also homeowners. After the revaluation the property tax rate was lowered from 61 cents per \$100 of tax valuation to 53 cents, which Condrey said was not a revenue-neutral reduction.

Condrey said that for many years additional Medicaid costs consumed more than the new property taxes and other tax increases brought in. He also said more than \$100 million worth of new school buildings have been constructed since 1990, and that currently the county needs more space for its tax department and county clerk's office,

which are housed in a cramped county courthouse.

Rutherford County has placed both the transfer tax option and sales tax option on its November ballot.

"I think the commissioners will take a serious look at making our building program more robust, and hope to accomplish more than we would be able to accomplish without it," Condrey said.

According to the John Locke Foundation's analysis, Rutherford's revenues have grown by 3.5 percent more than the rate of population growth and inflation, and the county has almost \$18 million in reserves, \$12 million more than the state treasurer recommends. And thanks to the Medicaid swap with the state, which includes a "hold harmless" clause that assures counties get at least \$500,000 after giving up their half-cent sales tax, Rutherford will have another half-million dollars to work with.

Similar scenarios exist across the state in counties that have tax increase options up for a vote next month (see chart this page).

"It is time for taxpayers to demand that county government live within the means of the taxpayers," Sanera said, "rather than the other way around." CJ

Parton Payback Requirement Mysteriously Dropped

Treasurer had asked that Parton be paid last, not first

By DON CARRINGTON
Executive Editor

RALEIGH

State Treasurer Richard Moore's staff told Roanoke Rapids officials in April 2005 that entertainer Randy Parton's annual \$1.5 million "artist fee" should be paid only after Parton's company paid the monthly lease and operating expenses for the Randy Parton Theatre. When asked, Moore would not say why that requirement was dropped.

The city, which borrowed \$21.5 million to build the theater, turned over the building in March to Parton's company, Moonlight Bandit Productions. The financing plan required the approval of the Local Government Commission, chaired by Moore and staffed by employees from Moore's office.

"Payment priority needs to be (1) real property debt, (2) operating costs, (3) artist fees, (4) profit distribution. This will provide incentive for Company and their selected manager to make the theater operation profitable," wrote Moore's Director of Debt Management Tim Romocki to City Manager Rick Benton in April 2005.

When the city, Parton, and private developers signed the final contract, labeled the Economic Development Agreement, on June 30, 2005, half of Parton's fee had become the first payment priority. The agreement calls for Parton to get \$750,000 a year, payable at \$62,000 per month prior to paying any other bills. He gets the remaining \$750,000 after paying the bills. Moore's office did not respond to multiple requests for an explanation about the payment priority.

In an e-mail response to questions about the payment priority, City Manager Phyllis Lee replied: "These comments were based on very early discussions and suggested drafts. The final EDA was executed on June 30, 2005, and incorporated many changes based on comments from many persons. One change did address the order of priority, though not as fully as suggested by Mr. Romocki. The final EDA was included along with other financing materials provided to the LGC for their review. The LGC approved the financing in March 2006."

Numerous efforts to talk with Parton about the theater have been unsuccessful. Janis O'Neill, a theater employee, said, "He does not wish to comment. He likes to do what he does best and that is to perform. He wants to move forward and make this theater a success."

Parton's first show with his band,



"He does not wish to comment. He likes to do what he does best and that is to perform. He wants to move forward and make this theater a success."

Randy Parton spokesman

the Moonlight Bandits, was conducted July 26. He normally performs four two-hour shows per week. Parton has not scheduled any other performers for this year. Neither the city nor the theater will release attendance figures, but media reports and accounts from local citizens indicate attendance at the 1,500-seat theater is significantly lower than expected.

The low attendance may soon cause financial challenges for the theater. The city set aside \$3 million for the initial startup. As of Sept. 7, all but \$573,000 has been transferred to Parton's company. Theater operations will soon be the only revenue available to pay the bills. If revenues do not cover expenses, the city will have to use property or sales taxes to make up the difference.

A feasibility study estimated that for a "stabilized" year of operation the theater would attract 276,800 to 330,600 visitors. Based on the theater's current schedule of about 200 shows per year, that would require an average of at least 1,384 attendees per show.

The News & Observer of Raleigh reported that on Aug. 22, Parton performed for only 50 people. A *CJ* reporter attending the Aug. 30 show counted about 200 persons. At least 20 of those were state employees from the state welcome centers brought in as guests of the local tourism authority and attended for free.

Published ticket prices are from \$25 to \$35. In an effort to boost attendance the theater has recently offered several ticket deals. At the Aug. 24 Willie Nelson concert at the Carolina Crossroads outdoor theater Parton, who was not performing that night, said from the stage that anyone who presented a ticket stub from the Nelson concert could get a Parton Theatre ticket for half-price.

The theater offered free tickets to all employees of the Halifax Regional Medical Center for the Aug. 29 show. On Sept. 4, Parton said the remainder of the month would be called Community Appreciation Month, and "two for one" ticket prices would be available for tickets purchased at the theater box office.

"This is our way of saying thanks to the Roanoke Valley and all of North Carolina and Southern Virginia for supporting us during our first few weeks of opening," Parton said in a press release. "Since we opened in July, those who have

seen the show have been very complimentary. We've worked hard to blend humor and dancing with all genres of music from rock 'n roll and country to classic hits and pop melodies."

Moore, a Democrat, said in May that he would be a candidate for governor in 2008.

A group of Roanoke Rapids area residents sponsored a fund-raising reception for Moore on June 11 at the home of County Commissioner Gene Minton. Twenty-seven couples or individuals were listed at the top of an invitation to the event. Several listed on the invitation had close ties to the Parton Theatre. Included were: City Councilman Jon Baker; Mayor Drewery Beale; Carolina Crossroads developer Michael


Dunlow; Mike and Cathy Scott, who at the time worked for Parton; and State Rep. Michael Wray.

Moore's campaign finance reports show that he brought in more than \$27,000 from people affiliated with that event. The invitation implied that all persons listed on the invitation had committed \$500 to \$2,000 to be "patrons," "sponsors" or "hosts," but eight of the couples did not show up as contributors on Moore's campaign finance reports.

One couple was Dunlow and his wife Ruth. Les Atkins, a spokesman for Dunlow, said Dunlow did agree to be listed as a sponsor but was unavailable to attend the event and did not make a contribution.

Baker, Wray and their wives were also listed on the invitation, but not listed as contributors on Moore's financial report. Minton told *CJ* that everyone listed agreed to have his or her name used. "We just tried to get a few people together. Some didn't come and didn't donate money," he said.

Minton, a former mayor of Roanoke Rapids, said that his fund-raising event for Moore was not connected with Moore's approval of financing for the theater. "It never entered my mind. I have no connection with the theater," he said. *CJ*



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State Halfway to Johnson & Wales Money Promises

By PAUL CHESSER
Associate Editor

While it didn't fulfill the \$10 million promise in state money that disgraced former House Speaker Jim Black committed in 2002, the General Assembly gave Johnson & Wales University another \$2 million in this year's budget, which nudges the culinary school more than halfway toward its goal.

Officials of the private, non-profit college decided to consolidate its two campuses in Norfolk, Va., and Charleston, S.C., into one and relocate to Charlotte in 2002. The school based its decision to merge and move largely because of promises made by Black and Senate President Pro Tem Marc Basnight, both Democrats. In late May and early June of that year, the legislative leaders pledged to get \$10 million in state money to university president Jack Yena, as an incentive for resettling in Charlotte.

Black characterized his financial promise as a "personal commitment of support ... over the next five years by the State of North Carolina...." Basnight's less-concrete assurance offered "to make our best efforts to secure \$1 million immediately ... and the remaining \$9 million over the next five years by the state

of North Carolina...." No official incentives offer was made, nor has been extended since, by the N.C. Department of Commerce, which oversees the recruitment of private industry and business to the state.

Some political opponents of Black and Basnight objected to their deals, saying that legislators should not make their own guarantees to private business. It is not within their powers or responsibilities to make such assurances, they said.

"It was not a promise by the state," said House Minority Leader Paul Stam, R-Wake. "It was a private promise made by Jim Black and Marc Basnight. As far as I'm concerned they can take it out of their own pockets."

Basnight is serving his eighth two-year term as Senate leader. Black is serving a 63-month sentence in a Pennsylvania federal prison for accepting bribes, after serving four terms as House Speaker. State Senate Minority Leader Phil Berger, an Eden Republican, said the problem isn't because it was Black who made the promise, but because for "one



or two people ... to bind the State of North Carolina to a spending priority is wrong."

Nine senators, led by Mecklenburg

County Democrat Charlie Dannelly, sponsored a bill earlier in this year's legislative session that would have appropriated \$6 million to Johnson & Wales. A parallel bill, sponsored by Rep. Drew Saunders, D-Mecklenburg, was also filed in the House. The General Assembly has appropriated \$1 million for the school in each of the last four years. With the \$2 million in the current budget, only \$4 million would remain if lawmakers in future sessions decided to fulfill the promises of Black and Basnight.

Dannelly said he did not request the Johnson & Wales money because of the promises, but because local leaders from his district asked him to do so.

"The business community in Charlotte was interested in that," he said. "[The state] provide[s] incentives here and there, and from what I gathered that was a pretty good investment."

Dannelly addressed the situation in light of his own position of power in the Senate, which he characterized as "limited." He is in his seventh term and is a vice chairman of the Appropriations Committee.

"I don't know what's appropriate or not appropriate," he said of the promises made by Black and Basnight. "Let me say it this way: I wouldn't make that kind of promise. But I certainly can make a promise to a businessman to do what I can. And it's a very viable entity."

Dannelly said Johnson & Wales has helped improve Charlotte's economy, calling the area around the school "bustling."

He pointed to a positive economic impact from the university that, according to an economic impact study written last May by North Carolina State University business professor Art Padilla, includes an investment of "over \$100 million" by the school and the generation of "over \$100 million annually in the state's economy."

Dennis Wicker, a lawyer and lobbyist for Johnson & Wales, distributed a fact sheet that said enrollment would reach 2,500 this year and 250 new jobs would be created by the school.

"It has truly been a success story,"

Wicker said. "When you look at what the university has achieved, it has met or exceeded all expectations."

Dannelly expressed disappointment from two years ago, when the legislature approved a plan to sell a state-owned building in Charlotte to Johnson & Wales for \$1. Gov. Mike Easley and other state elected leaders, however, thwarted that plan by selling the structure to a private developer instead for \$5.25 million.

"It would have been a great investment," Dannelly said. "I think we would have gotten more out of it if they let it go to Johnson & Wales."

The senator said the last time he saw the structure, named for former U.S. President James K. Polk, it was in poor condition. He said Johnson & Wales planned to invest millions of dollars in

the property "to make it blend into the university."

According to the 1.85-acre property's current developer, plans are to demolish the Polk building and replace it with a mixed-use development that would include 600 residential units and 40,000 square feet of retail space.

Although the building plan

didn't work out and the balance of the legislative leaders' promise didn't come through, Wicker said he was glad the General Assembly supports the school and that almost the entire Mecklenburg delegation signed on to legislation that essentially backs the \$10 million promise.

"Obviously you'd rather receive \$6 million rather than \$2 million," he said, "but we're pleased the General Assembly recognized that the university has been an educational and economic success."

Berger recognized Johnson & Wales as "a feather in the cap" for North Carolina, but in light of other demands upon the state budget, he believed it not to be a top priority.

"Because there is no end to the list of good ideas that are begging for state money, you've got to exercise some discipline in your spending," he said. The new \$20.7 billion budget increases spending by 9.5 percent over last year.

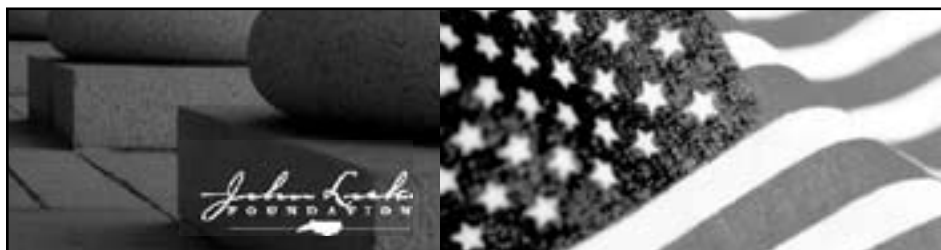
"I would say (the majority's) priorities are misplaced," Stam said. "There are a lot higher priorities."

Dannelly said the importance of projects is in the eyes of the beholder.

"Any time you fund something that's not somebody else's priority, you can always raise that issue," he said. "That's politics." *CJ*

"It was a private promise made by Jim Black and Marc Basnight. As far as I'm concerned they can take it out of their own pockets."

Rep. Paul Stam
R-Wake



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EDITOR, *THE WEEKLY STANDARD*,
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DICK MORRIS

POLITICAL COMMENTATOR, OCT. 22, 2007,
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NC Delegation Watch**Jones opposes partnership**

U.S. Rep. Walter Jones of North Carolina expressed concern over the implications of the Security and Prosperity Partnership of North America on border security, American jobs and the nation's sovereignty as President Bush, Canadian Prime Minister Stephen Harper, and Mexican President Felipe Calderon met at the North American Leaders' Summit in late August.

"My constituents are troubled by our weakly defended borders, our exploding trade deficit and the erosion of our national sovereignty," Jones said.

The partnership, between the United States, Mexico, and Canada, was established in March 2005. According to a White House document posted on the partnership's Web site, the Bush administration and that of former Mexican President Vicente Fox and Harper formed the partnership to, among other things, "facilitate further the movement of ... persons within North America" and to "maximize trade ... across our borders by striving to ensure compatibility of regulations and standards and eliminating redundant testing and certification requirements." Jones cited the effect on American employment and national security in stating his apprehension about partnership.

Myrick warns about group

U.S. Rep. Sue Myrick, R-N.C., in late August joined U.S. Rep. Peter Hoekstra, R-Mich., in urging former Attorney General Alberto Gonzales not to participate in a Labor Day weekend convention conducted by a U.S.-based Islamic group. The two House members — Myrick as cochair of the Congressional Anti-Terrorism Caucus and Hoekstra as the top Republican on the House Intelligence Committee — wrote to Gonzales "to express their concern about the Department of Justice co-sponsoring a convention for a group with ties to radical Jihadist organizations."

The two congressmen, in a letter dated Aug. 28, said the Islamic Society of North America, which hosted the convention, is "an organization with extremist origins, leadership and a radical agenda."

"We believe it is a grave mistake to provide legitimacy to (ISNA)," Hoekstra and Myrick wrote. *CJ*

On the road again**Mexico-Based Trucks Given OK to Haul in U.S.**

By KAREN WELSH

Contributing Editor

RALEIGH

It's anything but a smooth passage as concerns over safety, illegal drug smuggling, and terrorism have caused bumps in the road between Mexico and the United States — with North Carolina caught in the middle.

As a result, many members of Congress are trying to stop Mexico-based trucks and their drivers in an effort to keep them from freely crossing the American border to drive their cargo to any destination within the United States.

Known as the United States-Mexico Cross Border Demonstration Program, this pilot project is the direct result of the North American Free Trade Agreement, passed in 1993 by a majority in Congress.

Applying political pressure to the situation might be too little, too late, however, as a new pilot project started in September, when the first truck in the program quietly crossed the border at night, heading from Mexico to North Carolina with a tractor-trailer loaded with steel.

Paul Cox, press secretary for U.S. Rep. David Price, D-N.C., who voted to stop the project, said the pilot program flew under the radar and slipped past U.S. leadership "for one reason or another."

Although two bills designed to stop the funding on the project passed in recent months with bipartisan support, Cox said that even if they are amended and passed, they wouldn't take effect until the next fiscal year.

Until then, the Mexican trucks will continue to roll across open borders.

This is frustrating to U.S. Rep. Walter Jones, R-N.C., who also voted to stop funding for the project.

"It's very disheartening," he said. "This is dangerous and unacceptable. We have been very concerned about this issue and the safety of the United States. This encourages open borders when the sovereignty of American borders is at stake. In the world we live in today I don't know why this is allowed to move forward."

Other N.C. legislators agree:

• Sen. Elizabeth Dole, R-N.C., said, "During my five years as secretary of transportation, improving safety was at the forefront of nearly every initiative we undertook. That's why I simply could not support a plan to allow trucks from Mexico to freely cross our border. There is no guarantee that these trucks would meet the same safety standards as trucks registered in our country. I also am concerned that Mexican trucking companies may fail to fully comply with our laws and safety regulations."

• U.S. Rep. Robin Hayes, R-N.C., said, "Even though this pilot program



is only a one-year experiment to test the trade measure, I am deeply concerned this could unleash a flood of dangerous trucks. I don't want to see an increase in illegal immigration, drug smuggling or heightened threats to our national security through the inadvertent result of a more 'fluid border,' which could possibly serve as a means for terrorists to enter the country or facilitate terrorist activity."

• U.S. Rep. Sue Myrick, R-N.C., said, "I do not support changing our laws to allow special access to either Mexican, or Canadian, trucks, nor will I support eliminating our border checkpoints."

• Price said, "The same high safety standards required of American motorists should be imposed on anyone else who uses American roads...The administration should postpone

any plans to implement the pilot program until Mexico tightens its regulations on such things as hours behind the wheel without rest, insurance coverage, licensing, background checks and drug testing."

• U.S. Rep. Mike McIntyre, D-N.C., said, "This pilot program not only puts U.S. drivers at risk, but also compromises our national security. This is outrageous and unacceptable."

• Although U.S. Rep. Mel Watt, D-N.C., voted against NAFTA and the funding of the pilot project, he said cross-border trucking might be a lost battle.

"It's a trade issue," he said. "We

can't stop the trucks from coming across our borders. Once you have a trade agreement with Mexico you can't unload trucks from Mexico at the U.S. border. That's insane."

After years of litigation that started during the Clinton administration, the law now requires that the United States, which was found in violation of the agreement, needs to live up to its side of the bargain. The U.S. Supreme Court also determined in 2004 that the president has the ultimate power to enforce NAFTA.

Not everyone from North Carolina is against the Cross-Border Demonstration Project. A statement from Sen. Richard Burr, R-N.C. said he supports the project as long as there are strict safeguards in place.

Burr said he thought that the trucks crossing the border are inspected and that the trucks must have regular safety inspections.

"Burr voted to strengthen truck safety requirements by requiring all trucks in the program to be inspected regularly," said his press secretary, Mark Williams. "The program strengthens inspection requirements for Mexican cargo and trucks that do not meet the safety requirements will not be allowed to proceed."

A 65-page report from U.S. Secretary of Transportation Mary Peters details how all Mexican trucks and drivers must comply with strict Federal Motor Carrier Safety Administration's guidelines.

The trucks must display a current Commercial Vehicle Safety Alliance inspection decal and all drivers will be checked for a valid commercial driver's license.

Under the guidelines, all trucks in the program will be inspected at the border and their drivers are required to be proficient in English.

"Initiation of the Demonstration Project is an important step toward fulfilling our obligations under the North American Free Trade Agreement and maintaining our relationship with one of our largest trading partners," Peters said.

"...Through the Demonstration Project, trucks from Mexico must meet the same safety standards as the United States trucks, as well as additional mandates applicable to them," he added. *CJ*

"There is no guarantee that these trucks would meet the same safety standards as trucks registered in our country. I also am concerned that Mexican trucking companies may fail to fully comply with our laws and safety regulations."

Sen. Elizabeth Dole
R-N.C.

Vedder Finds Wal-Mart Criticism 'Almost Wholly Unwarranted'

Richard Vedder, economics professor at Ohio University and visiting scholar at the American Enterprise Institute, detailed his research about Wal-Mart during a recent speech to the John Locke Foundation in Raleigh. He also discussed the book, *The Wal-Mart Revolution: How Big Box Stores Benefit Consumers, Workers, and the Economy*, 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: Why is there such a fuss about Wal-Mart?

Vedder: Well, there [are] a couple of things. One, of course, it is by far the largest retail store. It is several times larger than its nearest competitors in the United States, say Target or Best Buy or Home Depot even. And you could add all of those — the sales of all those companies up, and they are still less than that of Wal-Mart, so it's conspicuous. The second thing is Wal-Mart has — employees have always felt it was a nice place to work, and they've had — unions have had a hard time organizing the company. And because of that, they have mounted attacks on Wal-Mart — others have joined

in, to be sure — and have made this a target in terms of criticism.

Kokai: Most of us have probably heard some of the criticism about Wal-Mart. Your book, by the title, we can tell, says that the criticism is largely unwarranted.

Vedder: That's right. Incidentally, I didn't start out necessarily feeling that. I was skeptical from the beginning that the criticism was probably overstated, but until I looked at the facts and the evidence at some length, I wasn't certain. But after investigating the company for the better part of a year, I concluded that the criticism was almost entirely unwarranted. To be sure, a company as large as Wal-Mart, with 1 million-and-a-half employees and thousands of stores, there will be an occasional practice that occurs



Ohio University's Richard Vedder during a recent Carolina Journal Radio interview.

that is inappropriate or wrong, maybe even illegal in some cases. But on the whole, it's a company that is — has done more good than bad for the American people. In fact, it's done a lot of good for the American people. And it is a company that we should be commending, not necessarily praising to the skies, but it certainly doesn't warrant the criticism that it's receiving.

Kokai: The subtitle of the book tells us that big box stores, such as Wal-Mart, benefit consumers, workers, and the economy. So, let's go ahead and hit some of those. First of all, I would imagine that folks, when they think about how it helps consumers, look first at the big smiley face and the low prices. Is that the main thing there?

Vedder: Yeah, that's the main thing. And you say, well, what's a nickel here and a dime there on a \$5 item that is maybe a quarter less at Wal-Mart than it would be at a competing store? But those nickels and dimes and quarters add up if there are literally, as there are, billions of transactions every year that occur at Wal-Mart. So it's hard to say with precision, but most people would estimate those gains to consumers to be worth tens of

billions of dollars a year. Some people said as much as \$1,000 or \$2,000 per American household. That may be a little on the high side, but the gains are real. I often say that Wal-Mart is the most effective anti-poverty device in America today, better than any other government bureaucracy or any other institution, a church even, in our society.

Kokai: How is Wal-Mart good for workers?

Vedder: Well, this is perhaps the most controversial area of the book because this is the area where Wal-Mart

has probably been criticized the most. It is alleged that Wal-Mart pays relatively low wages, that they do not provide health benefits, care benefits for their workers, and so on. Those criticisms, by the way, are largely unfounded, in my opinion. Wal-Mart workers make actually pretty average or above average wages for people with the kind of skill levels and experience levels that most Wal-Mart workers [have]. Wal-Mart increases employment. I think the evidence is pretty clear. There have been a number of scholarly studies that show that when Wal-Mart comes to town, there are more jobs after they come to town than before they come to town. Workers are making more income after they come to town than before they come to town. Unemployment rates are a little bit lower, not a lot lower, but a little bit lower. So Wal-Mart has, in general, widened job opportunities, including for a lot of people, such as older Americans, for those fellows at the — and gals — at the door who greet you when you come in. Many of them would simply not be working at all. So I think Wal-Mart has a positive effect on workers.

Kokai: One of the criticisms I've heard about Wal-Mart that we haven't touched on yet is the impact on other stores, other businesses. They are in small communities. You hear that the Mom-and-Pop store has to shut down because of Wal-Mart. But you argue that Wal-Mart is good for the entire economy as well. Why is that true?

Vedder: Well, it is true that any time you have change in a society, there are some possibilities — it is possible that you'll have winners and losers. When the automobile came in, there were a lot of manufacturers of buggies who lost out and lost income and employment and so on.

And that's true here as well. And there is what Joseph Schumpeter once called some creative destruction at work. And so there are some firms, some small Mom-and-Pop stores that go out of business on occasion. But it isn't that Wal-Mart put them out of business, it's the consumers that put them out of business. It's the consumers who voted with their feet and went to Wal-Mart and shopped. And when you look at things in the totality, there are more workers working today than before.

CJ

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State School Briefs

Future mayor finds sites

Less than two weeks after county commissioners refused to pay top dollar for what was billed as the single most suitable site for a new middle school near Rolesville, the town's future mayor has identified what he says are three comparable tracts readily available for sale, *The News & Observer* of Raleigh reports.

Rolesville Mayor Pro Tem Frank Eagles, who is running unopposed for mayor, said he gave school officials the addresses of three alternative sites in mid-September, as well as the names of the landowners and their phone numbers.

Eagles said two of the sites he mentioned to the school system are on the same road as the one the school system wanted. All have ready availability to water and sewer lines. All appear flat and suitable for building, he said.

Eagles did not pass along a fourth site because it was in a protected watershed, which would have made development tougher. "They [school system officials] said there weren't any more school sites, but I got four in eight days," Eagles said in an interview. "They've got a full-time real estate staff and all these outside agents. Makes you wonder whether they're getting their money's worth."

W-S shucks peanuts

Lunch is more complicated than it used to be at a few Winston-Salem/Forsyth County schools, the *Winston-Salem Journal* reports.

Peanut allergies, which have been on the rise in children and adults for the past several years, have changed things.

"We are a peanut-free zone here, which means that in the food-services cafeteria, we don't use peanut products in the preparation of food, nor do the cafeteria workers handle peanut products," said Neil Raymer, principal of Walkertown Elementary School.

Walkertown is one of three schools systemwide that have peanut-free cafeterias, although children can bring peanut products to school. Konnoak Elementary School is the only school in the system that bans all peanut products in the building.

The school system's child-nutrition department decides which schools will have peanut-free cafeterias. Principals can go a step further and make an entire school peanut-free. CJ

N.C. Kids Flunking American History

By KAREN McMAHAN
Contributing Editor

RALEIGH
Performance data on end-of-course tests in history and civics from 2005 to 2007 show that N.C. public schools are failing to teach students the knowledge they need to become good citizens and to participate effectively in the American political system.

The results mirror those of college students. In September 2007, the Intercollegiate Studies Institute released results from its second annual in-depth study of college student performance in U.S. history, showing that the "nation's college freshmen and seniors again scored just over 50 percent, or an F, on a basic U.S. history exam." Of the 50 colleges included in the study, students attending Duke University, Pfeiffer University in Charlotte, and the University of North Carolina failed, getting correct only 58.5 percent of the 60 questions. The study also reported some of the most expensive universities are among the worst-performing in the country.

North Carolina versus national

Results from the 2006 National Assessment of Educational Progress show that nationally only 13 percent of 12th-grade students are at or above proficiency, slightly up from 11 percent in both 2001 and 1994. The proficient achievement level as defined by the U.S. Department of Education means students "demonstrated competency over challenging subject matter." Only 1 percent of students are at the advanced level, a figure that has remained static over the three time periods assessed, in 1994, 2001, and 2006. Nearly half the students scored below basic.

In North Carolina, the percentage of high school juniors overall who scored at or above level III, considered proficient, on the U.S. history end-of-course test was 56.8 percent in 2005-2006 and 64.6 percent in 2006-2007. While those figures appear to eclipse NAEP results, the N.C. end-of-course test assesses student performance against the goals for U.S. history outlined in the N.C. Standard Course of Study. Those goals are not the same as those in the NAEP assessment, nor are they weighted the same. Moreover, the end-of-course test in North Carolina assesses student knowledge of history only after 1789, thus omitting America's origins and early history that many critics consider foundational.

Achievement gaps persist. Both national and N.C. assessments show that



achievement by blacks falls below that of white students and Asian students. For 2006-2007, only 44 percent of black students overall were proficient in U.S. history, compared to 74.4 percent for whites and 74.1 percent for Asians. Students' performance increased as the level of their parents' education increased. More than 83 percent of students whose parents held a graduate degree scored at or above proficient. These trends also hold true for college students. For college students, higher-quality family life contributed to more learning about America. Higher-quality family life meant students from homes where parents were married and lived together, where English was the primary language, and where parents had frequent conversations about current events.

Mediocre standards

A 2003 report card from the Fordham Institute highlights how despite an era of "standards-based" reform stemming from the federal No Child Left Behind act, "history is the core subject about which young Americans know the least." They attributed this finding to mediocre standards in K-12 curriculum and the increased focus NCLB has placed on reading, math, and science performance.

The report's authors reviewed 49 sets of K-12 academic standards for how well they met three criteria: comprehensive historical content, sequential development, and balance. Overall, North Carolina was ranked 38th out of the 49, receiving an F, and its history standards were judged as ineffective.

While North Carolina has revised its history standards since this report was first published, a review of current standards does not reflect substantive improvement. As highlighted in the 2003 report, North Carolina continues to cover broadly the origins of "self-government in British North America"

and the Revolutionary War period. The 11th-grade course, the only American history survey course, begins with the 1789-1820 period.

Effective history standards, according to the Fordham Institute, are ones that "acknowledge the key issues and events that comprise the whole American story" while remaining free of presentism as well as overt and covert ideological agendas. The authors concluded that two of the most important reforms would be to teach history as a separate academic subject rather than as a component of social studies and to require that teachers have a bachelor's degree or higher in history, not in education.

North Carolina's standards, like those of more than two-thirds of the states, promote the notion that the most important thing that students should learn from social studies is to "use their own life experiences" and an "individual and cultural identity" to solve America's problems.

History's relevance

The debate over standards and the disdain for which many educators hold history is reflected in comments by a senior administrator in Durham Public Schools who said that school systems are struggling over what to teach. She said that a curriculum consultant recently told DPS administrators and teachers that much of American history is irrelevant today, advocating that they integrate a more global perspective. To illustrate history's irrelevance, the consultant asked them to name a single fact from U.S. history that they use every day.

The administrator also highlighted difficulties in teaching history from the "right perspective," given the multicultural population in public schools. She related a recent incident in which elementary school students visited Bennett Place in Durham, and one student got upset when she learned that her ancestors were forced to work when they were as young as 3 years old. "How do teachers deal with those realities?" she asked.

As voting records show, young people are the least-engaged in the political process. Fewer young people vote in local, state, or national elections. As both the ISI and Fordham Institute studies conclude, it is difficult for young people to participate in democratic and political processes without a comprehensive understanding of all of America's history.

Students need to understand democracy as envisioned by America's Founders to contrast with nations that reject democracy, and they need to understand how America has solved past challenges, studies conclude. CJ

N.C. Colleges Differ in How To Use SAT Writing Scores

By HAL YOUNG
Contributing Editor

RALEIGH

The Scholastic Assessment Test has been a fixture in college admissions since the 1920s. The 2005 revision of the test eliminated the familiar analogies from the verbal section and increased the difficulty of reading selections and math problems to reflect heightened college entrance expectations. The most significant change, though, was a new section to test writing skills, including a timed essay. Two years after the change, colleges in North Carolina are still divided on how to use the new writing scores, and many still expect their own essays from applicants.

An evolving standard

The SAT was developed in 1926 as a way to make college entrance exams more equitable nationwide. The College Board, which publishes the SAT, has updated the test several times as high school curricula and college requirements changed. The addition of a writing component had been in the works since the early 1990s, but implementation was delayed until technology was available to transmit the hundreds of thousands of handwritten essays to graders around the country.

Duke University was initially concerned whether the longer test might have an effect on student scores. The writing section lengthened the duration of the test from 150 minutes to well over three hours, and the typical Saturday morning SAT administration now lasts nearly four hours.

"There was not much research in the fatigue factor," said Anne Sjostrom, associate director of undergraduate admissions at Duke University. "We wanted to be sensitive to that possibility."

However, since the new section replaced a separate College Board writing test that Duke also required, Sjostrom said they did adopt the new scores quickly.

"We use it in much the same way that we used the SAT II subject test for writing," she said. "There's not a mathematical formula we plug into to determine whether a student is admitted to Duke. I don't know of a case where that or any other score is the determining factor."

Other colleges aren't convinced yet. Heidi Fletcher, director of admissions at Meredith College, said the college is still collecting data from the new SAT. "We're presently not using it for admissions decisions, but we're doing a lot of tracking on how freshmen do on English 111," she said. "I love having some information on the writing skills

of the students — if it's accurate."

Roger Jones, director of admissions for Belmont Abbey College, said, "We're taking a wait and see attitude. This is the first year it is has come into consideration at all." Belmont Abbey uses the score only for "borderline cases," he said, for applications that are designated for an admissions review committee.



Elon University, on the other hand, fully incorporated the SAT writing score into its admissions process this year. "Three years ago, when it was first announced, we said that we'd take two years and not use it for admissions or scholarship consideration. That's exactly what we have done," said Elon's dean of admissions, Greg Zaiser. "What we tried to do was establish where students score who perform on the acceptable level for Elon admission."

State schools are sending mixed signals. N.C. State's Web site says, "NC State and all other public universities in North Carolina require scores for the writing section of the SAT or ACT," but counselors are telling students they are not using the scores for admissions.

The University of North Carolina goes further, saying UNC "will review writing scores and, in some cases, may choose to review the actual essay." However, "At this point, we are not using the writing score for admissions decisions," said Jennifer Cox Bell, an assistant admissions counselor. Does she foresee a change in policy? "I do not," she said.

The SAT is still not enough

While schools place different emphases on the new SAT score, many still have their own essay requirements. UNC requires a separate essay, as does Duke. Many colleges have adopted the "Common Application" form, which was pioneered by Ivy League schools. This streamlines much of the process and includes another essay section as well.

Zaiser said the SAT's writing test provides a different perspective than the application essay alone.

"It gives students an opportunity to show what they can do on a timed essay. On the personal essay, they can proofread it and make revisions," he said. "By and large, we find that students who perform well at Elon also did well on the writing portion."

Sjostrom said student GPAs at Duke correlate more closely with the strength of their high school curriculum, teachers' recommendations, and factors other than test scores.

"It verifies that a holistic admissions process makes sense," she said. CJ

Commentary

Bad Evaluation? Just Ignore It

During the past session, the General Assembly created a new program evaluation division, and many would say that it is long overdue. For years, conservatives have urged the legislature to evaluate fervently the programs it funds in an effort to spend taxpayer dollars only on initiatives that demonstrate their efficacy.

Although I support program evaluation, I doubt that the new office will lead to a more efficient state government. Program evaluation is uncommon in government because officials often prefer to live in a state of blissful ignorance, rather than risk the embarrassment of discovering that their pet project is a dud. Even when an evaluation is completed, most legislators would prefer to ignore unfavorable findings, rather than use the information to pass better legislation.

For instance, in the fall of 2005, the State Board of Education received the final report on the High Priority Schools Initiative. This was a four-year, \$23 million class-size reduction program targeting low-performing and low-income elementary schools. In 2001, Gov. Mike Easley and the State Board of Education had pushed for restrictions on class size, believing that this popular and expedient measure would produce significant gains in student achievement. The Assembly agreed and funded the initiative as a springboard for future class-size reduction initiatives.

According to the final report, after four years and millions of dollars, smaller class sizes had not raised student achievement at these schools. Between the first and final year of the program, fewer schools met their state growth targets and even fewer met federal No Child Left Behind standards. The findings prompted the State Board to keep the full report off its Web site, ensuring that no media outlet would pick up on the study findings. Thanks to the John Locke Foundation, the results of the study were widely reported in the media. Nevertheless, Easley and state legislators created a lottery bill that designated a substantial share of lottery revenues to pay for class-size reductions. Nearly \$128 million

was set aside for that purpose last year. To make matters worse, this year's budget will make up for a \$37.5 million shortfall in expected lottery revenue for class-size reductions.

By the spring of 2007, government officials would disavow another program evaluation, the first report of the Disadvantaged Student Supplemental Fund. In 2004, Easley signed Executive Order 61 to create the fund, a pilot program that allocated additional state funds to 16 high poverty school districts that suffered low student performance and high teacher turnover. Easley directed school systems to use the money to improve teacher recruitment and retention, adopt state-approved education reforms, and, of course, reduce class sizes.

Despite any hint that the program was working, the Assembly tripled appropriations for the fund over the last three years. The fund received \$22.4 million from the legislature for the 2004-2005 school year and just under \$22.6 million for the 2005-2006 school year. Much to the delight of the governor, funding increased to \$49.5 million last year. It will increase to nearly \$68 million this year.

The first evaluation of the fund paints a gloomy picture of the program's prospects for success. The fund failed to increase teacher retention, and student performance continued to drop precipitously. Teachers and administrators blamed everyone but themselves for the lack of improvement, even going so far as to blame neighboring school districts and states for luring teachers away. Despite receiving millions of additional dollars thanks to the fund, they complained about a lack of resources.

I am confident that the new program evaluation division will show that the legislature funds many other ineffective programs, but experience evinces that the evaluations are unlikely to change much in the Assembly. CJ

Terry Stoops is the John Locke Foundation's policy analyst for preschool, elementary, and secondary education.



Terry Stoops

School Reform Notes

Panel says cut programs

To save money, Wake County schools might have to cut programs and services that parents and students take for granted, according to a report Sept. 19 by a committee charged with cutting school construction costs.

The recommendations for new schools include cutting the number of parking spaces and eliminating certain sports. The committee also recommended limiting renovations to older schools. The question facing Wake County residents is how much they are willing to pay to continue offering these services when billions of dollars will be needed in the coming years just to keep up with growth, *The News & Observer* of Raleigh reported.

"Wake County is providing more than is required," said John Mabe, cochairman of the committee that made the recommendations. "If we want to do the things that are not required, we have to pay for it."

Tony Gurley, chairman of the Board of Commissioners, said the community will need to make hard decisions. "The community has reached a point where they realize we don't have an unlimited amount of money to build schools," Gurley said.

Pender to tighten policy

Bringing a note to school won't exempt Pender County high school students from being counted absent, based on proposed changes to the district's attendance policy, *The Wilmington Star* reports. Possibly by next fall, students who miss more than eight days in a course will not receive credit for it.

The policy revisions were discussed for the first time at a Pender County school board meeting Sept. 17.

Students must make up the absences or have them waived by a principal for them not to count against them, the proposed policy says. The new rules would not apply to students who have special medical conditions.

Excused absences currently don't count against any student in the district. There are seven reasons for an absence to be considered excused including illnesses, death in the family, doctor's appointments, or court proceedings.

Elementary and middle school students can miss 20 days in a school year before an intervention is made. CJ

Some outpacing publics

N.C. Charter Schools Holding Their Own

By JIM STEGALL
Contributing Editor

RALEIGH

Figures released by the state Department of Public Instruction in September show that North Carolina's charter schools are more than holding their own in the state's primary measures of student performance.

According to the test results, charter schools are more than twice as likely as regular public schools to place in the state's highest academic category. The figures, which are based on how well students score on state-designed standardized tests, have buoyed charter school supporters while undermining a key assertion of the anticharter school lobby.

Under the state's ABCs of Public Education program students in all public schools take a series of standardized tests to measure student academic progress from year to year. The tests reveal how many students in each school are at or above grade level, whether the school as a whole has met its state-assigned target for academic growth, and whether each ethnic and economic subgroup has shown "adequate yearly progress." Adequate yearly progress is required by the federal government under the No Child Left Behind Act.

The ABCs program establishes seven categories for regular, nonalternative or special, schools. For all public schools, both charter and noncharter, the top category is Honor School of Excellence. To earn the title a school must have at least 90 percent of its students score at or above their respective grade levels. In addition, the school as a whole must meet both its state-assigned growth goal and its adequate yearly progress goals.

For the 2006-2007 school year only 76 noncharter public schools out of nearly 2,200, or 3.5 percent, achieved this distinction. However, out of the 84 public charter schools, seven of them, or 8.3 percent, earned the Honor School of Excellence designation.

Other top categories are Schools of Excellence (90 percent of students on grade level, only state growth standard met) and Schools of Distinction (at least 80 percent of students on grade level, state growth standard met). Fourteen charter schools, or 17 percent, scored in this range, as did 448 noncharter schools, or 20 percent.

While charter schools at the top of the pack stayed even with or outpaced their noncharter rivals, charter schools were still over-represented at the bottom of the scale as well. Schools that have fewer than 50 percent of their students scoring at or above grade level, and miss their assigned growth targets are designated Low Performing Schools. This year, four charter schools, or 4.3

NCDPI's Honor Schools of Excellence

Regular Public Schools

| Total Number of regular public schools | Honor Schools of Excellence |
|--|-----------------------------|
| 2,200 | 76 |
| Percent of N.C. regular public schools named Honor Schools of Excellence | |
| 3.5 | |

Charter Schools

| Total Number of charter schools | Honor Schools of Excellence |
|---|-----------------------------|
| 84 | 7 |
| Percent of N.C. charter schools named Honor Schools of Excellence | |
| 8.3 | |

percent, fell into that category. Forty-one noncharter schools were classified as Low Performing, or just under 2 percent of all noncharters.

Terry Stoops, education policy analyst of the John Locke Foundation, said that because of the huge disparity in the number of schools, statistical comparisons between district and charter schools should be made with caution. Nevertheless, he notes that district and charter schools have nearly identical percentages of students scoring at or above grade level, and that the average academic growth for charters was the same as for noncharters.

Charter schools have been criticized by many in the education establishment who see them as competitors for resources and doubt their effectiveness. The North Carolina Center for Public Policy Research Inc. released a report in June characterizing charter-school performance as "weak." Partly because of that determination, the center recommended that the state's cap of 100 charter schools remain in place.

The report, which was based on the previous years' ABCs tests, found that 53 percent of charter schools fell into the bottom three categories, as opposed to only 48.1 percent of noncharter schools. The corresponding figures based on the most recent tests are 43 percent for charters, 34 percent for noncharters.

However, by adding those particular categories together the report obscured the difference between schools that were improving (meeting or exceeding state growth standards) and those that were not. This year's test results show that more than 64 percent of charter schools are meeting or exceeding their growth targets.

While the figures this year are encouraging, they point out a persistent

problem with statistical evaluation of charter schools—the tendency of charter schools to either rise to the top or sink to the bottom, at least in comparison with their noncharter counterparts. This might be caused by the factors that lead to the formation of charter schools in the first place.

Charter schools are typically formed in response to specific conditions in a particular community. Areas with a high concentration of educated, financially secure parents who are concerned about the quality of education their children will receive in their district school are fertile ground for some charters. These often turn out to be among the best schools in the state.

Other charter schools are specifically designed to serve disadvantaged student populations. While they may have the backing of community or charitable organizations, they often struggle to find adequate resources, expertise, and leadership. Many of these schools have relinquished their charters or had them revoked by the State Board of Education. However, in the 11-year history of the charter school program no school has ever had its charter revoked for poor academic performance.

The result is over-representation at both ends of the performance spectrum. While 75 percent of noncharter public schools fall into the three middle categories of the ABCs testing program, only 55 percent of charters occupy this middle ground.

The State Board of Education has convened a commission to take a comprehensive look at North Carolina's charter school program and make recommendations for its future. The commission is expected to meet once in October and again in November before issuing its findings. CJ

Southern Baptists Want Johnny to Know More Than ABC's

By KAREN WELSH
Contributing Editor

RALEIGH

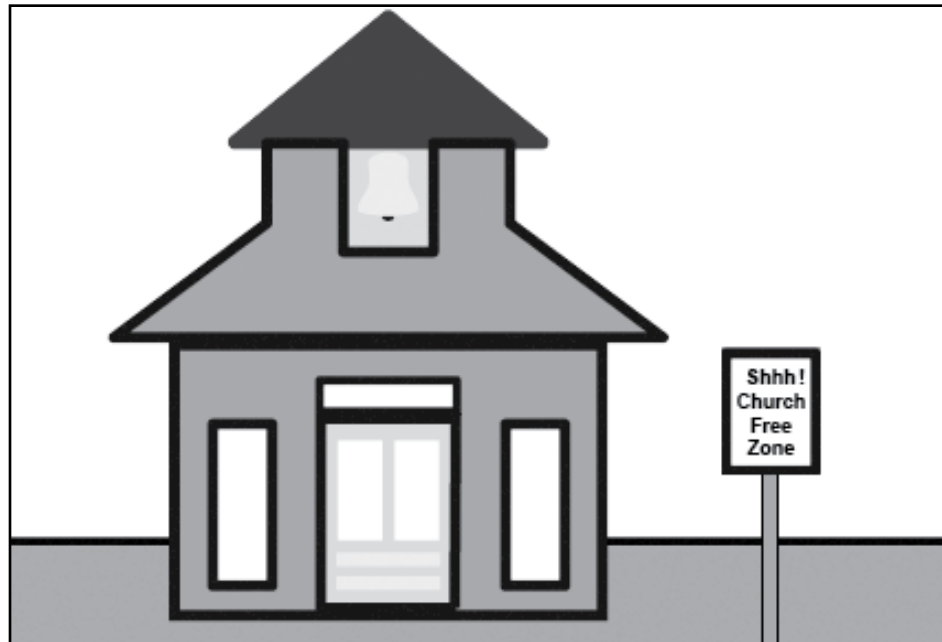
Frustrated and desperate parents and church leaders are leading the charge in the Southern Baptist community to withdraw their children from public education.

Although it's not a mass exodus of schoolchildren at this point, the numbers of churches starting religious-based private schools is growing exponentially from year to year, said Daniel Akin, president of Southeastern Baptist Theological Seminary in Wake Forest.

"I do think it's a growing movement in the Southern Baptist Convention and other evangelical communities too," he said. "There is a growing concern for what is going on in the public school system. Parents are feeling desperate about the situation and frustration is reaching a boiling point. We're seeing a groundswell coming from the grass roots of our convention and nation and I believe you will see a lot more private schools starting to open and offer a different alternative to children. It's going to expand and I'm quite sure it will continue to grow."

Ed Gamble, executive director of the Southern Baptist Association of Christian Schools, said he's seen a dramatic increase in Southern Baptist congregations contacting his accrediting organization about starting Christ-centered private schools in the past several years.

He said that the number of private Southern Baptist schools across the nation has doubled since the 1990s and that the numbers continue to grow. The surge stems from the public schools' blatant hatred of Christianity and Christian principles, he said.



He said parents of faith are starting to realize their children are spending only a fraction of their time in church as compared to public school and it's having a dramatic affect on their children's thinking.

"They spend 16,000 hours of their life in secular public education," Gamble said. "Parents of faith have begged and pleaded for public schools to teach a Christian worldview. The state government has said, 'I'm sorry, but there's the separation of church and state.' The school system used to reflect the values of the church and now they are hostile. It's a shame, but that's the way it is."

He said evangelical parents are beginning to clearly see the big picture and are becoming more aware of how unbalanced the curriculum has become.

"Children don't have a chance," Gamble said. "One-and-a-half hours of Christian education a week doesn't

counter against 40 to 50 hours of secular education each week."

As a result, he said, parents and church leadership are beginning to take ownership for their children's education.

"They are waking up to the power of the 16,000 hours that tries to dissuade their child from their faith and they are beginning to see it's not a good thing to send their babies to an institution that doesn't understand their worldview," Gamble said. "A Biblically based education gives those hours back. It makes sense. So, they're moving out of the public school system. That's what's happening."

Martha Lennon, headmaster of 700 students at Calvary Baptist Day School in Winston-Salem, agreed. "Parents are saying 'enough is enough,'" she said. "They are realizing public schools are not the schools they went to as children.

They also understand that they've been delinquent on providing a sound education with a Christian worldview to their children and, as parents, they need to take back the responsibilities of education. They are looking for an environment where their children are going to be taught the truth and are grown and nurtured with academic excellence. Parents are willing to pay for that. Now it's growing and it's been incredible."

Leaders of the Southern Baptist Convention are also taking measures to keep the momentum going. Lennon said her administration applied Biblical discipleship principles and literally "grew a school" for a sister church in 1996.

Akins said Southeastern Seminary is offering a specific degree track for those entering into Christian education.

Gamble said he is leading seminars across the country and in North Carolina on how to successfully start Biblically based private schools. "The Southern Baptists are starting to get into the educational game," he said. "We have awakened to this need."

Gamble said he's on a mission to take it one giant step farther and he's explained it all on his website at www.sbacs.org/.

"I have an 'every church a school' idea," he said. "There are 43,000 Southern Baptist churches across this country. There are 42,300 that don't have a school. What if they did? It's staggering to think what would happen if they owned their education — 16.3 million Southern Baptists collectively owning their own education and facilitating this cause. We're at the front edge of this thing. We're just getting started. I think the floodgate is going to break loose in the next 10 to 15 years." CJ

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Campus Briefs

• On Aug. 27, North Carolina State University officials decided to establish a lesbian, gay, bisexual and transgender center on campus. The decision was announced during a meeting that was neither widely publicized nor attended. The Student Senate, the Faculty Senate, and the University Diversity Advisory Council all strongly endorsed the proposal, submitted in August 2006 by the LGBT subcommittee of the University Diversity Advisory Council, despite student protests about the center's proposed funding.

The new center reflects Vice Provost for Diversity and African American Affairs Jose Picart's view of diversity: "The University embraces diversity as central to the academic mission of the University and it is essential for our graduates to participate effectively in a diverse and global community."

• As of last month, six N.C. college and university presidents have signed the American College & University Presidents Climate Commitment. The Presidents Climate Commitment calls itself a "high-visibility effort to address global warming by garnering institutional commitments to neutralize greenhouse gas emissions, and to accelerate the research and educational efforts of higher education to equip society to re-stabilize the earth's climate."

Presidents signing the commitment are pledging to eliminate their campuses' greenhouse gas emissions over time and to integrate sustainability into the curriculum and make it part of the educational experience.

The presidents of Duke University, UNC-Chapel Hill, Catawba College, Guilford College, Haywood Community College, and Warren Wilson College have signed.

• On Sept. 8, the Get Your Money Right tour brought rap stars, TV personalities, and financial experts together for a talk on personal finance at N.C. A&T. The overriding themes: work hard, believe in yourself, watch out for those credit cards, and think about your future before you buy pricey stuff.

But some audience members questioned the honesty of a hip-hop finance tour. Hip-hop has been criticized for glorifying sex, violence, and expensive cars and jewelry, and the audience expressed some of those concerns during a question-and-answer session. CJ

20-year plan

UNC of Tomorrow Vision Already Discernible

By JAY SCHALIN

Contributing Editor

RALEIGH

The University of North Carolina Tomorrow Commission won't report its findings until January 2008, but its probable goals are already discernible.

The theme of its inquiry seems to be that the University of North Carolina of the future will serve a booming population with changing demographics and will face a rapidly evolving economy.

To contend with these trends, the commission is seeking ways for the university system to advance technically, become more fully integrated with businesses, communities, and other educational systems, create a more engaged faculty, and address current weaknesses such as the teaching of so-called "soft skills."

UNC Tomorrow was commissioned in March 2007 by the UNC Board of Governors "to determine how the 16-campus system can best meet the needs of North Carolina and its people over the next 20 years." It is comprised of 25 business, community, and academic leaders. The process so far has produced exploratory studies by the commission's Scholars Council and has included a tour of all 16 campuses in the UNC system and several brainstorming workshops conducted by the Institute for Emerging Ideas, a think tank associated with N.C. State University. The second phase began Sept. 10 with the first of 12 town-hall-style regional listening meetings with citizens and local officials at different locations around the state.

The commission's inclusive, multi-faceted process works against a narrow focus and could even lead to "mission creep" as it seeks to offer something to everybody. With so much emphasis by the commission on cooperation with business and driving economic growth as well as attracting minorities to higher education, this investigation might end up being more about a statewide economic development plan, an affirmative-action program, and an expansion of the UNC bureaucracy into new arenas than about student education per se.

Demographic and economic studies have driven the initial phase of the commission's work. By 2017, enrollment in the system's 16 colleges is projected to reach nearly 300,000, compared with a current enrollment of 202,381. The demands of the state economy are expected to mirror that growth, eventually requiring 15,000 more college graduates and 19,000 more community college graduates per year than currently complete their degrees, according to a

report by N.C. State economics professor and Scholars Council member Michael Walden.

Some increase in expected demand for graduates is attributed to projected changes in the state's labor force. Walden predicts that the percentage of workers with at least a two-year degree will increase from 24.6 percent in 2007 to 38.1 percent in 2017.

Given these demographics, a likely recommendation from the commission will be increased state spending on higher education. The annual capital spending budget for UNC already increased 5.1 percent from last year. UNC President Erskine Bowles said in March, however, that simply making the system bigger would no longer yield the same results.

Some demand for more college graduates might be met by improving the state's high school graduation rate, thereby expanding the pool of potential college students, Dennis Jones, an educational consultant, said at an Emerging Ideas workshop. This assumption might not hold under closer scrutiny, however. Increasing the high school graduation rate is not the same as motivating those graduates to complete a more rigorous college program.

As for the commission's interest in connectivity between business and the university, a significant amount already exists. The Small Business and Technology Development Center is a university-based consulting team that provides services to entrepreneurs. The Industrial Extension Service consults with manufacturing and processing

companies, while the N.C. Cooperative Extension offers expertise in agriculture and the environment. The commission has also suggested that work-study programs and internships for students and faculty will enhance cooperation.

Research programs and facilities are also likely to receive recommendations for increased funding because of the widely held assumption that university research drives innovation. Ironically, university research accounts for only 2 to 4 percent of patents issued, according to a report prepared by Scholars Council members Ken Harewood of N.C. Central University and Ruben Carbonell of N.C. State.

Another stated priority of the commission is finding new methods to teach "soft skills." These are defined as skills that will cross over to any professional-level job. They include communication skills, the ability to analyze and solve problems, ethics, the ability to work in groups, leadership skills, etc.

The commission has also expressed a need to provide access to higher education for a broader spectrum of N.C. residents. Given the priorities expressed at this stage in the UNC Commission's deliberations, it not only will likely push for greater access to higher education but also to expand the role of the university beyond its traditional spheres of activity. It is likely to urge closer connections with high schools, businesses, and other schools, both within the UNC system and nationally and internationally. CJ

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



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N.C. Schools Cool To Shakespeare

By CJ STAFF

RALEIGH
Samuel Johnson called him the “immortal Shakespeare,” but his image is fading at colleges in North Carolina.

Nearly half the four-year colleges in North Carolina no longer require their English majors to take a course in the work of William Shakespeare, reports a new study from the Pope Center for Higher Education Policy. Only eight out of the 15 University of North Carolina campuses with English majors require a course in William Shakespeare. Of 34 private colleges and universities in the state, only 17 require Shakespeare for English majors.

N.C. State does not require a course devoted to Shakespeare; UNC-Chapel Hill does. Some of North Carolina’s best-known private colleges, including Duke, Davidson, and Elon, do not require Shakespeare. The study, “To Be or Not to Be: Shakespeare in the English Department,” by Amanda Anderson and Jane S. Shaw, also notes that the decline reflects a nationwide trend.

Traditionally, William Shakespeare was viewed as the prime exponent of the English language and its literature. Larry Goldberg, an award-winning Shakespeare teacher at UNC-Chapel Hill, says that Shakespeare “encapsulates the entire Western tradition up to his time (and is in many ways prophetic of what is to come) in the most compact and beautiful fashion.”

The Bard is losing stature in English departments for a variety of reasons,

write Anderson and Shaw. N.C. State advising coordinator Sharon Setzer told the authors, “Like many other English departments in the country, ours has moved in the direction of becoming less prescriptive.” Robert Blake, former English department head at Elon University, who teaches Shakespeare there, says the decline of Shakespeare is part of the “dumbing down” of higher education.

The dominance of “postmodernism theory” at today’s English departments, suggests Nan Miller, retired professor of English at Meredith College, also explains the demotion. Postmodernism emphasizes relativism and the absence of objective standards. Postmodernists eschew Shakespeare because he is considered a representative of the Western tradition, which they devalue.

Finally, Anderson and Shaw point to the desire of many faculty to teach primarily in their specialized areas. Often these areas are outside the traditional canon of English literature and have a narrow focus.

The Pope Center study was inspired by a study published last April by the American Council of Trustees and Alumni (ACTA). The organization, which upholds traditional curricula, surveyed leading schools in the country: the “top 25” national universities and “top 25” liberal arts schools in the *U. S. News* annual ranking, the Big Ten universities, and universities in the Washington, D.C., area. It found that 75 per cent (55 out of 70) of the schools do not require Shakespeare for English majors. CJ

N.C. schools that DON'T require Shakespeare

Public

UNC at Asheville
UNC at Charlotte
UNC at Greensboro
UNC at Pembroke
Western Carolina University
N.C. State University
Appalachian State University

Private

Brevard College
Davidson College
Duke University
Elon University
Greensboro College
Guilford College
Lenior-Rhyne College
Livingstone College
Mars Hill College
Methodist University
Mount Olive College
North Carolina Wesleyan College
Peace College
Saint Augustine’s College
Salem College
Shaw University
St. Andrews Presbyterian College

Source: Pope Center

N.C. schools that DO require Shakespeare

Public

N.C. Central University
Elizabeth City State University
East Carolina University
Fayetteville State University
N.C. A&T State University
UNC at Chapel Hill
UNC at Wilmington
Winston Salem State University

Private

Barton College
Belmont Abbey College
Bennett College
Campbell University
Catawba College
Chowan University
Gardner-Webb University
High Point University
Johnson C. Smith University
Lees-McRae College
Meredith College
Montreat College
Pfeiffer University
Queens University
Wake Forest University
Warren Wilson College
Wingate University

Commentary

Universities Tell — Nearly — All

It just became easier for parents and potential students to compare about 540 private colleges around the country. Fifteen of them are in North Carolina. On Sept. 26, the schools launched a colorful, breezy, and information-packed Web site (www.ucan-network.org) called the “U-Can Consumer Information Initiative.”

This is the first step in a growing effort by colleges and universities to become more accountable to students and the public. As college tuition mounts, Americans worry about whether a college degree is worth its price. Are basketball games and the parties overwhelming education?

The concern came to a head a year ago with the publication of the report of the Commission on the Future of Higher Education, a national committee appointed by Education Secretary Margaret Spellings. It called for more transparency, perhaps even a national database with easily compared information.

Spellings has said that when her daughter, now a student at Davidson, was looking for a college, it was hard to figure out for a particular school whether her daughter was likely to graduate in four years, what the costs would be, and whether the school would prepare her daughter for the career she wanted. “I found it challenging to get the answers I needed. And I’m the secretary of education!” she said at a higher-education symposium in November.

Inside Higher Ed, an online publication, looked a little deeper. In an amusing article, “Under Her Nose?” Scott Jaschik noted that most of the things Spellings wanted were already available — some of them on her own Department of Education Web site.

But the facts were hard to find. The most important kinds of reports, about whether students have learned much in four years, are almost nonexistent.

This talk about accountability spurred higher-educational institutions around the country to repackage available information. That is what the “U-Can” Web site does. It provides facts about such things as graduation rates, tuition costs, SAT scores, kinds of degrees awarded, debt load at graduation, and composition of students by gender,

geography, and ethnicity. It also lets the schools describe campus life.

Tony Pals, a spokesman for National Association of Independent Colleges and Universities, acknowledged that the initiative stems partly from government pressure. But Hope Williams, president of North Carolina Independent Colleges and Universities, said that

the chief factor was discovery of a “disconnect between the types of information that were available and the perception of what was available.”

The “U-Can” Web site does not formally address the issue of student learning outcomes. NAICU left up to each school the decision whether to post such

measurements.

For example, many schools take part in the National Student Survey of Engagement, which asks students about their college experience. Did they write many essays? Were faculty accessible? Although NSSE doesn’t literally measure learning, it reveals much about students’ experience.

Another option is the Collegiate Learning Assessment, which involves tests in writing, critical thinking, and analytical reasoning. Well-taught students should score at least as well as the school’s incoming SAT scores would predict. If they don’t, the school may not be adding much value.

Without such measures, is this just window dressing? Perhaps. But the organizations representing large public universities aren’t even this far along. Also prodded by the government, they are working on a more ambitious scheme, requiring their members to report at least one learning outcome. So far, their Web site is still under construction, however.

NAICU’s is already here.

The participating N.C. schools are: Cabarrus College of Health Sciences, Campbell University, Catawba College, Duke University, Elon University, Greensboro College, Guilford College, Lees-McRae College, Meredith College, Methodist University, Montreat College, Peace College, Wake Forest University, and Warren Wilson College. CJ

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



Jane Shaw

Bats in the Belltower

Feminists Against 'Choice'

A feminist conference was announced for Sept. 24-25 at the William and Ida Friday Center for Continuing Education off the campus of the University of North Carolina at Chapel Hill.

The planning committee comprised Planned Parenthood officials, feminist professors, and various activists. The focus was on "Reproductive Health, Rights, and Justice." Committees discussed topics of women's liberty, societal inequities, and "Strategies for Achieving Synergy," all from the locus of feminism.

And the enemy? Why, it's "choice." No, really.

The following is from the conference announcement, with emphasis added:

Purpose: To come together as a multidisciplinary collaborative to explore potential synergy between _____ supporters, women's health advocates and providers, feminists, family planning professionals, representatives of the underserved, faith leaders, humanities' scholars, and legislative and political bodies and other interested parties.

Context: Advocacy for women's equality and for _____ing behavior has not been adequately supportive of women's roles and needs ... Many scholars have conceived of _____ing as a practice that constrains women from achieving social and economic gains ... *It has been viewed as a "choice" rather than a rights or health issue.* This symposium aims to re-position _____ing as an issue of women's reproductive health, rights and justice.

Approach: _____ing is a social and biological process wherein women must have the right of self-determination, a public health imperative, and a reproductive right. Although women's rights to _____ require support, *we ultimately need to re-orient this right from one of "choice" to one of social justice, health, and human rights.* ...

Feminists opposed to "choice"? Planned Parenthood officials trying to create synergy with feminist professors and community activists to "re-orient" this "woman's right" away from the rhetoric of "choice" and towards "social justice, health, and human rights"?

Have feminists suddenly become pro-life and begun worrying about the human rights of the unborn? What is this all about?

Well, of course, it's not about abortion. Instead, it's about *breastfeeding* – that's the term that was omitted from the quoted text above. The name of the conference is "Breastfeeding and Feminism 2007 Focus: Reproductive health, rights and justice."



Jon Sanders

Speaking of abortion and choice, on the same day that the "Breastfeeding and Feminism" conference was going on, *The Daily Tar Heel*, UNC-CH's student newspaper, was reporting on vandalism committed against the student pro-life group, Carolina Students for Life.

According to the Sept. 24 DTH, CSFL President Ashley Tyndall returned from speaking at a pro-life conference in Tennessee to find "the tires on her car slashed and pro-life magnets replaced with profane notes."

The vandalism wasn't a unique occurrence, either. It was the second time in three months that CSFL members had suffered vandalism motivated by political difference with the group's goals. The group's slogan is "Pro-Woman, Pro-Child, Pro-Life."

CSFL's temporary storage unit at UNC-CH's Student Union was broken into over the summer. Vandals had covered CSFL property with condoms and angry notes.

In 2004, CSFL was involved in a controversy with the Carolina Women's Center when the center had attempted to exclude the pro-life group from its campus Women's Week activities in the spring. The center had originally agreed to allow CSFL to sponsor two pro-life feminists for Women's Week and to link to CSFL's Web site, but dropped both two weeks before the planned events. Center officials said that they had decided to drop abortion as a topic for the week. Nevertheless, in view of the controversy, the center agreed to organize a forum in the fall to discuss abortion and include a pro-life speaker, as well as to link to CSFL and related groups on its Web site and remain officially neutral on the subject of abortion. CJ

Jon Sanders is research editor for The John Locke Foundation.

Pope Conference Addresses Building Higher Ed Excellence

By GEORGE C. LEEF
Contributing Editor

While the American higher-education system is often called the envy of the world, many careful observers find that much of what goes on in the name of higher education is mediocre or worse. Some leading observers will offer their insights at a conference of the John William Pope Center for Higher Education Policy on Oct. 27.

Every fall, the Pope Center hosts a daylong conference devoted to a key higher-education issue. This year's conference, at the Hilton RDU Airport-RTP, will be about educational excellence. Do we have it? If not, what can we do?

In addition to hearing speakers, from college presidents to intellectual flamethrowers, address these questions, participants can dine with the speakers in small groups the night before by attending the "Dinner With a Scholar."

Former Harvard dean Harry R. Lewis, author of the highly praised book *Excellence Without a Soul*, will give the keynote address. Lewis will speak on the topic "Does Liberal Education Have a Future?" He believes that colleges and universities should get away from the smorgasbord approach to the curriculum, which allows students to choose many courses they want, and restore the older idea that students should receive a well-rounded education.

Steve Balch, founder and president of the National Association of Scholars, will deliver the opening address. He will ask "What Does Excellence Mean?" What is it about a school's approach that justifies the appellation "excellent," and why don't more merit it?

Four panel discussions will fill out the day.

The first features three higher-education leaders, one from a public university, one from a private university, and one from the relatively new online sector. Elizabeth City State University's new chancellor, Willie Gilchrist; the former president of Elon University, Earl Danieley; and the president of Yorktown University, Richard Bishirjian, will talk about how they have attempted to im-

prove their schools and what obstacles they have encountered.

The second panel will look at independent campus centers. At several colleges and universities, donors have created independent centers to enable scholars to teach, publish, and bring ideas to the campus that would otherwise probably not be heard. Do such centers help to promote educational excellence? What has their record been?

Panelist Russell Nieli of Princeton has done a great deal of research and writing on this phenomenon, including

a study for the Pope Center. Robert Paquette of Hamilton College has direct experience. He was to direct a new center at Hamilton College, funded by a wealthy alumnus, that would promote study of the values of the American founding. But

the Alexander Hamilton Center was stillborn when faculty members who didn't want students to study anything that didn't indict Western civilization threw a tantrum. Paquette has just announced a new center, the Alexander Hamilton Institute, funded by the same individual and situated in the same town as Hamilton College.

The afternoon will begin with a panel discussing the role of university trustees in promoting educational excellence. The three speakers are: Candace de Russy, who for 12 years was a trustee in the State University of New York system; Velma Montoya, who was a member of the University of California Board of Regents; and Todd Zywicki, who was elected to the Dartmouth board last year.

The final panel will focus on the college curriculum. It includes Elizabeth Kantor, author of *The Politically Incorrect Guide to English and American Literature* and James Murphy of Dartmouth College, who, like Lewis, is disappointed by the "anything goes" curriculum.

The conference will begin at 9 a.m. Registration will be conducted, and a continental breakfast will be served at 8:30 a.m. The price is \$20, which includes lunch. Register online at www.popecenter.org/events or by calling the Pope Center (919-532-3600). Signups for "Dinner with a Scholar" may be made at the same time. CJ

George C. Leef is the vice president for research at the John William Pope Center for Higher Education Policy and director of the Pope Center Conference on Excellence in American Higher Education.

RALEIGH



Harry Lewis



Elizabeth Kantor



Candace de Russy

Analysis

Elon Should Ponder Antioch's Fate When Assigning Readings

The issue of climate change has entered its rock concert/college curriculum phase, which is a sure indicator that the issue has peaked and will begin a long, slow fade in the public mind.

Simultaneous "Live Earth" rock concerts were staged on several continents following the model of "Live Aid" and "Farm Aid" in the 1980s — "consciousness-raising" events after which public interest quickly waned. Al Gore's book *An Inconvenient Truth*, a lavishly illustrated companion to the movie, was the 2007 assigned reading at Elon University. University officials, who assigned Gore's book as the "common reading" to launch the school year, said that they chose Gore's book, rather than a serious scientific and policy work such as the report of the Intergovernmental Panel on Climate Change, because it conveys an "important rhetorical message." Elon makes clear that it is interested in spawning activism above the university's traditional mission of imparting understanding.

We've seen this movie before, one might be tempted to say. The pattern is a familiar one. In the late 1960s and early 1970s, countless college classes adopted Paul Ehrlich's best-selling jeremiad *The Population Bomb* as required reading in courses as diverse as history, political science, economics, and sociology. Ehrlich's thesis — that runaway population growth would soon engulf the world in widespread famine and disaster —

turned out to be totally wrong, and the public soon forgot Ehrlich. It is worth recalling that in his heyday Ehrlich was a frequent guest on "The Tonight Show" with Johnny Carson. Today he doesn't even make it on "Countdown" with Keith Olbermann. Ehrlich still writes, but has anyone seen him on the bestseller list lately?

In the early 1980s countless college courses made required reading of Jonathan Schell's lament about nuclear weapons, *The Fate of the Earth*, and students were required to sit through and discuss "The Day After" and numerous other anti-nuclear films. These books were the model for the crack-brained idea of a "nuclear freeze," which, ironically, Gore opposed as a senator in the 1980s, but which he now points to as his inspiration for a present-day "carbon emissions freeze." The nuclear-freeze enthusiasm was soon shown to be wrongheaded, and no one reads *Fate of the Earth* any more.

There is a cautionary lesson here for Elon University and its imitators. Elon officials say they are concerned with the question, "How will you be learning new information in 20 or 30 years?" The



answer, surely, is not to assign books for their trendiness or for their explicit service in the cause of "consciousness raising." Especially when the work in question — *An Inconvenient Truth* — is an acknowledged

polemic whose substantive weaknesses are an embarrassment to serious climate scientists.

Gore's account of global warming goes far beyond the evidence. Gore and other climate extremists have been

promoting "consensus" science for years now — especially the assessments produced by the Intergovernmental Panel on Climate Change. So it is a highly inconvenient truth that the latest IPCC scientific assessment undermines many of Gore's most spectacular claims. The IPCC says the worst-case sea-level rise this century might be 23 inches;

Gore portrays 20 feet or more in his horror film and coffee-table book. Ditto for Gore's claims about hurricanes and melting ice caps. The new IPCC report fails to bolster Gore's alarmism.

Earlier this year *New York Times* veteran science reporter William Broad filed a devastating article about scientists who are "alarmed" at Gore's alarmism.

The dissents from Gore's extremism, Broad said, "come not only from conservative groups and prominent skeptics of catastrophic warming, but also from rank-and-file scientists" who have "no political ax to grind."

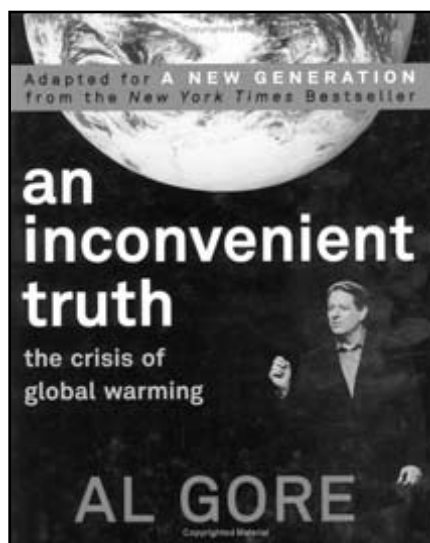
"I don't want to pick on Al Gore," Don J. Easterbrook, an emeritus professor of geology at Western Washington University, told hundreds of experts at the annual meeting of the Geological Society of America. "But there are a lot of inaccuracies in the statements we are seeing, and we have to temper that with real data." Easterbrook hastened to add that not only has he never received industry funding, he's not even a Republican! Reid Bryson, emeritus professor at the University of Wisconsin who is sometimes credited with being "the father of scientific climatology," recently had this reaction when asked about Gore's book and movie: "Don't make me throw up. It is not science. It is not true."

Colleges and universities used to pride themselves, perhaps overly so, on promoting "critical thinking skills." It is hard to see how students at Elon or any other university will learn to think independently or critically for the rest of their lives when the university chooses to present only one side of an issue with a purely polemical reading list. Elon should ponder the recent fate of Antioch College, which recently folded up after years of chasing its politically correct tail. Environmental correctness risks ending up in the same dead-end educational alley. CJ

Steven F. Hayward is a resident scholar of the American Enterprise Institute and co-author of the annual *Index of Leading Environmental Indicators*.



Steven F. Hayward



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- PROTECT the right to homeschool in North Carolina.
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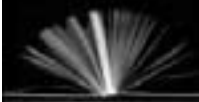
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Town and County

Dealing with the drought

Cities across North Carolina are dealing with the effects of a drought. Impacts vary widely, depending on local rainfall totals and systems' types of water supplies. Fall is typically the driest season in North Carolina, so any relief from the drought might be far away.

The drought also highlights the economics of water and its importance in local economic development policies. While conservation efforts usually focus on residential



customers, the largest consumers are often industrial users. As *The Charlotte Observer* reports, many localities remain eager to attract these sorts of companies. The newspaper found that one-third of water systems in the Charlotte region still offer volume discounts. Also, systems that don't offer discounts aren't eager to impose water restrictions on manufacturers.

"We don't want to run our industrial customers off in the name of trying to conserve water," said Don Danford, Morganton's water resources director.

Still, Morganton's water supply situation is more secure than many other communities. Raleigh imposed permanent mandatory water restrictions earlier this year, and imposed tighter temporary rules as well.

"Raleigh has focused on providing water service at the lowest cost and the lowest level of regulation," Raleigh City Manager Russell Allen said to *The News & Observer* of Raleigh. "The council has felt that's a good thing."

The city hasn't previously pushed attempts to limit water usage.

Many localities also use profits from their water systems to help balance their budgets. Limits on water consumption necessitated by the drought affect local budgets and the imposition of higher water fees.

Conservation efforts, too, are limited. Not all customers respond to price increases, including higher rates for higher usage amounts.

"Unfortunately, there are some customers who seem willing to pay whatever it costs to irrigate as much as they want," Maeneen Klein, Charlotte-Mecklenburg Utilities conservation coordinator, said to *The Charlotte Observer*. CJ

Interbasin Water Transfer An 'Emotional Issue'

By SAM A HIEB
Contributing Editor

LEGISLATION recently passed by the Greensboro General Assembly not only placed stringent regulations on interbasin transfers but provided more spark to an already lively debate on public policy involving water supplies to rapidly developing areas.

Although the result of the debate could be more regulations, those on both sides of the issue think it's both necessary and healthy.

"The big thing that I'm pushing for, and will continue to push for, is changing the entire public policy in North Carolina on interbasin transfers," said Rep. Mitch Gillespie, a Republican from McDowell County and vice chairman of the Environmental and Natural Resources Committee. "In my opinion, interbasin transfers need to be a last resort. It does not need to be a first option. It does not need to be done because it's cheaper or easier."

"Water is a very emotional issue for a lot of people. So I think it is appropriate that we have a careful look at it so that people will feel comfortable that they're not being harmed. But I think there has to be certain level of science and objectivity, too," said Tom Fransen, a river basin section chief for the N.C. Department of Environment and Natural Resources.

"I think with continued growth we're at a point where we need good public debates to determine what is the correct course of action," he said. "Years ago, if you'd asked if we need a statewide water-use program, I'd say we didn't need one. I'm not necessarily convinced we need one yet, but I do think it's something that needs to be discussed and evaluated by the policy-makers to determine whether we need one or not."

In addition to passing new regulations on interbasin transfers, HB 820, which passed by overwhelming majorities in both the House and the Senate, also directed the Environmental and Natural Resources Committee to further "study issues related to the transfer of water from one river basin to another river basin and the allocation of surface water resources and amend the laws governing the transfer of water from one river basin to another."

That study probably will produce another bill during the 2009 session that will have more regulations.

Interbasin transfers shift water from one river basin to another in order to meet the needs of rapidly developing towns and cities. Environmentalists and many legislators think that the transfers have detrimental effects to the source basin and to communities both downstream and upstream.

Such transfers, which involve millions of gallons of water, were already subject to intense environmental and



technical review after the Regulation of Surface Water Transfers Act was passed in 1993.

Supporters of HB 820 said it will explain the process involved in applying for a transfer more clearly and openly for both sides and allow for more public input. Water conservation and drought management plans are required for transfer requests, and environmental impact statements must address possible economic, recreational, and social damages.

In addition, the new law allows for mediation to help settle disputes over transfers and gives the donor basin primary rights to water considered for transfers.

Cities receiving water through a transfer are under closer scrutiny and are required to measure how much they have taken out and report the amount every three months. Water received through a transfer can no longer be resold, either.

A controversial transfer permit by Kannapolis and Concord prompted the legislation, although language that would have affected that request was pulled from the final bill. The N.C. Environmental Management Commission, with technical assistance from the Department of Environment and Natural Resources, approved the request in January after an extensive review process.

The decision allowed Kannapolis and Concord to draw significantly less water than the 26 million gallons they had originally requested. The cities will now draw 10 million gallons per day from the Catawba basin, in addition to 10 million per day from the Yadkin River basin.

The commission also placed a condition on the certificate making it clear that Kannapolis and Concord have to follow all the water-use restrictions placed on communities in the two source basins during periods of drought.

Still, South Carolina filed an injunction in June to stop the water transfer and asked the U.S. Supreme Court to appoint a special master to create a compact commission for the Catawba River with the power to allocate the river between the states.

In the petition, Attorney General Henry McMaster argued that by "authorizing the transfer of tens of millions of gallons of water on a daily basis from the

Catawba River into other rivers, North Carolina's actions have exacerbated the already fragile state of the Catawba River and reduced further the often limited flow of water into South Carolina."

Catawba River stakeholders, including McDowell and Burke County, Hickory, and Morganton, opposed the request and also have filed a petition appealing the commission's decision, which should go before an administrative law judge in the near future.

That petition is in addition to a petition filed by the Southern Environmental Law Center, which wrote, "EMC approved this transfer despite numerous defects in the application process, wide-ranging opposition, and concerns with the quality of the environmental review the cities conducted pursuant to the North Carolina Environmental Policy Act. These defects range from the agency's failure to notify the state of South Carolina of the proposed transfer, despite the fact that the transfer could exacerbate water shortages and contribute to concerns about water quality degradation in the Catawba system, to the agency's failure to give the public adequate time to review and comment on a series of revisions to the final environmental impact statement for the project."

If the judge renders what the stakeholders deem an unsatisfactory decision, it will be appealed in the court system, Gillespie said. "The 10 million gallons a day for Kannapolis and Concord is still not a done deal," he said.

DENR officials said the agency issued the permit with the certainty that the Catawba basin would not be harmed.

"What I've told people in the past is if we honestly thought that the demands placed on the Catawba basin were such that we've exceeded its capacity, we would start a capacity use designation that would regulate all withdrawals in that basin," Fransen said. "Based on the information that I saw on some of the modeling runs we did internally, we did not feel the basin at this point was at that level that would justify a capacity use designation."

But Gillespie argued that his district would be threatened by a transfer from the Catawba basin because it's near

Continued as "Interbasin," Page 17

Interbasin Transfers Debated

Continued from Page 16

the top of the basin and "there's nothing above us to fill us back up."

While the bill definitely has an immediate affect on transfers, its charge to the environmental and natural resources committee could have an effect in the near future.

One key recommendation of the study will be to recommend types of equipment that should be used to measure the amounts of withdrawals. Another key provision would be making transfers temporary.

"They should not be permanent, although they still are," Gillespie said. "How long you make them is up for debate. The general feeling is 40 years, then you review it."

But the major goal will be to come up an option to transfers, namely forcing the state to build more reservoirs.

It's interesting that Gillespie is siding with environmentalists on the Catawba IBT issue, because he differs with them on the issue of reservoirs. "What the environmentalists don't realize is the reason why we're having IBTs is because they've worked so hard against dams and reservoirs," Gillespie said. "They don't even realize what they've done."

That said, he also thinks DENR plays an important role in stalling more reservoirs.

"It's DENR's fault that we're having IBTs, in my opinion," Gillespie said. "They make it so strict on municipalities to create reservoirs. Building reservoirs takes so long and costs so much money. They have an anti-reservoir mentality."

Fransen agrees it's tough to build more reservoirs in North Carolina. "The ability to build new reservoirs in this current environmental climate is tough," he said. "There are some really tough environmental hurdles to cross. It's a very long-term and difficult thing to do."

With that in mind, Fransen thinks transfers will still be the major method to supply water to growing areas.

"It's just part of the way water management's done in North Carolina," Fransen said. "I've listened to a lot of the rhetoric over the last couple of years about interbasin transfer, and if you didn't understand the situation

you would think it's a runaway problem in North Carolina. Since 1993, when the law we're working under passed, we've only issued three certificates, so it's not like people are knocking down our doors wanting to do interbasin transfers every day, which is the feeling you get when you listen to the rhetoric. It's costing people roughly \$1 million to go through the process, and doesn't guarantee that you get the permit. So they have not gone through this process lightly and have looked hard for alternatives. The current bill makes them look that much harder for other alternatives."

D a v i d Moreau, professor of water resources and environmental planning at the University of North Carolina at Chapel Hill who also is chairman of the Environmental Management Commission, has a mixed reaction to HB 820.

M o r e a u said he questions the notification requirements because the cost of requiring notification could be expensive and could more easily leave permit requests

open to lawsuits.

But he also described the provision that would open the commission's final decisions to a public hearing as a "healthy thing."

Still, he thinks that the commission's technical and environmental reviews are more than adequate.

"I continue to be amazed at the emotion that surrounds these types of decisions," Moreau said. "I don't know that we can do any more detailed analysis than we do. The general presumption is you don't go taking water from somebody else if you're going to create a hardship on that donor. But if you're not going to create a hardship on the donor, and there are no serious environmental effects, then why let that water run downstream and out to the ocean without being used?"

Moreau said transfers are part of "the reality of life in North Carolina these days, (which) is urban demand centers are reaching across basin boundaries." He supports reservoirs as an option. "We'd build them if we had places for them, but we have very few places left," he said.

Moreau did say there was one other option, however.

"We could go to a very stringent restriction on water use," he said. "We'll see how popular that is." *CJ*

"It's DENR's fault that we're having IBTs, in my opinion. They make it so strict on municipalities to create reservoirs. Building reservoirs takes so long and costs so much money. They have an anti-reservoir mentality."

**Rep. Mitch Gillespie
R-McDowell**

Commentary

Questions to Ask About Taxes

Counties across North Carolina are gearing up for all sorts of new taxes. In particular, 16 counties are looking at a proposed increase in the "land transfer" tax. This tax would constitute a 200 percent increase in the current 0.2 percent deed stamp tax if is approved by voters in those counties.

The tax was added onto the Medicaid relief bill and largely unnecessary because the counties will actually get "hold harmless" money from the state. In truth, this proposed tax is simply another revenue stream for counties.

There are some legitimate questions that should be asked.

The first question, "Is my local government being responsible with the money it already receives?" If the county is focused on providing core services such as law enforcement, schools, and perhaps parks and recreation, then the answer is "yes."

If your local government is giving away millions in incentives to nonprofits and using tax money for golf courses and other nongovernment services, the answer is no.

The second question, "Is a new tax necessary?" Another perspective recently seen on a bumper sticker, "Honk if you don't pay enough in taxes!" is another way of saying it.

Most people would say they pay plenty in taxes. And while people say they pay plenty in taxes, many would prefer consumption-based taxes to property taxes because they have control over what they purchase and very little control over what the county says their home is worth. The land-transfer tax is confusing.

The third question is, "Are we being told the truth?" This is where the ugly world of politics takes hold. In recent stories run statewide, Paul Myer, the chief lawyer and lobbyist for the N.C. Association for Commissioners, said, "The Medicaid burden is keeping counties from paying for infrastructure."

He said this as a way of justifying the need for the new transfer tax or even the proposed new sales tax.

Sadly, he doesn't have his facts straight. In a personal exchange,

Paul said the reporter quoted him out of context.

The Medicaid burden at the county level is being phased out and counties will receive at least \$500,000 in "hold harmless" money from the state. Every penny received from the land-transfer tax will be new money.

In truth, the home tax is a

200 percent new tax on anyone selling property. If a farmer sells his tax-deferred land, he'll be responsible for six years (current plus five) of new property tax value due to the "machinery act" and also be responsible for a 0.6 percent land transfer tax (if the new tax passes.) If parents sell property to their children, they'll get hit

with the new tax.

Everyone who builds and sells homes will be responsible for the new tax. Though paid by the seller, it becomes an artificial escalation in the price of a new home as the additional cost is passed along to the buyer.

Not many consumers cry when real estate and homebuilders complain about being singled out for a specific tax. That's largely why such a bizarre tax is being proposed.

In truth, homebuilders employ lots of people. They are some of the largest purchasers of supplies in any market in the state and help drive economies without incentives to provide homes for citizens in almost all price ranges.

What we really need in North Carolina is tax reform from top to bottom. County commissioners could easily say they would reduce property taxes if citizens approved a new sales tax or land transfer tax. In all 16 counties proposing the land transfer tax, I have yet to see officials in those counties say they'll reduce property taxes if it is enacted.

The bottom line goes back to paraphrasing a bumper sticker: Do you pay enough in taxes? *CJ*

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



Chad Adams

Local Innovation Bulletin Board

Low-Income Homeownership

A home financed by a mortgage is not just an asset. It's also a liability. With that in mind, Carolina Katz Reid recently examined what she dubbed the "low income homeownership boom." She considered a simple question: Do low-income households benefit from owning a home?

Her discoveries are bracing, columnist Holman Jenkins Jr. says in *The Wall Street Journal*: Of low-income households from a nationally representative sample who became homeowners between 1977 and 1993, fully 36 percent returned to renting in two years, and 53 percent in five years.

Even among those who held on to their homes for 10 years, the average price-appreciation gain was 30 percent — less than if their money had been invested in Treasury bills. This meager capital gain was about half that enjoyed by middle-income homeowners.

A typical low-income household might spend half the family income on mortgage costs, leaving less money for a rainy day or investing in education.

Their less-marketable homes apparently also tended to tie them down, making them less likely to relocate for a job. Reid's counterintuitive discovery was that higher-income households were twice as likely to move long distance if they were unemployed.

Almost needless to add, the great squarer of circles for middle-income homeowners, the mortgage-interest deduction, won't turn a house into a paying proposition for those with little income to shelter.

Bottom line: Homeownership likely has had an exceedingly poor payoff for millions of low-income purchasers, perhaps even blighting the prospects of what might otherwise be upwardly mobile families, says Jenkins.

Thompson on sanctuary cities

So-called "sanctuary cities" that place limits on cooperation between local officials and federal immigration officials provide a national networked haven for foreign and organized criminals who recruit and operate both inside and outside those areas, former Sen. Fred Thompson says.

The consequences of "sanctuary cities" might be most obvious in the city that became the first in 1979:

Los Angeles.

According to the Center for Immigration Studies, a confidential California Department of Justice study from the mid-1990s showed then that at least 60 percent of the members of L.A.'s most violent gangs were illegal aliens. Of all outstanding murder warrants in Los Angeles, 95 percent are for illegal aliens. Frustrated police say they are powerless to pick up even well-known, previously deported felons.

Further, the costs of policies that offer shelter to criminals are borne not just by the citizens of sanctuaries. Illegal aliens made up 27 percent of the federal prison population in 2005, totaling 49,000 and costing federal taxpayers \$1.2 billion.

There were also more than 220,000 illegals in state and local prisons and jails.

'Mandatory arrest' laws

"Mandatory arrest" laws, laws allowing officers to make an arrest every time someone reports abuse, might have an unintended, deadly side effect.

The number of murders committed by intimate partners is now significantly higher in states with mandatory-arrest laws than it is in other states, says Radha Iyengar, a fellow in health policy research at Harvard University.

Unfortunately, in the two decades since the laws were enacted, the realization by victims that an arrest will be made for every call seems to have led them to contact the police less.

In some cases, victims might favor an arrest, but fear that their abusers will be quickly released. Many victims might avoid calling the police for fear that they will also be arrested for physically defending themselves.

Overall, in states with mandatory-arrest laws, homicides are about 50 percent higher today than they are in states without the laws.

The mandatory-arrest laws were intended to impose a cost on abusers. But because of psychological, emotional, and financial ties that often keep victims loyal to their abusers, the cost of arrest is easily transferred from abusers to victims, Iyengar says. Victims want protection, but they do not always want to see their partners put behind bars. CJ

From Cherokee to Currituck**Beach Amenities Cause Furor**

By MICHAEL LOWREY
Associate Editor

RALEIGH

There's a finite amount of land at or near the beach. It's in demand and usually expensive. Developers have recently figured out a way to offer some of the amenities of the beach to people buying homes inland, and the tax consequences are upsetting beach-town officials.

When creating a new subdivision away from the shore, developers establish as an amenity a beach club, a clubhouse with parking near the beach. The developer later turns the beach club over to the subdivision's homeowner's association.

Under state law, a homeowner's association doesn't pay property tax on the value of assets turned over to it by the developer. Instead, the value of the association's assets is figured into the property value of individual members. As a practical matter, this means the property owners often pay property tax on the beach clubs to the municipality some distance from the shore where their homes are situated, and not to the beach communities where the clubs are actually found.

"It doesn't make a bit of sense to me. I can't believe that it's true," Chris May, executive director of the Cape Fear Council of Governments, said to *The Wilmington Star-News* of the arrangement.

Beach-town officials are concerned about crowding, parking issues, and a strain on municipal services caused by beach clubs.

In response, Oak Beach officials adopted a moratorium on new beach clubs, claiming they pose an "unacceptable risk" to the health, safety, and well-being of the municipality.

Asheville challenge

Asheville has settled a lawsuit challenging the constitutionality of how it determines the fee charged for a demonstration permit. In addition to refunding money, the city will also change its rule on issuing future permits, the *Asheville Citizen-Times* reports.

Last year, the May 1st We Are One America Committee organized a march to protest U.S. immigration policy. The march attracted 3,000 to 3,500 peaceful demonstrators. The group was charged a \$1,500 permit fee under the city's policies, which allowed fees to vary depending upon the type of march

and how likely it was judged to draw counter-protesters.

The group sued the city, claiming it had been discriminated against because of its members' viewpoint. The claim was based upon other groups being charged less for a permit.

Asheville settled the lawsuit before it came up for trial, refunded \$1,300 to the group, and agreed to change its policies.

"In the future, groups are going to be able to march peacefully without having to worry about charges that will

make it impossible to say what they need to say," Althea Gonzalez, an organizer with the group, said to the newspaper.

W-S public housing rent

Winston-Salem soon will impose minimum rents of at least \$50 on all of its public housing units. The move will raise additional funds for the local housing authority and encourage tenants to work, *The Winston-Salem Journal* reports.

The Housing Authority of Winston-Salem, like most public housing authorities, charges rents based upon the ability of tenants to pay. Those that earn no income aren't required to pay anything. Tenants of 333 of the authority's 1,082 units, or 31 percent, live rent-free.

Authority officials note that some residents take advantage of the situation.

"That [crutch] is something that we will have to come to grips with," said James Rousseau, chairman of the housing authority's board of commissioners. "There are some who feel that the more you give someone, the less they do for themselves."

Imposing a minimum rent would generate about \$200,000 for the authority. The extra money would also help it offset reductions in federal public housing subsidies. The Winston-Salem housing authority's federal funding was reduced by 18 percent last fiscal year, which put the authority in the red.

The housing authority has also announced a separate initiative to create transparency, improve properties, and boost customer service while becoming less dependent upon federal funds. The agency would also offer its property-management services to the private sector. "We need to be as responsible as any private landlord," said Larry Woods, chief executive of the Housing Authority of Winston-Salem. CJ



'Heart of Triad' Discussion Turns HOT at Meeting

By SAM A. HIEB
Contributing Editor

GREENSBORO

Perhaps the Heart of the Triad isn't so hot after all.

Heart of the Triad, or HOT, as it's known in the Triad, is an effort to carefully manage planning and development of about 6,000 acres running over the border of Guilford and Forsyth counties.

Members of HOT's steering committee warn that the lack of a comprehensive effort to development of the area will trigger the scourge of urban sprawl, traffic gridlock, and poor air quality.

Analysis

Media accounts that have focused on the effort's impact on property owners haven't stopped five of the seven local governments that would be involved from passing resolutions supporting HOT. But officials from the two holdouts, Guilford County and the City of High Point, made sure to ask some hard questions before voicing their approval.

At a recent meeting, the Guilford County Board of Commissioners was asked to approve the resolution before moving on to its budget vote.

But Commissioner Billy Yow made a counter motion to table the issue until the commission could get more input from citizens who could be affected by HOT.

"The steering committee of the Heart of the Triad has gone out and asked for public input but has not really taken public input. They have driven this thing to be what they want it to be," Yow said. "That's the largest concern I've heard from the citizens and it's upon us to send them back to the citizens of this county and take their



Logo from the Web site of Heart of the Triad (HOT), which describes itself as a "planning effort underway to help shape the development of the area between the Dell plant and the future Fed Ex hub."

input and give it some consideration. I think if we move forward we're sending a negative signal to the folks, saying we don't care that you don't have any input, and we're telling the Heart of the Triad folks 'yes, we're with you all the way,' which boosts their level of arrogance, and I don't think that's the appropriate thing to do at this time."

Commissioner Linda Shaw argued that the public's interests would best be served if officials from Guilford County were seated at the HOT table. She also expressed concern that the formation of a new HOT steering committee would be delayed if the resolution didn't pass.

"Do I agree with everything that's come up so far? Absolutely not," said Shaw, who is a member of the committee. "Do I think the citizens need input? Absolutely. I certainly do think that we need more input than what has been there in the past. But I think we need to move forward with this just so we can get our citizens together and meet with them."

Commissioner Bruce Davis called HOT steering committee Cochairman Robbie Perkins to the podium to speak to the issue of public input, but that prompted an outcry from citizens seated in the audience, which in turn set off a

fierce debate on meeting protocol.

Perkins merely would provide information on an particular agenda item issue, which happens all the time, Davis argued. If members of the general public were allowed to provide a counter-point, then that would be a public hearing, which has to be placed on the agenda before the meeting.

"I don't know why we're going down this road," Davis said. "They don't have as much right as a commissioner here [does] to ask any person here in the audience to come up and speak. We're not talking about public speaking. We're trying to clarify a matter."

After a confusing round of motions and substitute motions, commissioners ended approving the resolution by a 9-2 vote, with Yow and fellow Commissioner Steve Arnold voting against it.

Shortly after the commissioners' meeting, the *High Point Enterprise* reported that High Point Mayor Becky Smothers and Councilman Latimer Alexander expressed reservations about HOT.

At the center of those reservations was High Point's annexation agreement with the Town of Kernersville and the extension of 16,000 feet of sewer line into the area that would comprise HOT.

Such real investment in the area should take precedence over preliminary plans, they argue.

"We need to be very careful about land issues," Smothers told the *Enterprise*. "We need to all work together, but that's [development and infrastructure] a local government responsibility."

In a phone interview with *CJ*, Alexander agreed with Smothers' point of view.

"High Point is going to make decisions about what goes on in those areas," he said. "That's the way we've always existed when we provide an infrastructure service. HOT's a wonderful thing, but why would we ask others what their opinion would be when it's going to be High Point's responsibility? Land use is dictated by who provides water and sewer."

Alexander said the City Council had not discussed the resolution supporting HOT and did not when it would, if ever.

"Why would we put it on an agenda to disapprove it?" Alexander asked. "Honestly, when you don't talk about something, you've made a statement," Alexander said.

It's not as if concerns that HOT would interfere with property investments haven't been expressed before, though. Piedmont Triad Airport Authority board member Walt Cockerham warned the steering committee during its presentation in January that HOT would hinder development around the future FedEx hub.

Not just local officials have expressed skepticism about the HOT concept, as \$2 million in state funds over the next two years failed to make it into the Senate budget because of a lack of consensus in the Triad about the plan. *CJ*

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| Whiteville | WTXY | AM 1540 | Tuesdays | 10:00 AM |
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From the Liberty Library

• Bjorn Lomborg, in *Cool It: The Skeptical Environmentalist's Guide to Global Warming*, transforms the debate about global warming by offering a fresh perspective based on human needs as well as environmental concerns.

Lomborg says that many of the elaborate and expensive actions being considered to stop global warming will cost hundreds of billions of dollars, are often based on emotional rather than strictly scientific assumptions, and might have little impact on the world's temperature for hundreds of years. Rather than starting with the most radical procedures, Lomborg said we should first focus our resources on more immediate concerns, such as fighting malaria and HIV/AIDS and assuring and maintaining a safe, fresh water supply, which can be done at a fraction of the cost and save millions of lives within our lifetime. He asks why the debate over climate change has stifled rational dialogue and killed meaningful dissent. Learn more on the Web at www.randomhouse.com/knopf.

• During a 40-year career in politics, Vice President Dick Cheney has been involved in some of the most consequential decisions in recent American history. Yet for all of his influence, the world knows little about him. The most powerful vice president in U.S. history has also been the most secretive and guarded of all public officials. In *Cheney: The Untold Story of America's Most Powerful and Controversial Vice President*, Stephen F. Hayes offers readers a view into the world of this enigmatic man. See www.harpercollins.com for more information.

• Working with the underlying premise that America's founding principles continue to be vital in the modern era, Edward J. Erler, John Marini, and Thomas G. West take a conservative look at immigration, one of today's most pressing political issues, in *The Founders on Citizenship and Immigration: Principles and Challenges in America Series*. Character — the capacity to live a life befitting republican citizens — is, as the Founders knew, crucial to the debate about immigration. *The Founders on Citizenship and Immigration* seeks to revive the issue of republican character in the immigration debate and to elucidate the constitutional foundations of American citizenship. Co-published with the Claremont Institute, learn more at www.rowmanlittlefield.com. CJ

Book review

Ledeen Discusses Iran and What To Do About It

• Michael A. Ledeen: *The Iranian Time Bomb: The Mullah Zealots' Quest for Destruction*; Truman Talley Books; 2007; 288 pp; \$24.95 hardcover.

By SAM A. HIEB
Contributing Editor

GREENSBORO

A few weeks back, I heard a conservative radio personality say that the U.S. government should prepare the American public for war with Iran. That's not a pleasant thought, to say the least, and Michael Ledeen's *The Iranian Time Bomb: The Mullah Zealots' Quest for Destruction* doesn't ease any fears Americans might have.

Ledeen, a scholar with the American Enterprise Institute, makes the case that Iran declared war on the United States when revolutionaries, under the spell of Ayatollah Khomeini, seized the American Embassy in November 1979 and held embassy personnel hostage for 444 days. Employing its main instruments, the Revolutionary Guard, the Quds Force, and Hezbollah, Iran would go on to have a hand in every major terrorist attack from the 1983 bombings of the U.S. Embassy and Marine barracks in Lebanon to, yes, the Sept. 11, 2001, attacks on the World Trade Center.

Ledeen, citing the movements of the terrorists who carried out the plot, believes "we do know enough to be able to say that it is altogether possible that the Islamic Republic was up to its neck in the operation. ... So when you hear 'Al Qaeda,' it's probably wise to think 'Iran.'"

Then there's Iraq. Iran has considerable interest in the outcome of the war, for if the United States succeeded in advancing freedom in Iraq and Afghanistan, Ledeen writes, the "mullahs could not hope to restrain the desire for freedom by the Iranian people. It was therefore certain that Iran would do everything in its power to ensure we failed in both neighboring countries."

The tepid American response to Iran's actions over the last 30 years has put us in the situation we find ourselves in today. While Jimmy Carter's weakness during the hostage crisis marked a low point in American history, Ledeen doesn't go easy on Ronald Reagan, "universally regarded as a tough guy, the man who beat the Soviet Empire."

Unfortunately, Ledeen concludes there "was little sign of this toughness with regard to Iran." Reagan's deep concern for the hostages in the Iran-Contra deal affair served only to take the focus off the much more urgent problem of Iran's continued support for terrorism. As a result, the United States "became hostage to the hostages."

President Bush's rhetoric grouping Iran with Iraq and North Korea as the Axis of Evil indeed provided hope for the overwhelming majority of Iranian



citizens who favor the overthrow of their brutally repressive mullahcracy. Unfortunately, the Bush administration not only has toned down the rhetoric but has also knuckled under to pressure to negotiate with Tehran. Secretary of State Condoleezza Rice is stuck in the same frame of mind as her predecessors.

Even eerier, though, is the possibility of a second Clinton administration dealing with a nuclear-armed Iran. We can only hope that, as she charges toward the Democratic presidential nomination, Hillary Clinton will be asked hard questions about her policy toward Iran, not that other candidates should get a pass on the issue, mind you.

Anyone who thinks Bill Clinton's administration did anything to improve U.S. security abroad and at home should carefully read Ledeen's analysis of events.

Clinton's focus at that time was a dual containment strategy that forced harsh sanctions upon Iraq and made Iran the focus of bilateral and multilateral efforts to persuade the mullahs to change their ways, efforts that were certainly doomed to fail.

Ledeen recounts Clinton's own Iranian arms deal, whereupon he engaged in secret diplomacy (in defiance of a U.N.-imposed arms embargo) to arm the Muslim government in Sarajevo in its fight against the Serbs. Of course, Iran was more than ready to rush into the Balkans with weapons, exerting influence in the region and setting up terrorist training camps. In the meantime, the administration, with Vice President

Al Gore as its point man, stood by and watched while Russia not only sold arms to Iran but provided assistance to Iran's fledgling nuclear program.

Clinton took a passive-aggressive approach to secondhand evidence from Saudi officials that Iran was involved in the Khobar Tower bombings that killed 19 Americans. Clinton had earlier indicated that he would take military action against Iran if such evidence was uncovered, but in the end he "did not really want to see the evidence, because it would have forced the United States to act... and when push came to shove, Clinton wasn't prepared to do that."

The administration was also hoodwinked by supposed Iranian reform under the leadership of President Mohammad Khatami. The administration "turned on a dime" and dispatched Secretary of State Madeleine Albright to make serious concessions, including an apology on behalf of the United States not only for backing the Shah Reza Pahlavi's regime, but for supporting Iraq during the war with Iran, quite the ironic concession, Ledeen notes, considering Reagan's considerable arms support for the Iranian side.

So what action should the United States take toward Iran? Ledeen says the three main things the United States can offer Iran are hope, information, and material support in the form of laptops, cell phones, servers, satellite dishes, and radio broadcasts to help spread the information. Such support would hasten a governmental implosion along

the lines of the Soviet Union.

"We were amazed at the speed with which the Soviet empire collapsed, and I expect the Iranian regime would similarly collapse at an epic rate," he writes. Although Ledeen characterized Iraq as "the wrong war for the wrong reasons," he ultimately concludes that a secure and free Iraq is vital to helping create a free Iran.

As Iraqis continue to recognize what life is like under al Qaeda, Ledeen writes, they're also embracing "the near-universal conviction that the Islamic Republic of Iran is not the sort of place where one wants to live. That mullahcracy is the closest thing to the much-ballyhooed 'caliphate' so dear to the mouths of the jihadis, and most Iraqis, as most Middle Easterners, think it stinks."

Those are words every American should carefully consider as we face an uncertain future at home and abroad. CJ

Anyone who thinks Bill Clinton's administration did anything to improve U.S. security abroad and at home should carefully read Ledeen's analysis of events.

Next Time You Drink a Pepsi, Remember Duplin's Caleb Bradham

Businessmen want to make profits, to be sure, but they understand that to do so, they must satisfy customers. In the end, everyone involved in the transaction is pleased. Caleb Bradham, inventor of Pepsi-Cola, provides a perfect example.

Born in 1867, Caleb Bradham grew up in Duplin County, N.C. When he was a University of Maryland medical student his father declared bankruptcy, funds soon ran out, and Bradham left school and returned to North Carolina.

He never lost interest in health care, however. He taught briefly at a private academy in New Bern before enrolling again at the University of Maryland — this time in the School of Pharmacy. After graduation, he opened Bradham's Pharmacy in New Bern, where locals loved to frequent and pay a nickel to be entertained by a jukebox. In this place, Bradham invented Pepsi-Cola in 1898.



Dr. Troy Kickler

The druggist invented the beverage not only to keep patrons but also to improve their health. Wanting to have a soft drink without the narcotics so frequently used in others, Bradham experimented with various combinations of juices, spices, and syrups. His customers most liked his vanilla, rare oils, and kola nut extract-combination. Bradham believed this particular product aided digestion and had no harmful effects (then it had no caffeine). The formula was soon nicknamed "Brad's Drink."

As customer demand increased, Bradham devoted his energies to selling his beverage. He changed its name to Pepsi-Cola, probably because the drink aided digestion much like pepsin enzyme, and incorporated the company in 1902. With Bradham as its first president, the corporation had one of the earliest trademarks in the history of the U.S. Patent Office and started advertising a "pure, food drink" after the passage of the Pure Food and Drug Act (1906), when the government determined that the company used no harmful substances.

In its first years, Pepsi-Cola Company grew rapidly, and Bradham created many new jobs for people in New Bern and across the Southeast.

Showing great business savvy and working feverishly, Bradham started selling franchises. In 1905, there were only two; by 1910, about 300 bottlers operated in 24 states, and the first Pepsi-Cola Bottlers Convention was held in New Bern. Under the direction of the innovative pharmacist, the company started a successful advertising campaign featuring women and celebrities and emphasizing the drink's invigorating qualities. To meet increased demand stirred by the soda's quality and the company advertisements, Pepsi-Cola Company was one of the first to ship products via motor transport.

Although his future seemed bright, the exigencies of World War I and government regulation cost Bradham greatly. In 1915, his soft drink was sold across the Southeast, in seven states, and netted \$31,346. When the United States entered the war in 1917 and rationed sugar, Pepsi-Cola production and sales plummeted; sugar rationing prevented Bradham's company from meeting consumer demand, so he used sugar substitutes that ultimately disappointed customers. Meanwhile, the government controlled sugar prices, at three cents per pound. After the war, the government

lifted price controls, and the cost rocketed by about 830 percent, or 28 cents per pound. Customers, however, still expected a bottle of Pepsi-Cola to cost five cents. Consequently, Pepsi-Cola Company could not cover production costs. When the sugar market crashed, Pepsi-Cola declared bankruptcy in 1923 and was bought out by the Craven Holding Corporation.

Still concerned with people's health, Bradham returned as a full-time druggist to his pharmacy in New Bern, where he still worked to benefit his fellow man. He maintained the scholarship prize that he had started at the UNC School of Pharmacy in 1902 — and did so, until 1930. Bradham participated in numerous charity events in and near New Bern, and he co-founded the North Carolina Naval Militia.

Next time you take a sip of Pepsi, remember how Bradham's hard work, innovation, and humanitarian concern helped introduce motor transport of goods in the United States and created satisfied customers and jobs. CJ

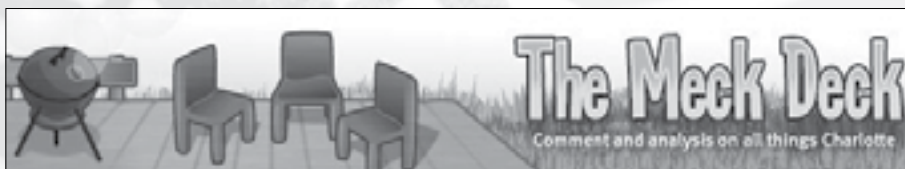
Troy Kicker is director of the North Carolina History Project (<http://www.northcarolinahistory.org>).

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Squall Lines is the JLF's blog in Wilmington. A group of JLF staffers and coastal friends keep folks on the coast updated on issues facing that region of the state: <http://wilmington.johnlocke.org/blog/>



Piedmont Publius is the JLF's blog in the Triad. Greensboro blogger and writer Sam A. Hieb mans the controls to keeps citizens updated on issues in the Triad: <http://triad.johnlocke.org/blog/>



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Short Takes on Culture

Morris Book Overly Populist

• *Outrage*

By Dick Morris & Eileen McGann
HarperCollins Publishers

There's no shortage of items that spark Dick Morris' outrage. That's the impression you'll get after reading his latest book with Eileen McGann.

Government, business, and international groups generate enough outrageous conduct to fill more than 300 pages. But this reviewer closed the back cover and said to himself, "Not all of this stuff is an outrage."

Morris and McGann cover some ground you might expect: self-serving politicians in an "Imperial Congress," the United Nations' uselessness, business executives using government help to drive away competition. Facts and figures boost their case.

But the authors espouse a populist sentiment that occasionally drives them off the track. Morris and McGann label as an "outrage" lawmakers' refusal to raise the government-mandated minimum wage for 10 years. They also blast Congress for refusing to raise the estate tax.

And the reader should prepare himself for the occasional attack on "greedy" businessmen who put profits ahead of people. Any fan of free markets will cringe and question the authors' grasp of basic economics.

Still, the book ends on a bright note: a persuasive case for free trade. Explaining that Americans spend about \$1.4 million per worker to save jobs in the industry that produces suntan lotion and another \$826,000 per worker to protect sugar jobs, Morris and McGann remind us "imports are a consumer's best friend."

Ignore the populist rhetoric, and you might enjoy the book.

— MITCH KOKAI

• *The Insidious Dr. Fu Manchu and The Return of Dr. Fu Manchu*
By Sax Rohmer
Tantor Media (Audio)

Even if I wasn't already a fan of early 20th century pulp fiction, I might still have sought out the Tantor Media recordings of Sax Rohmer's famous Fu Manchu novels. Rohmer (the pen name of Englishman Arthur Henry Sarsfield Ward) was one of the first writers to work in the field of the "Yellow Peril" — stories typically based in England or the West but centered on shadowy threats from Oriental states and syndicates. In *The Insidious Dr. Fu Manchu* (1913) and *The Return of Dr. Fu Manchu* (1916), Rohmer created his most familiar villain, a Chinese mastermind who used assassins, poisons,

and other instruments of terror to carry out his fiendish plots. These and many subsequent stories also featured the hero Sir Denis Nayland Smith, a British secret agent who clearly influenced the creation of subsequent characters such as James Bond (just as Fu Manchu influenced the creation of Dr. No, Ming the Merciless, and Marvel Comics' The Mandarin).

Even if excursions into the origins of adventure films, comics, and science fiction aren't your forte, you might still find Rohmer's early works interesting for another reason: They exemplify a kind of popular fiction created during a time in which the great risks to peace and prosperity seemed likely to come not from Great Power conflict and massive wars but from subversion and terrorism sponsored by despotic Asian powers. Hmm.

— JOHN HOOD

• "Unwrapped" and "Throwdown with Bobby Flay"
Food Network
Various Times -- Check Listings

"Unwrapped," is Food Network's version of a "how it's made" show, and host Marc Summers coasts through topical themes (like holidays, Western grub, and health cuisine) explaining how popular foods are produced and delivered. Footage is filled with shots of conveyor belts, giant vats and labeling machines, helped along by Summers' breezy commentary. It started as a mostly candy show, but having taken the sweets about as far as they can go as material fodder, it now has diverted into more interesting territory.

The repetitive footage and the easygoing Summers are a familiar concoction that provide a relaxing, satisfying treat taken in its small, 30-minute doses. Just don't try to overindulge in more than one at a time through On Demand opportunities.

The same goes for "Throwdown" featuring New Yorker Bobby Flay, who also hosts the network's "FoodNation" and "Boy Meets Grill." In each episode Flay receives instructions "Mission Impossible" style, in which he learns that week's subject (like wedding cakes or grilled steaks). He then practices the dish in his own kitchen before launching out to challenge a preselected (and unsuspecting) chef who has already mastered the fare of the week. Flay rarely wins (it's always on short notice) but the competition makes for a nice diversion from weekend afternoon sports.

— PAUL CHESSER CJ

Book review

A Non-PC Constitutional View

• Kevin R.C. Gutzman: *The Politically Incorrect Guide to the Constitution*; Regnery Publishing; 2007; 258 pp; \$27.95 hardcover.

By MITCH KOKAI
Associate Editor

RALEIGH

Sometimes you can judge a book by its cover.

Pull this book off the shelf, and you'll stare at an illustration of three miniature Founders — presumably Jefferson, Washington, and John Adams — scowling as they grip tightly an oversized page topped with the words "We the People."

The focus of the first three presidents' collective scowl is an unseen giant. The reader can identify only a black-robed arm and the giant's fist crumpling the other end of the overly large constitutional document.

That picture prepares you for the primary themes contained in this volume from Kevin R.C. Gutzman, a lawyer and associate professor of American history at Western Connecticut State University. Gutzman's giant is an American judiciary that's crumpling the Constitution while creating its own version of "constitutional law."

His Founders grip tightly at the principles embedded in the document adopted by "We the People" more than 200 years ago.

Like other installments in Regnery Publishing's Politically Incorrect Guide, or PIG, series, Gutzman's book aims to: expose myths; simplify complex topics for a general audience; and have some fun.

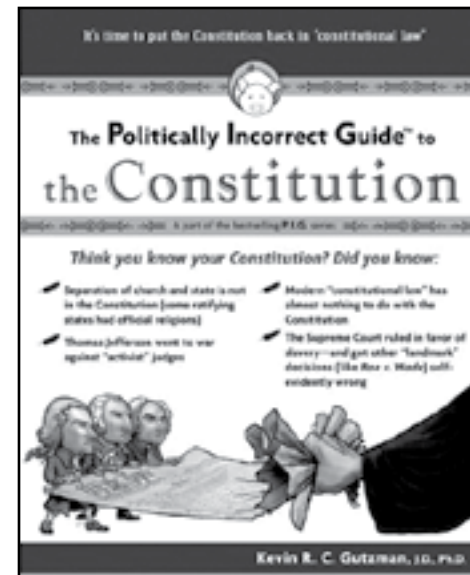
Amid the history and the legal terminology, pictures of pigs reading books, wearing judicial wigs, or preparing for 18th century battles remind the reader that this guide could fill some gaps in the education of a young student.

Gutzman makes his case early. "[W]e went from the Constitution's republican federal government, with its very limited powers, to an unrepresentative judgeocracy with limitless powers."

Readers willing to explore the original meanings of some of our most common words will realize that the original concept of American government has changed, Gutzman contends. "The Congress was, as Massachusetts' John Adams put it, a meeting place of ambassadors," he writes. "In fact, the word *congress* had always denoted assemblies of representatives of sovereigns...."

"Like the word *congress*, the word *state* had a meaning in the eighteenth century that may be lost on us today," he says. "For a Virginia congressman to say that Virginia was a state was to put it on par not with Brittany in France or Yorkshire in England, but with France and England."

That's why the substantive por-



tion of the Declaration of Independence "declared the colonies to be 'free and independent states' and claimed for them the right to do everything that free countries could do," Gutzman notes. "They were the sovereign equivalents of Russia, Sweden, and Spain. (OK, maybe San Marino and Monaco, but you get the idea.) As the [Revolutionary] war progressed, they continued to behave as if they were. They guarded their sovereignty carefully, never giving to Congress authority that they might be unable to reclaim."

Gutzman lays this groundwork to prepare the reader for the struggle over sovereignty that started as soon as the former colonists booted the Redcoats back to Britain. A student will search in vain to find many of Gutzman's observations reflected in standard American history texts today.

An advocate of tradition, Gutzman still shows no fear of upsetting the Founders' most ardent supporters. "The *Federalist* did not have much to do with the ratification of the Constitution in New York or anywhere else," he writes. In its day, the book of essays supporting the Constitution exercised little influence outside of the "range of the New York papers," he says.

Like the giant hand on the book's cover, the Supreme Court emerges as the "heavy" in Gutzman's narrative of the federal government's growing power after Roosevelt's election. Particularly galling for Gutzman is the concept of "incorporation," a judicial invention that applied the Bill of Rights to state governments. "Incorporation" was (and is) the Court's subterfuge to get around the plain historical fact that the Bill of Rights was ratified to limit the powers of the federal government alone."

If Gutzman had described his own book cover, he might have said those miniature Founders need help keeping the giant hand of the federal judiciary at bay. As the cover warns, "It's time to put the Constitution back in 'constitutional law.'" CJ

Cohen's *The Green Wave* Exposes True 'Green' Agenda

• Bonner Cohen: *The Green Wave – Environmentalism and its Consequences*; Capital Research Center; 2006; 209 pp; \$14.95

By **GEORGE C. LEEF**

Contributing Editor

RALEIGH

Environmentalists like to be portrayed as kindly, concerned people who want to make sure that Earth will remain a pleasant home for all living things. For the most part, they get their wish. Stories in the mainstream media that question their motives, call attention to their often-nasty tactics, or point out that environmentalist policies frequently have harmful effects are as rare as manatees in Montana.

Fortunately, Bonner Cohen's book *The Green Wave* is at hand to show that there are a lot of "inconvenient truths" about the environmental movement. He argues convincingly that the environmental movement should be understood as just the most recent front in the war that authoritarians have long waged against private property and free enterprise.

Cohen writes, "Along with more traditional goals like redistribution of income to secure 'equality,' activists seized on the environment as an issue with enormous potential to influence young educated urbanites who felt guilty about their affluence. Their aim: to bring about the reordering of national and global priorities." The "greens" talk about saving the planet, but what is really at issue is plain old power. They want it so as to control a wide array of human activities.

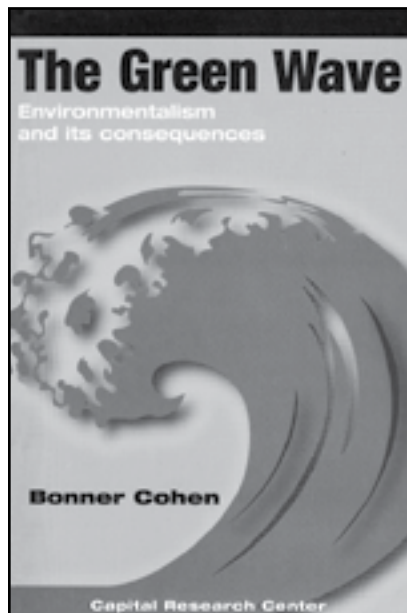
Just as Marxism used simple-minded but emotionally appealing catch phrases to win converts, environmentalists try to sway people with similar

notions. Instead of "exploitation of labor," the greens talk about "the precautionary principle." According to that "principle," the government should prevent people from doing anything, such as introducing a new technology, until we are certain that it won't have any adverse impact on the environment.

Cohen shows how the environmental movement has employed this superficially reasonable idea (as he points out, it really is extremely unreasonable since if we waited for proof of absolute safety before acting, we would never be able to do anything)

has been employed successfully to oppose many innovations. Genetically modified crops are a prime example. How do we know, green activists demand, that gene-spliced tomatoes won't wreak havoc among insects that might feed on the foliage?

By using their well-rehearsed playbook of media, political, and judicial tactics, the "greens" have managed to delay and prevent the use of genetically modified crops and other innovations. They prefer the reality of human hunger to any threat to "biodiversity," no matter how speculative.



Cohen shows how environmental activists resort to junk science in their quest to frighten the public and governmental officials into acceding to their demands. They recognize the truth in the adage that bad news sells and never hesitate to trumpet any scientific research, no matter how dubious, that purports to demonstrate that disaster will occur unless people are prevented from doing X. Compliant

reporters oblige by incorporating environmentalist press releases into their scare stories, hardly ever bothering to assess the reliability of the information.

Even if it later turns out that the research is completely bogus, no matter—the public will remember the frightening headlines, and few will ever read about the refutation of the research behind them.

Something that we really should be frightened about, Cohen argues, are the various environmentalist plots to put America increasingly under their control. Perhaps the most menacing is the Wildlands Project, which would use federal regulations to transform the country "from a place where 4.7 percent of the land is wilderness to an

archipelago of human-inhabited islands surrounded by natural areas," he writes. This plan is the brainchild of Earth First! zealots who regard human beings as an affront to the beauty of the natural world and want to decrease greatly our impact on the world.

Under Wildlands, large areas of the United States would be off-limits to any but the most primitive kinds of human activity. Sure, it sounds crazy. Our standard of living would plunge and the population would decline greatly, but the animals and trees would supposedly be happier. And of course the environmentalists would be happier if they could get the government to exercise its power to bring about their vision of paradise.

Cohen reports that a bill to start Wildlands has been introduced in the U.S. House and has substantial bipartisan support. The whole monstrous project won't become law any time soon, but after reading *The Green Wave*, you know that it's a mistake to underestimate the patience and deviousness of the environmental lobby.

Environmental protection and preservation are possible under a system of private property and individual freedom, but the powerful people and organizations within the "green" movement are not interested in that. They don't want to have to persuade people to go along with their wishes.

They want the government to force them to. That's why they're just as dangerous as all the other coercive utopians who have trod upon people for millennia. Thanks to Cohen for making that clear. CJ

The Pope Center's George Leef (georgeleef@aol.com) is also book review editor of The Freeman.

The "greens" talk about saving the planet, but what is really at issue is plain old power.

BOOKS AUTHORED BY JLF STAFFERS



By John Hood
President of the
John Locke Foundation

Selling the Dream Why Advertising is Good Business



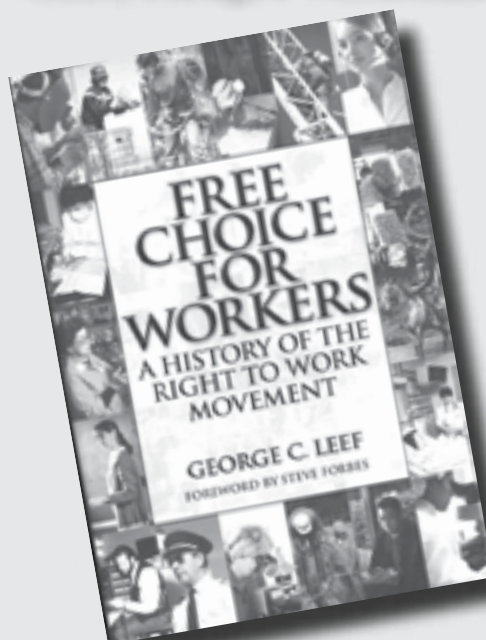
"[Selling the Dream] provides a fascinating look into the world of advertising and beyond ... Highly recommended."

Choice
April 2006

www.praeger.com

Free Choice for Workers:

A History of the Right to Work Movement



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

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

Robert Huberty
Capital Research Center

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

Commentary

Mommy State Knows Best

If only we had more information. We would all be trim and healthy. Teen-agers wouldn't smoke, drink, or do drugs. Homebuyers wouldn't buy mortgages they can't afford. Boomers would save a boatload for retirement.

Naïve, yes, but plenty of people believe it's true and champion new regulations to back up their dreamy hopes that if we keep force-feeding Americans information, we'll stop being irresponsible. Actually, no. Human nature ensures that some of us will make bad choices even when we know better.

The freedom to choose — even when it doesn't make sense — doesn't sit well with those trying to mold a world with no bad people, no bad news, and no bad aftereffects. In fact, they're getting more brazen about replacing free will with the mommy state. Their ideal world brims with plenty of excuses, but few personal consequences for irresponsible actions.

Take, for example, the mommy state's commitment to force us to eat healthier foods. From "sugar free" to "low fat" to "fat free," words on packages have been defined and analyzed for manufacturers and consumers in an effort to reduce obesity by giving us more information. The result? More data and more overweight people.

Not easily discouraged, the Food and Drug Administration in early September took comments on a proposal to require food labels to include symbols, not just words, that denote nutritional value. According to the story, Britain uses a color-coded system in which foods carry dots: green (eat up, everybody), yellow (hey, take it easy), or red (it's bad for you, pal). Yes, there might actually come a day when Americans are encouraged to fill our grocery baskets with green dots rather than meat, vegetables, and fruit.

At least a New York judge has shown common sense by nixing a New York City rule that would have required calorie counts on fast-food menus. Granted, the judge's ruling related to conflict with federal law, but for now at

least, the New York State Restaurant Association, its members, and New York consumers will be treated like adults who, with a little thought, can have a good idea about the fat and calories in the cheeseburger and fries they're about to buy.

On the West Coast, Los Angeles Councilwoman Jan Perry is ratcheting up the no-fault fat crusade. She's targeting the fast-food buildings themselves as the reason there are too many obese people in south L.A. Her answer? Impose a two-year ban on new fast-food restaurants. Incredibly, Perry told the *Los Angeles Times* that "people don't want them" in their neighborhoods and eat fast food only when they have no other option.

Obviously, Perry has never enjoyed a double cheeseburger, fries, and a shake. America's favorite combo isn't the last choice for the hungry; it's the first.

Sorry, Perry, but people do understand there's a lot of fat and calories in that meal. Derailing the opening of restaurants won't alter the fact or the behavior. Unless she plans to raze existing eateries, or prohibit us from buying cars we'll use to drive to one, Perry will be disappointed by her constituents'

lack of cooperation in her grand eating plan.

On second thought, forcing us out of our cars might not sound so crazy to Perry and kindred spirits. Especially now that Charles Courtemanche says his dissertation research shows the obesity rate would drop 15 percent after five years if real gas prices were \$1 per gallon higher. The higher price, he said, would get people onto bicycles or their feet.

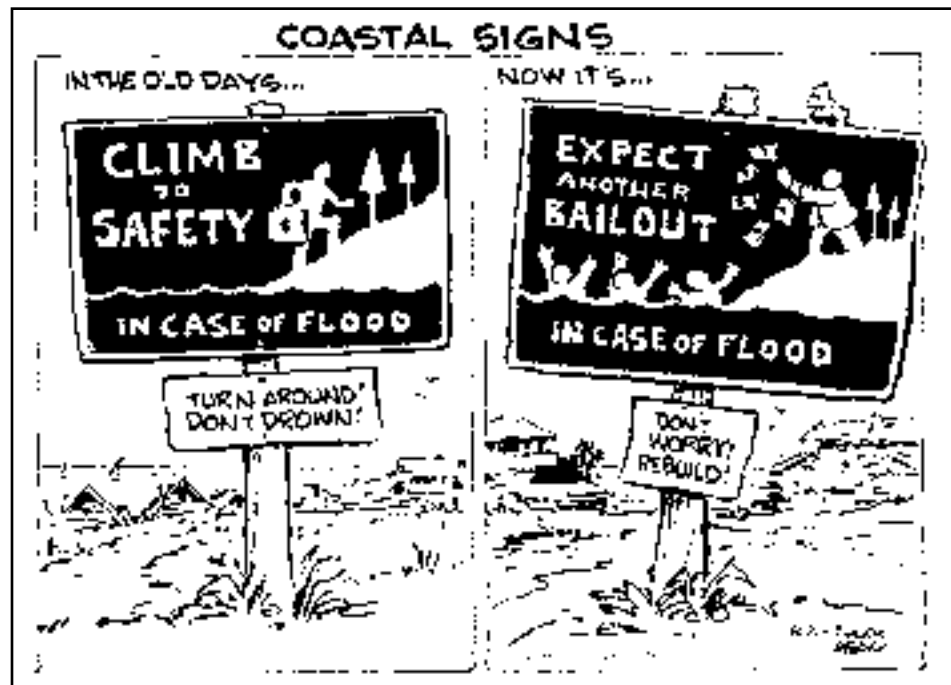
So what do we do if people leave their cars in their garages and simply bike or walk to McDonald's? What if some folks double their intake by ordering a combo for the road? I have a feeling Perry would have a government-imposed solution for that scenario, too. CJ



Donna
Martinez

Human nature ensures that some of us will make bad choices even when we know better.

Donna Martinez is a contributing editor for Carolina Journal.



Editorial

Charlotte's Dubious Effort

Come November, Mecklenburg County voters will decide whether to retain the county's half-cent local-option sales tax for transit. Though many Charlotte bigwigs are loath to admit it in public, what's at stake goes well beyond transit. The projects the tax is supposed to fund, including two additional rail transit lines, are at the core of a dubious multibillion-dollar attempt to redefine Charlotte.

In 1998, Charlotte voters approved the transit levy as part of a \$1 billion dollar plan to build five rail or busway transit corridors and to upgrade the bus system. What they got is different: a \$9 billion plan that is all about "smart growth" and does virtually nothing to address the city's transportation needs.

The city's Transportation Action Plan lays it out nicely, naming as a goal making Charlotte "the premier city in the country for integrating transportation and land use choices."

Pardon. Come again?

Debra Campbell, Charlotte's planning director, explains it this way in the June issue of *Governing* magazine:

"The real impetus for transit was how it could help us grow in a way that was smart. This really isn't even about building a transit system. It's about place making. It's about building a community."

She also talks about "giving lifestyle choices."

Translation: The idea is to put in rail lines to serve as the focus for medium-rise condominium projects. Whether anyone actually rides the trains almost doesn't matter.

Part of this is, of course, economics. While the Charlotte region is growing rapidly, that doesn't necessarily do Charlotte proper that much good. There's only land that can be annexed before it runs into another municipality

— and Charlotte has already swallowed most of it. That limits the potential for increasing tax revenues. That is unless, of course, Charlotte can redevelop areas to fit in more people and businesses. A bunch of condo dwellers who won't demand much in government services will do nicely.

It's a community of transplants that these projects are largely aiming to attract. The transplants come from places such as New York, San Francisco, and Boston who are use to living in a box in the sky. They are transplants that just happen to work for businesses such as Bank of America and Wachovia, which have headquarters in Charlotte.

It's unclear why offering out-of-towners the option of living in a condominium should require a subsidy. If people want to live in a condo, developers are very good at responding by providing them.

What it isn't about is creating a system that actually moves people about in meaningful numbers. An analysis by David Hartgen, emeritus professor of transportation studies at UNC-Charlotte, shows that transit will account for 57.5 percent of the Charlotte region's transportation spending between 2005 and 2030. At the same time, transit is projected to account for no more than 3 percent of total travel. Under the current plan, Hartgen projects congestion in Charlotte will double by 2030 and be as bad as it is Chicago today, with travel taking 60 percent longer during rush hour compared to nonpeak times.

Of course, when the aim is "place making," such minor issues are seemingly irrelevant.

Charlotte needs a new plan, one that serves the needs of its citizens and not just its vested interests and planners. It won't get it as long as the transit sales tax, and the "place making" policies it supports, exists. CJ

Don't Forget Productivity

When manufacturers make more for less, everyone benefits

Whenever you hear someone complain that “we” don’t “make” anything anymore, free feel to guffaw. Both in North Carolina and the nation as a whole, manufacturing continues to be a strong, productive component of a growing economy.

Many people believe that manufacturing is shrinking because employment in some manufacturing sectors is shrinking. That’s a telling misuse of the data. Businesses do not exist to create jobs. They exist to create goods and services to sell to consumers, generating a return on investment.

Purchasing resources and labor is a means to the end. Just as you don’t evaluate the success or failure of a basketball team on the basis of the size of the payroll, but on wins and losses, it is similarly foolish to evaluate the manufacturing sector on the basis of employment.

When manufacturers learn to make more product per dollar invested or hour spent, the resulting productivity gain is good news.

It is inevitably associated with some combination of lower prices for consumers, higher compensation for

workers, and better returns for investors.

Productivity gains do, indeed, sometimes lead to manufacturers reducing their payrolls, but basic economics tells us that the money saved will create job opportunities elsewhere. To worry that companies will start manufacturing more product than a newly unemployed proletariat can buy is to jump in a time machine and regress to the late 19th century, when Luddites, Marxists, Progressives, and other misguided souls warned of capitalism’s impending implosion.

It was silly then, and it’s silly now. Daniel Ikenson, associate director of the Cato Institute’s Center for Trade Policy Studies, has shown clearly that real U.S. manufacturing output is at an all-time high. American manufacturers remain among the most competitive in the world, and account for more than a fifth of the total value added in manufacturing worldwide each year.

Economically speaking, we’re not going to hell in a hand-basket. Indeed, consumers have more real income with which to fill their shopping baskets when manufacturers learn to make more with less. That’s the way real economic progress occurs. *CJ*

Margins Not Just for Books

Marginal utility can have huge effects in the real world

You always find the best stuff in the margins. That’s true for old textbooks you used in college, and it is also true in public-policy work, notably in the economic concept of marginal utility.

Its discovery in the 1860s and 1870s was critical to the formation of modern economic analysis, and thus to answering many of the questions that had plagued policymakers and thinkers for millennia. Why are diamonds worth more than water, given that the latter is necessary for human life? Why do people pay very different prices for the same commodity, given that the commodity’s essential properties don’t change?

In a nutshell, people react to economic information at the margin, not in total. That is, if you are thirsty, you value the next drink of water more than if you are satiated. Because water is relatively plentiful and diamonds relatively rare, you value the diamond more than the glass of water.

This notion may sound like common sense. That’s because it is — but only if you are thinking about a problem in such terms. Often, folks don’t. They look at totals and averages rather than considering the effect of a given price on a given future action. You might say that they can’t see the trees for the forest.

A good example here in North

Carolina would be the various taxes and regulations imposed on residential development. Policymakers and activists sometimes minimize their effects by pointing out that they are typically only a small fraction of the median price of a home.

Well, that’s true if you happen to be among the thousands of people for whom that marginal cost is not matched by at least as much of a marginal benefit. In seller’s markets, homebuyers must either buy less house or no house at all. In buyer’s markets, homebuilders and their employees and contractors must accept lower returns on their work.

The National Association of Home Builders has found that for every \$1,000 in additional cost, the 217,000 households are no longer qualified to purchase the median-priced home in a jurisdiction. For North Carolina statistical areas, the study estimated 5,200 North Carolina households lose the ability to afford the median-priced home when \$1,000 is added to the price.

Policymakers are, of course, free to weigh such costs against the benefits they perceive from a new tax or regulation. But it is wrong to suggest that there are no losers when governments intervene in the housing market. There are thousands of them. They don’t deserve to be marginalized in the discussion. *CJ*

Commentary

An Educated Education Debate

Sometimes the conventional wisdom isn’t wise.

That’s not to say that one should never pay attention to the prevailing wisdom, or to public opinion as measured by credible polling organizations. But whether you are a politician or an advocate for a particular point of view, polling should never be considered the last word on anything. If the public agrees with you, that doesn’t necessarily mean you’re right. If they disagree, that doesn’t mean you’re wrong. The reason it’s important to know what voters think about issues and why is because such information can help you frame persuasive arguments, set priorities, and make choices about investments of time and money.

Consider the case of education policy. There are few issues voters say they care more about, particularly at the state and local level. Unfortunately, many voters know surprisingly little about the details of proposed policies. They have tendencies and preferences, but the more specific the question, the more likely it is that many voters truly have no strong preferences, having never before thought about the matter in question. You may get an answer, but it doesn’t represent a deeply held belief. Ask the question with different words and emphasis, and the answer may be different, too.

That’s not an argument against polling the public on education. It is an argument for interpreting the results carefully.

I was struck, for example, by several of the findings of a poll commissioned by the Harvard Program on Education Policy and Governance and the journal *EducationNext*. For example, there is fairly widespread agreement among education-policy researchers of all ideological stripes that teacher quality is probably the most important variable affecting school effectiveness. While average class sizes have been shown to have a modest effect on performance in some well-designed studies, teacher quality has a much greater effect.

Based on the evidence, it would be reasonable to conclude that scarce resources should be devoted first to recruiting and retaining better teachers, and secondarily to reducing the number of students exposed to the average teacher.

The public doesn’t agree, however. Asked whether it is a better use of educational dollars to improve teacher compensation or decrease class size, poll respondents voted overwhelmingly (77 percent to 23 percent) for class-size reduction.

To choose another example where there is a fairly broad consensus among education policy analysts: while most of the experts believe that school districts ought to deploy more of their resources towards differentiated pay to attract teachers to fields where there are severe shortages, such as math and science, only 33 percent of respondents agreed. Two-thirds said they would rather use the same money to give

smaller salary increases to all teachers equally.

It’s less surprising, but still significant, to see that on contentious issues such as parental choice in education, a large number of voters not only lack familiarity with the relevant research findings but also the basic information they need to offer an informed opinion. For example, while a plurality of respondents in the Harvard/EducationNext poll supported charter schools (44 percent), almost as large a share had no strong opinion on them (42 percent). Perhaps that is because only 13 percent of respondents knew that charter schools cannot be religious and only 24 percent knew that charters don’t charge tuition.

All sides of the education-policy divide ought to tread cautiously here. Daily Journal readers know that I strongly support parental choice measures such as tuition tax credits and tax-funded scholarships for low-income students to use at any school, public or private. While a majority of respondents endorsed tax credits (53 percent for, 25 percent opposed) and a plurality endorsed private-school scholarships (45 percent for, 34 percent opposed), more than a fifth of respondents didn’t offer an opinion one way or the other. That’s a good chunk of folks who, on any given day, may vote for or against a candidate or ballot proposition depending on how the issue is worded and explained to them.

To have a productive public debate on education, the public needs more education so they can make informed judgments. *CJ*

Hood is president of the John Locke Foundation.



John Hood

Editorial Briefs

Poor government weather forecasting

Private companies with a lot at stake often would rather pay for private weather forecasts than rely on “free” forecasts from the government, says John R. Lott, Jr., author of *Freedomnomics* and a senior research scientist at the University of Maryland.

According to a new study by Forecast Watch, a company that keeps track of past forecasts, from Oct. 1, 2006, through June 30, 2007, the government’s National Weather Service did poorly in predicting the probability of rain or snow. Comparing the National Weather Service to The Weather Channel, CustomWeather, and DTN Meteorlogix, the government’s next-day forecast had a 21 percent greater error rate between predicted probability of precipitation and the rate that precipitation actually occurred.

In looking at predicting snowfall last winter, the National Weather Service’s average error was 24 percent greater. All private forecasting companies did much better than the National Weather Service.

The government doesn’t do any better with forecasting temperature. For the largest 50 cities in the United States over the last year, ForecastAdvisor.com ranks the National Weather Service’s overall predictions for high and low temperatures as well as precipitation as last among the six weather forecasting services ForecastAdvisor.com examined.

It has only been in the last several years that comparisons between government and private weather companies have been possible, as the National Weather Service has made its data more readily available. If companies don’t do a good job, they go out of business. Government agencies never even shrink.

Smoking declines as taxes increase

As Congress weighs the biggest federal cigarette tax increase in history, a *USA Today* analysis finds that higher state taxes on smokers have produced sharp declines in smoking.

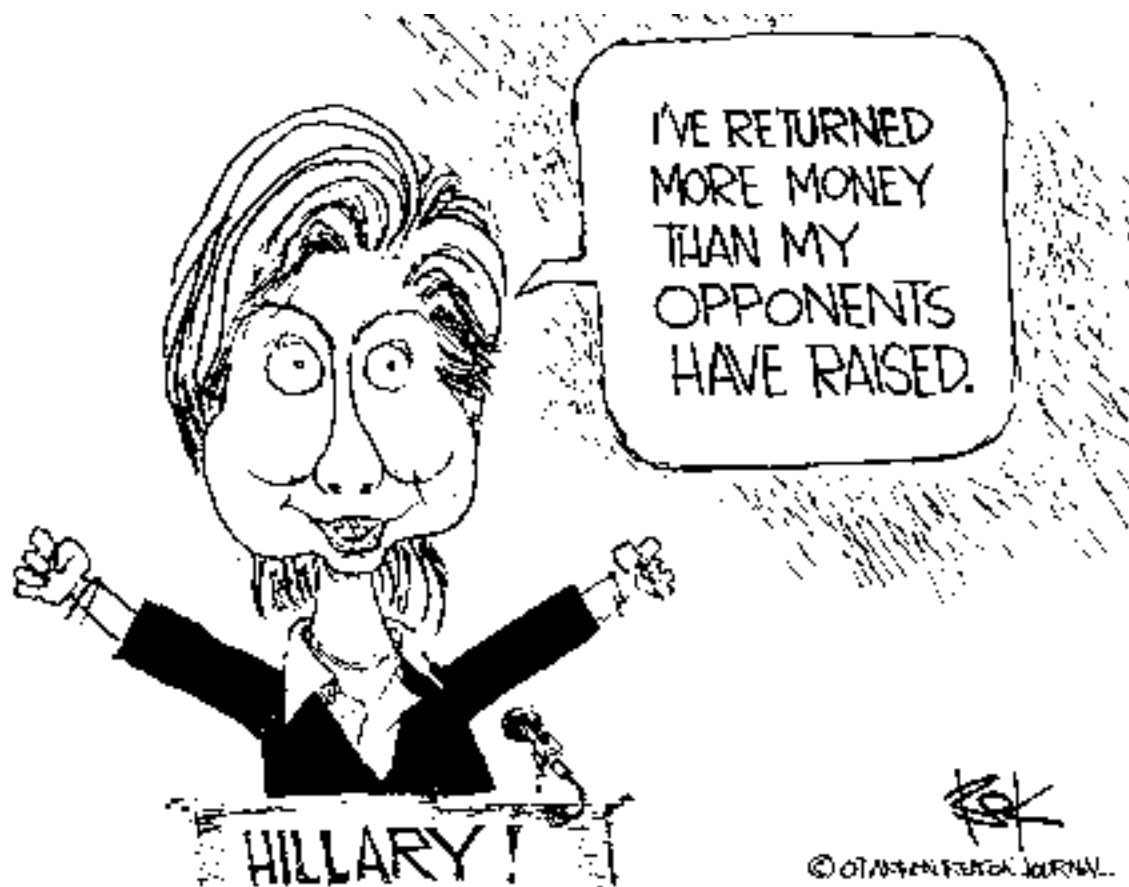
Cigarette sales fell by 18 percent in North Carolina last year after the tax was raised in two steps to 35 cents from a nickel. The tobacco-growing state resisted higher cigarette taxes until 2005. Connecticut increased its tax to \$1.51 from 50 cents per pack in 2002.

Since then, per-capita consumption of cigarettes has fallen by 37 percent. New Jersey raised its tax from 80 cents to \$2.40 per pack in 2002. Since then, smoking has declined by 35 percent.

California raised its cigarette tax to 87 cents per pack in 1999. Smoking is down 18 percent since the tax increase. By comparison, South Carolina has kept its lowest-in-the-nation cigarette tax at 7 cents since 1977. Cigarette consumption there has fallen 5 percent since 2000.

Nationwide, the number of cigarettes smoked fell last year to 1,293 per capita from a peak of 2,095 per capita in 1976, according to “The Tax Burden on Tobacco,” an annual industry report. Research shows that health concerns, tax increases, and higher retail prices all have played a role in the decline.

Smoking decreases 2.5 percent to 5 percent for every 10 percent increase in the price of cigarettes, according to the Congressional Budget Office. *CJ*

**Where Will the Jobs Be in N.C.'s Future?**

Of all the factors and components of our economy, the one that probably matters the most to more people is jobs — how many, what kind, and what they pay. After all, without jobs, most of us couldn’t live, or at least live very well. So the health of the economy can frequently be summarized in one word — jobs.

Yet the types and distribution of jobs rarely remain stable. There is always a great deal of change in the job market, of existing jobs being destroyed and new jobs being created, and today is certainly no exception. It’s well known that manufacturing jobs have been shrinking in North Carolina, and the new job growth has been in professional and service fields.

Fortunately, a lot of brainpower was recently put to the task of providing some answers about our job future, and the results are in an impressive report called the *State of the North Carolina Workforce: An Assessment of the State’s Labor Force Demand and Supply, 2007-2017*. Let me hit the high points and lend some interpretation.

Jobs will be added in North Carolina over the next decade, at the rate of about 65,000 per year, according to the report. As in the past, these jobs will be in all kinds of fields requiring many different levels of skills and training.

But there are expected to be some clear patterns to the new jobs. Among the positive findings is the forecast that the fastest-growing jobs will be those paying top salaries. These are jobs for physicians, scientists, accountants, engineers, financial analysts, and computer specialists. These occupations are expected to increase at a rate 50 percent faster than all jobs. Of course, the “catch,” if you can call it that, is the jobs also require the highest levels of training, a four-year college degree and, for some, an advanced college degree.

What if you want to go to college, but not for four years? What if your plan is to get a two-year technical degree from one of North Carolina’s community colleges? Will there be a job waiting for you

when you’re done?

Here, again, the news is good. Jobs for nurses, dental hygienists, medical technicians, auto mechanics, and paralegals are all expected to be fast-growing. While salaries are generally not what would be earned with a four-year degree, three-fourths of these jobs now pay at or above the average salary for all employment.

However, there’s some bad news in the jobs report. What if high school is all the education an individual can get through? While a generation or two ago that might have been enough to get a job, and perhaps even one with decent pay, in the future relatively fewer of those jobs will be available. Positions requiring only high school training are expected to grow at a rate only half that of all jobs and about one-third that of college jobs.

So what will happen to high school graduates who can’t find jobs that use their skills? According to the job projections, they will be lumped in with high school dropouts. Of course, this means their pay will also be that for someone without a high school degree.

In fact, the way to think of the job market of the future is one where the top and bottom ends are growing, with the middle being hollowed out. Both jobs needing a college education and jobs needing not even a high school degree will be increasing faster than jobs requiring a high school diploma. The “new middle” jobs will be those for two-year college graduates.

Like any long-term projections, these job forecasts have a lot of potential “wiggle room” in them. Many unknown future factors could make reality different than these expectations. But the forecasts are probably good for perceiving “tendencies” in the job market — tendencies that anyone who has, or expects to have, a job will want to notice. *CJ*



**Michael
Walden**

Michael L. Walden is a William Neal Reynolds distinguished professor at North Carolina State University and an adjunct scholar of the John Locke Foundation.

Get Ready for Lots of Buts When Legislature Convenes

Dear Legislator,

Stop being a but...

Over the years there have been countless arguments to justify giving hard-working North Carolinians' money to big companies.

Arguments by lawmakers usually begin with, "I don't like these incentives, but..." The but is followed with excuses: but we have to be competitive with other states, but it creates jobs, but the company will close, and the most ridiculous, but this one's in my district.

It started some time ago with the Bill Lee Act and an intent to draw business to poor counties. Corporate incentives are now available from more than 15 state programs, all generously funded with taxpayer money.

Many are given to multimillion-dollar companies in the wealthiest counties and have no requirement to add jobs or otherwise enrich the communities where they are situated.

Particularly disturbing is a recent trend to require local governments to match state funds, taking scarce resources away from school construction, libraries, police, firefighters, and other

local needs and giving it to companies that, in reality, would have stayed anyway. When revenue goes to multimillion-dollar companies, property owners must pay more in ad valorem taxes.

The Good-year/Bridgestone incentive (SL2007-552) is the latest addition to the corporate welfare corral and clearly an egregious waste of taxpayer money. The deal gives \$60 million to two international companies, each with sales last year greater than the entire budget of North Carolina.

Goodyear's sales totaled \$20.3 billion, and Bridgestone's were \$25.1 billion. The tire manufacturers will receive cash courtesy of N.C. taxpayers. Yet, they could cut jobs by 20 percent and still keep the money. The companies could cut employees' salaries and still keep the money. They don't even have to have any tax liability and still keep the money.

The most effective incentive for any business is a low tax rate, reliable roads, safe bridges, good schools, and safe communities. When taxpayer money is given to targeted companies, there is less to be spent on creating a better North Carolina

Arguments by lawmakers usually begin with, "I don't like these incentives, but..." The but is followed with excuses.

that all citizens can enjoy.

Giveaways create an unfair playing field and discriminate against good, solid N.C. companies, both large and small, that have been paying taxes and playing by the rules, many of them, for genera-

and do business, all the districts would benefit.

- I don't like incentives, but we need to create jobs. Not only will this new program not create jobs, but qualifying companies can cut jobs and get the money. Companies create jobs because their business demands it, not because government pays them to do so.

- I don't like incentives, but the company will leave if we don't give them money to stay. The free market and changes in industry and the economy drive business decisions, not government programs. Where would we be if state government had paid every company that moved or made changes to stay alive in an ever-changing economy? Billions of dollars would be gone — and so would the companies.

Until every road in North Carolina is paved, every bridge is safe, every child is in a classroom with a well-qualified, well-paid teacher, water and sewer services are provided uniformly, every community safe and taxes are low, not one dollar should go to a company to bribe it to stay or come to North Carolina. Next time, no but...

Sincerely,

Becki Gray is director of the State Policy Resource Center in Raleigh.



Becki Gray

Readers Discuss Parton Theatre, Ideas for Government

To the editor,

Living here in Weldon I have the opportunity to ride by the new Randy Parton Theater on a regular basis. It is sad to see that parking lot practically empty every night the show is on.

[On a recent] Thursday night there were 11 cars in the visitors parking lot. That is a far cry from the 1,384 patrons that is needed to make this theater a success.

Now city leaders are running scared and trying to run the theater for Mr. Parton which in my unqualified and unsolicited opinion will be a certain fiasco.

City Councilman Reggie Baird is evidently part of the hiring process at the theater now because he had the final word on the latest candidate to apply and interview for an accounting position at the theater. The city council has its hands full trying to operate the city. Now they are going to manage the Randy Parton Theater. I can't see into the future but that facility sure is looking more and

more like a large church to me.

Cleveland Baker
Weldon, N.C.

To the editor,

I have a simple idea for North Carolina.

We currently have 100 counties/bureaucracies. Why not cut that down to 3 districts, one in the east, one Piedmont, one mountain?

This would save the poor citizens of North Carolina lots of money in all kinds of ways, plus, all of these government workers would now have real jobs to help the gross state product.

Plus everyone from all states around would come live here because of the low taxes.

Just a thought.

Larry Dailey
Clarkton, N.C.

To the editor,

Concerning the Carolina Crossroads development, the focus needs to be on the developers, not Randy Parton.

I would like to see CJ going after the

developers of the project and get them to answer questions regarding the lack of work on the site. Randy Parton has delivered his end of the bargain.

I attended the show and it is excellent. However he is not at fault for the lack of progress.

Michael Temple
Conway, N.C.

To the editor,

It's obvious that our government has been corrupted by special interest groups for many years now. Let me suggest five things to help our states and our country end this problem:

1. A new amendment separating "store and state" once and for all. Ties like cronyism, earmarks, election contributions, lobbyists, all need to be severed and made illegal.

2. We will need another new amendment creating only inexpensive elections that put the common man in fair running.

3. A new amendment creating real-time democracy, backed up with monthly voting on the Internet. Only this can redistribute power broadly enough to escape the influence of spe-

cial interests. Hundreds of electives in constant need of cash are easy to manipulate. We don't need representative democracy anymore, it is against the spirit of the Constitution and a great risk to the people once it is corrupted.

4. To get these things passed into law, we will need a National Strike as the current batch of electives are already bought off. This massive rebooting of our democracy will require outside intervention from the people.

5. To get things going, a Web site called something like the "National Strike Web site" would be necessary to organize. This site would list the grievances of the American people and evolve a platform, through polling, that would show the millions what we could have and save by eliminating the corporate influence. This could galvanize the millions necessary to bring about the above changes, peacefully.

All the griefs we have these days from war to health to insurance, seem to stem from the corporatocracy. If we just cut the head off this beast, problems we haven't even defined yet would probably disappear.

Loren Dean
Chanhasse, Minn.

Letters
to the
Editor

Locke Foundation Seeking Government Incentives (a CJ parody)

By RICHARD WATSON
Incentives Correspondent

The John Locke Foundation, a Raleigh-based think tank, is asking for state and local incentives to add jobs in its headquarters, says the organization's president, John Hood.

"Our organization, since its creation in 1990, has provided jobs for several hard-working North Carolinians. We have never asked for government incentives, but the time has come to get what we deserve," Hood said.

The General Assembly's recent \$60 million legislation designed to help Goodyear Tire & Rubber upgrade a tire plant in Fayetteville and Bridgestone Firestone do the same in Wilson inspired him to seek incentives, Hood said.

Asked whether the organization would consider moving to another state, Hood said it was unlikely, but added, "We expect to collaborate with economic development officials to craft a threat statement like any other business or organization seeking a public subsidy."

Hood said he has not determined an exact amount yet, and does not care where the incentives come from. "They've got money available from the One North Carolina Fund, the Job



Development Investment Grant, Golden LEAF, Clean Water Management, and Rural Center, and scads of other slush funds the state can use," he said.

An Economic Impact Study by foundation Vice President Roy Cordato documented that the organization's economic impact was huge. The foundation's activities have created hundreds of jobs and several million dollars in economic activity when the multiplier effect is considered, his report says. "The exact numbers are not important, because no one actually reads these economic impact reports," Cordato said.

He said he used the same impact multiples that were used to justify some of the state's most famous major projects, such as the Global TransPark in Kinston,

the Teapot Museum in Sparta, and, more recently, the Randy Parton Theatre in Roanoke Rapids.

Gov. Mike Easley's budget advisor, Dan Gerlach, said the JLF situation has caught the governor's undivided attention. He said that incentives for non-profit organizations were unusual but that "dealing is dealing, and we like to deal."

Gerlach said Easley is actually considering incentives for some organizations to not add jobs, and greater incentives to actually reduce employment. "We have too many groups like the Locke Foundation focusing on the activities of state and local government," he said. "Gov. Easley and I think our state would be better served if these organiza-

tions actually reduced staff."

According to Gerlach, for months Easley has been meeting privately with Senate boss Marc Basnight and House Speaker Joe Hackney on a plan to pay certain public-policy organizations to reduce staff. Gerlach said once they have a plan they would commission their own economic impact study to back up the plan.

A secret committee appointed by the three leaders will quietly contact selected organizations and offer them a deal. Gerlach admitted that JLF likely would get one of the first offers.

Hood said he didn't really want to reduce staff, but would consider a reduction if the incentives were large enough. "But we will not let state officials pick which staff to reduce. That would be going too far," he said.

Local officials are also struggling with a sensible policy response to the JLF incentives request. Ken Atkins, chief business recruiter for the Greater Raleigh Chamber of Commerce, said his organization had not yet taken a position on the JLF incentives issue.

"I've been in this economic development business for over 20 years. Sometimes I just don't know what is best for me, my organization, or the general public," he said. CJ



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