

Teachers Unions Violated IRS Rules, Legal Group Says

Foundation files in-depth complaint against NEA & North Carolina group

By DON CARRINGTON
Associate Publisher

RALEIGH
Is the National Education Association an arm of the Democratic National Committee? Landmark Legal Foundation, a Virginia-based conservative group, insists it is.

By studying NEA budgets and strategic plans, Landmark concluded that the NEA is using tax-exempt membership dues to support political activity. Even though the NEA is permitted to do so, it must report the political expenditures and pay corporate taxes on that income. NEA has not done so.

Landmark said the NEA not only had considerable involvement in the party platform but also had veto power over platform issues. The evidence, reviewed by *Carolina Journal*, is convincing.

In July, Landmark asked the Internal Revenue Service to investigate the activities and tax filings of the NEA and five state affiliates, including the North Carolina Association of Educators.

The request, called a "complaint," is a 20-page document accompanied by 25 exhibits totaling hundreds of pages. The other state associations were from Pennsylvania, Nebraska, Kansas, and Minnesota. The five states were selected not because they were the worst offenders, but because documentation was the easiest for Landmark to obtain.

Rules for political activities

Landmark alleges that all six groups violated IRS rules for nonprofit organizations by participating in undisclosed political activities and expenditures during the 1996 election cycle. Under IRS rules, the groups are required to fully and publicly disclose the extent of all political activities.

Unless they are separated from general activities and conducted through a political action committee, political activities are taxable.

Landmark claims the evidence it has gathered indicates that the NEA and affiliates spent substantial operating funds on



The North Carolina Association of Educators is headquartered in downtown Raleigh.

taxable political activities, and that the groups have failed to report the activities to the IRS.

Landmark reviewed documents that the Federal Election Commission obtained during a lengthy investigation of the AFL-CIO and the Democratic National Committee.

In July 2000 a federal judge ruled the AFL-CIO's coordinated activity was permitted under campaign laws, but the judge failed to rule on the IRS issue.

Landmark asked the FEC for copies of all information that was collected from any party. The FEC told Landmark there was a "microfiche problem" and that there were too many documents.

After Landmark threatened a lawsuit, the FEC allowed the organization access to the information. On May 2, 2001, Landmark went to the FEC office and began copying more than 6,000 documents.

Landmark has said its main focus is on the NEA. The FEC was not investigating the NEA, "but the NEA is the most powerful, the largest, and the wealthiest union in America — it has 2.6 million members — and the AFL-CIO is a combination, sort of an over-arching group of several unions," said Landmark President Mark Levin in an interview on WorldNetDaily in August.

The law

The NEA and its state affiliates are required to file an IRS Form 990, which is titled "Return of Organization Exempt From Income Tax." Most nonprofits, including Landmark and the John Locke Foundation, are also required to file the form. Some nonprofits, such as the NEA and NCAE, are permitted to make political expenditures, but the expenditures must be reported separately.

The percentage of funds devoted to political activity helps the IRS determine whether an organization is a labor union or actually a political organization falling under a different set of tax rules.

A political expenditure is one intended to influence the selection, nomination, election, or appointment of anyone to federal, state, or local public office. Expenditures include payments, loans, gifts, or anything of value including a promise to make an expenditure.

Since at least 1994, the NEA tax filings indicate it has made no such political expenditures. To prove it, Landmark included the NEA's 990 tax returns as exhibits in the

Continued as "NCAE," Page 3

Conservative groups say they keep independent of political party operations

By DON CARRINGTON
Associate Publisher

RALEIGH
Conservative-leaning groups such as the Christian Coalition and the National Rifle Association frequently support the ideas and same candidates as the Republican Party of North Carolina, but have they established formal campaign committees like the Democrats did in 1996?

"No, we have never done it, and would never think of doing it," said North Carolina Republican Party Chairman Bill Cobey. "We might ask them to take an interest in an issue. We would never bring them in on a strategy session, much less a vote."

What did he think of the Landmark complaint against the NCAE? "I wasn't shocked. My perception of the Democrat Party was that these groups were in control. They were collecting union dues and using them for political purposes," he said.

"The dues paid by NCAE members are from salaries paid by taxpayers. The Democrat Party needs the government unions because they are losing union membership in the private sector," he said.

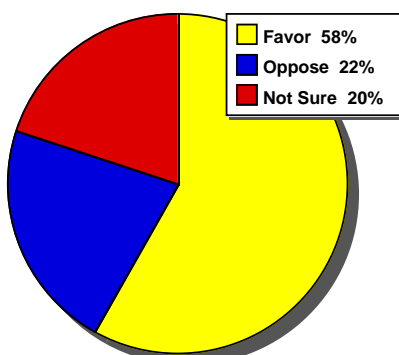
The North Carolina Rifle and Pistol Association is the state affiliate of the NRA. Has the group established a formal arrangement with the Republican Party here in North Carolina?

"We are a single-issue organization. We cooperate with other organizations that have similar goals, but we don't participate in broad-based coalitions," said association President Russ Parker. "We would never be involved in a strictly partisan cooperation with other groups. We have supporters and detractors in every party. I thought that the NCAE did, too."

Parker said that his organization educates voters and that it will publish statements from all candidates on issues important to his organization.

"During Clinton's first term the NRA was audited by the IRS and they found nothing. Based on the evidence Landmark claims to have, this should be very interesting for the NCAE," he said. *CT*

Charter Schools in North Carolina



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Calendar

Rep. Walter Jones to Headline 'Innovate 2002' Event

On Saturday, Jan. 19, the Center for Local Innovation will sponsor "Innovate 2002," a daylong conference at the Washington Duke Inn next to the campus of Duke University in Durham.

U.S. Congressman Walter Jones, who represents the 3rd District of North Carolina, will give a keynote luncheon address on the theme, "Protecting our National Security: How the Federal-Local Government Relationship Has Changed Since September 11."

The conference will begin at 8:30 a.m. with a continental breakfast, and will feature three separate sessions. The opening session will begin at 9 a.m. with the topic "This Is Your Land? The Debate Over Property Rights and Annexation." This discussion will be moderated by Pamlico County Commissioner Christine Mele, and will feature Randall O'Toole, senior economist from the Thoreaux Institute; David Jones, former mayor of Wilmington; and William Caster, county commissioner of New Hanover County.

The second session is titled "Where is the Money? The Art and Science of Working with Local Government Budgets." Moderated by former Charlotte Mayor and gubernatorial candidate Richard Vinroot, panel participants will include Arielle Morris, former city council member from Greenville; William Eggers, senior fellow at the Manhattan Institute; and Vernon Robinson, alderman of Winston-Salem.

After the luncheon, the third session will address "Homeland Security: How Local Governments Should Respond to Terrorist Threats." David Hartgen, professor of transportation studies at UNC-Charlotte will moderate the discussion, with Raleigh Police Chief Jane Perlov, Mayor of



Rep. Walter Jones

Greensboro Keith Holliday, and newly elected Mayor of Winston-Salem Allen Joines on the panel.

The program is scheduled to end by 3 p.m. Cost for registration is \$35. The rate for elected city, county or school board officials is \$20. Members of the news media are welcome to attend free.

Contact Kory Swanson at (919) 828-3876 or info@johnlocke.org if you would like more information, or to register for this event.

• Syndicated columnist and CNN personality Robert Novak will speak at a John Locke Foundation Headliner luncheon at noon Feb. 11 at the Brownstone Hotel in Raleigh.

Novak began his journalism career 53 years ago while he was a student at the University of Illinois, working as a reporter for the Joliet (Ill.) *Herald-News* and Champaign-Urbana (Ill.) *Courier*. During

his early career he also worked as a correspondent for the Associated Press and *The Wall Street Journal*. In 1963 he teamed with Rowland Evans to write the political column "Inside Report," which Novak continues to write three times a week, and is now syndicated to more than 300 newspapers.

Novak perhaps is most well-known from his cohosting duties on CNN of the programs "Crossfire," "Capital Gang," and "Novak, Hunt & Shields."

Cost for the lunch is \$15. Contact Kory Swanson at (919) 828-3876 to register.

• John Locke Foundation Chairman and President John Hood will continue to tour throughout the winter promoting his latest book, *Investor Politics: The New Force That Will Transform American Business, Government, & Politics in the Twenty-First Century*. Upcoming events will take him to Chicago, Seattle, Michigan, New England, Tennessee and South Carolina.

Shaftesbury Society

Each Monday at noon, the John Locke Foundation plays host to the Shaftesbury Society, a group of civic-minded individuals who meet over lunch to discuss the issues of the day. The meetings are conducted at the Locke offices in downtown Raleigh at 200 W. Morgan Street, Suite 200. Parking is available in nearby lots and decks.

Shaftesbury will start the new year Jan. 7 with immigration activist Ron Woodard, director of N.C. LISTEN. On Jan. 21 former academic William Lynch will discuss his unique proposal on Social Security.

If you would like to join us, call Kory Swanson for details or email him at events@johnlocke.org. **CJ**

NCAE Mixes Politics and Tax-Exempt Union Dues, Complaint Alleges

Continued From Page 1

complaint filed with the IRS.

The NEA is permitted to participate in political activities, but it must report the expenditures to the IRS.

Both for-profit and nonprofit organizations are permitted to establish political action committees, but PACs are subject to strict income and expenditure reporting rules and the full disclosure of all political activity.

Even though the NEA operates a PAC, the evidence, Landmark said, indicates that "NEA's political expenditures and activities extend beyond its reported PAC activities and, therefore, beyond the zero dollars it has reported on its last several federal tax returns."

Landmark acknowledges that the NEA official political organization, NEA-PAC, meets the appropriate standards for a PAC, but that NEA's political activities include the "expenditure of substantial general revenues that have not been reported as taxable income to the IRS."

The evidence

In its complaint, Landmark provides evidence that the NEA does not report any political activity on the proper IRS forms.

The most revealing documents show that the NEA and the state affiliates participated in a coordinated campaign with the Democratic National Committee and other groups. According to the exhibits, that 1996 campaign was to elect specific Democratic candidates.

One piece of evidence of the link between the NEA's approval and the flow of money is the following statement obtained from the Bobby Ethridge for Congress Committee in North Carolina:

"When the draft plan is initialized in the state, it is forwarded to the DNC for review. If the plan meets the DNC's specifications, it is shared with the National Coordinated Campaign funding partners at the AFL-CIO, NEA, Emily's List, and other national campaign committees for review. When the DNC and its national partners including..., the AFL-CIO and the NEA agree on the contents of a plan, each national partner will give their funding commitment to the state."

This statement from the Ethridge committee demonstrates, says Landmark, that the NEA had veto power over the contents of a state-coordinated plan and could withhold funding if it did not approve.

But in response to a subpoena to produce documents and submit written answers, Raleigh lawyer John R. Wallace, on behalf of the Ethridge for Congress Committee, denied that the Ethridge committee was aware of AFL-CIO participation in the coordinated campaign

The North Carolina connection

During the 1996 election cycle, the NCAE's PAC spent \$265,000. Those expenditures were separate, properly accounted for, and not the subject of the Landmark complaint.

But like its national counterpart, the NCAE failed to report any other political expenditures on the 990 form. *CJ* did not have access to detailed budgets from the NCAE and therefore was unable to determine the amount of political expenditures that were made. But documents make clear a connection between the Democratic organizations and the NCAE leadership.

One DNC document outlined the relationship between the Democratic National Committee, the North Carolina Democratic Party, individual campaigns, and constituent groups.

SUMMARY OF COMPLAINT

- **The NEA and its state affiliates are required by law to fully report their political expenditures.**
- **Nonprofit organizations are permitted to make political expenditures provided such expenditures conform with the law.**
- **The NEA does not report political activity as required on IRS forms.**
- **The NEA and state affiliates participated in a coordinated campaign with the national Democratic Party to elect targeted candidates.**
- **The NEA participated in a campaign to defeat congressional candidates that, in 1994, supported the "Contract With America."**
- **The NEA's strategic priorities include additional political activities.**
- **The 1999 and 2000 NEA financial reports reveal extensive political expenditures.**
- **The NEA and affiliates must comply with IRS laws.**
- **The IRS is charged with enforcing the law.**
- **The IRS must determine whether the NEA and affiliates are subject to civil and criminal penalties.**

"We intend to be successful in North Carolina in 1996. We are ready for the Republicans and we are working together. Governor Jim Hunt, future Senator Harvey Gantt, Democratic Party Chair Libba Evans, and other party leaders have set the stage for success with careful and thoughtful planning and amassing the financial and political resources for the battle ahead," stated the section labeled "Resolved."

"By participating in the Coordinated Campaign, all campaigns can enjoy the benefits of paying for certain activities with a combination of federal and non-federal money — a huge advantage for campaigns where every dollar counts," stated the following section, entitled "Overview."

Continuing with a heading entitled "Rules of Engagement," the Overview listed a subsection titled "Steering Committee/Management Structure." Under this section it said the central governing body of the Coordinated Campaign would be the Steering Committee, which would be brought together by the state party chair (Libba Evans) and may include representatives from the various campaigns plus the "AFL-CIO, NEA and/or other actively participating labor members."

So as part of the rules for each state campaign to receive funds, the Democratic National Committee suggested that the North Carolina Steering Committee include a representative from the state teachers union.

This document went on to mandate that each member of the committee would "have a voice in Coordinated Campaign programs and financial line-items based on their contributions to the Coordinated Campaign resource pool." The more resources the NCAE would commit, then the more veto power it would have in the use of Coordinated Campaign funds.

Under the "Targeting" section the document states: "Though basic targeting will be done with the goal of maximizing state-

wide Democratic turnout, campaigns that are not statewide races may ask to have additional precincts targeted within their districts. Such requests will be considered by the Steering Committee."

While the aforementioned parts of the document seem to be just a plan, the next section entitled "Governing Structure" specifically lists by name NCAE President John Wilson as a member of the Steering Committee as well as a member of the smaller and more powerful Management Committee responsible for day-to-day campaign operations.

AFL-CIO President Chris Scott was also listed as a member of both the Steering and Management committees.

The document detailed the activities that were to be undertaken by the Coordinated Campaign. They included developing a voter file, public opinion research, opposition research, and voter contact made up of direct mail, phone banks, and registration drives.

What is Landmark?

Landmark is an IRS-designated nonprofit 501(c)(3) organization with offices in Kansas City, Mo., and Herndon, Va. The foundation charges no fees and accepts no government monies for its services. It is funded by tax-deductible contributions from private citizens and grants from private institutions.

"In courtrooms throughout America, on the nation's airwaves and in print, Landmark Legal Foundation is the first line of defense for the U.S. Constitution and the rule of law," states the organization's literature. Landmark claims that in the past 25 years its legal victories have substantially advanced core conservative principles. The foundation says it "represents public figures and average Americans victimized by the unconstitutional laws and regulations that deny them access to qual-

ity schools, takes their property without compensation, tramples their individual liberties and hampers their economic opportunities."

N.C. officials respond

Evans was chairwoman of the North Carolina Democratic Party during the 1996 Coordinated Campaign. *CJ* asked her what she could recall about the Management Committee that listed Wilson of NCAE as a member. "I don't remember anything about such a formal arrangement. The only activity when there was some approval was interviewing for the manager," she said.

Wilson was executive director of the NCAE during the 1996 Coordinated Campaign referenced in the Landmark exhibits. In September 2000, Wilson left the North Carolina organization to take a job as executive director of the NEA, which has headquarters in Washington, DC. A spokesman for Wilson said that he was too busy to talk by phone but that he would respond to written questions from *CJ*.

In a written response Wilson said, "By way of background, while I was executive director of NCAE and in my current position as executive director of NEA, I have encouraged those organizations to always comply with the relevant legal requirements whether imposed by the IRS or federal or state election agencies. I am confident that both organizations have always abided by all such requirements."

Wilson said he had not read the Landmark complaint. When asked about the 1996 Democratic Coordinated Campaign Management Committee, he said, "I was invited to be on the committee, but not as a representative of NCAE. As far as I know, the committee never met."

He also said that the NCAE's Political Action Committee "is the vehicle through which such political activities are funded and implemented."

NCAE President Carolyn McKinney did not respond to several requests.

Levin comments further

Levin told *CJ* that one of the main differences between the political left and political right is that leftist organizations such as the AFL-CIO and the NEA exist primarily to organize large numbers of people for political causes. "They get special IRS treatment, but behave like political organizations. It is time to get this issue resolved. All of us can do it, or none of us can," he said.

"It is a misuse of hard-earned union dues. Members have little knowledge of how their money is being spent," he said.

How would the tax liability work? "They would have to pay corporate tax rates on income used for political purposes," Levin said. He also said the NEA would have to identify all monies used for political purposes.

"But the problem to them is two-fold, because one, they don't want to reveal how much they spend on political purposes, and two, the NEA is so big and involved in so many activities it would be too difficult to file an accurate return."

Levin said the NEA and the state groups signed documents asking for tax-exempt status. They were given that status because they asked. He also said that any claim to be bipartisan in their political activities was "irrelevant and false." He explained that all political activities are prohibited — even the support of Republican candidates.

What's next? Levin said Landmark is still waiting for the IRS to take action, but his organization is already working on a related action that it expects to file by March 1. He would not elaborate on the exact nature of that action.

Around the State

• The North Carolina General Assembly may have set a precedent for other states, and could soon have company as tax-raisers. As reported by the Associated Press, "forty-four states saw revenue growth fall from August through October, according to a Nov. 1 report from the National Conference of State Legislatures." As a result, a number of states are discussing the possibility of tax increases, and many are having to schedule special sessions because of balanced-budget requirements in their constitutions. North Carolina House Speaker Jim Black has said he expects to have to convene again as well, to address the state's budget woes.

• Evidence of either the Raleigh *News & Observer's* lack of objectivity, or the city of Chapel Hill's lack of conservatives, was on display in a Nov. 15 article. The Chapel Hill Public Arts Commission believes there is a paucity of taxpayer-funded art in the city, so its members hope to "persuade the Town Council to set aside 1 percent of the annual construction budget for sculptures, paintings... and other artworks."

"Public art can be a great factor of economic development," Renee Piechocki of the arts commission told the *N&O*. "People want to come to towns that have neat things in them." The story said the commission wants all new construction projects to be part of the program — buildings, parks, sidewalks, bridges, etc. Apparently no opposition to the idea could be found, because the remainder of the article quoted only officials supportive of public arts funding.

• The City of Greensboro's Parks Department is reconsidering a program, implemented Nov. 1, that attempts to prevent parents from slugging erring referees at city-run youth athletic events. The program requires parents who enroll their children in Greensboro's sports leagues to first view a "good sportsmanship" video, then sign a pledge. According to the Associated Press, parents must watch the 19-minute video on the city's cable channel or at a recreation center, then write down a code at the end of the video and bring it to registration. The program is under review because some city officials and council members find the process too complicated. There has been no word from city officials on funding plans for umpire bodyguards or ballfield metal detectors.

• Three of the state's largest newspapers, with reputations of leaning liberal, recently criticized House Democrats over the redistricting process. The *News & Record* of Greensboro wrote Nov. 15 that the new 13th Congressional District, as drawn by Chairman Thomas Wright, D-New Hanover, was "an incumbent's dream and a conscientious citizen's nightmare." Raleigh's *News & Observer* on Nov. 12 said that politics and partisanship "are muscling out reason." And the *Winston-Salem Journal* wrote that Democrats "abused the rules," although the paper added that the GOP deserved some blame. *CR*

Making a Federal Case Out of Redistricting

Lawsuit takes county issue to the national level, but GOP says it's a state decision

By PAUL CHESSER

Associate Editor

RALEIGH

North Carolina Republicans think their lawsuit against state Democratic officeholders over gerrymandering may finally settle long-unanswered questions about the (state) constitutionality of "whole county" redistricting. However, Democrats think the question was answered a long time ago.

The last time districts were redrawn by maintaining county boundaries was 1971.

Republicans point specifically to Article 2, Sections 3 and 5, which state "no county shall be divided in the formation of a Senate (or representative) district." But the state document subjugates itself to the U.S. Constitution.

The lawsuit challenges the constitutionality of Democrat majority-drawn districts for the state House and Senate after the 2000 census. Republicans claim the maps, already approved by both chambers, improperly divide 34 of the state's 100 counties for the Senate, and 37 counties for the House.

To Democrats, the issue of dividing counties was decided in 1982. In a federal lawsuit based on the Voting Rights Act of 1965, which prevents the disenfranchisement of black voters by allowing counties to be divided so they can elect minority representatives, a three-judge panel said that because the 40 counties under the act couldn't be split, neither could any other counties in the state.

However, Republicans claim that the federal judges did not take into consideration North Carolina's constitution, and would have no reason to. They hope the state Supreme Court will rule on the constitutionality of "whole county" redistricting for the remaining 60 counties. One hitch: Democrats have asked a federal court to review the case because they say it implicates the federal Voting Rights Act, but it may still be remanded back to the state level.

Republicans cite in their complaint a 1981 letter from the Civil Rights Division of the U.S. Department of Justice to the state's Board of Elections. The letter, which evaluated the state's requirement to preserve entire counties in the redistricting process, stated in part that "this determination ... should in no way be regarded as precluding the State from following a policy of preserving county lines whenever feasible in formulating its new districts."

The letter also said that many states maintain whole-county districts as well, which Republicans intend to cite as examples in presenting their case. The GOP will refer to state court decisions in Texas, Tennessee, and Kentucky that allow for county preservation in redistricting, once compliance with federal law is met.

Similarly, Republicans will point to court decisions in four other states that require their legislators to harmonize their constitutions with federal law in voting cases.

The approved districts

Democratic mapmakers in the House, led by Redistricting Chairman Ronnie Sutton of Hoke County, showed little regard for county boundaries. In fact, there are dozens of instances where precincts are split to promote party favoritism. More than

100 precincts throughout the state are split into two districts.

Republicans not only complained about the splits, but the confections of some districts for the purposes of creating voting favorability for Democrats. They cited District 20 as an example, which begins in central Johnston County and extends south through Sampson County (dividing it among four districts), and ends near the coast in Pender County, which is divided into five districts.

Pender's population totals just over 41,000. Each state representative is to represent as close to 67,078 constituents as possible. Republicans say the districts violate the traditional redistricting principles of compactness and common interests.

Adjoining to District 20 are Districts 19 and 21, which make similar north-south stretches, also bending in interesting but partisan ways.

Even sparsely populated counties are broken up. Pamlico County, whose population numbers just over 12,000, is split among three districts, as is Martin County, whose population is just over 25,000.

Further adding insult to injury, said the Republicans, are a significant number of districts with solid Republican majorities that were packed over the equivalent representative number of 67,078 by up to 5 percent, likely resulting in fewer Republican "safe districts." On the other hand, a large number of Democratic districts contained up to 5 percent fewer than the 67,078 number of constituents, potentially giving them more representatives throughout the state.

The lawsuit

As they had threatened during the entire legislative redistricting process, Republicans sought redress from a state superior court judge over Democrats' refusal to draw what the GOP called "fair" districts.

"They have not followed the (state) constitution, we believe," said House Majority Leader Leo Daughtry, R-Johnston.

At a press conference Nov. 13 at the Legislative Building, State Republican Party Chairman Bill Cobey decried Democratic attempts to draw themselves an insurmountable electoral majority as they designed the new districts.

"They have trashed the constitution of the state of North Carolina," Cobey thundered. "They have violated their oath of office."

The complaint listed Senate Minority Leader Patrick Ballantine; Rep. Art Pope, R-Wake; Daughtry, and Cobey as plaintiffs against various state Democratic officials, including Gov. Mike Easley, Attorney General Roy Cooper, Senate President Pro Tempore Marc Basnight, and House Speaker Jim Black.

Cobey said in a statement that the



Senate Minority Leader Patrick Ballantine (left), R-New Hanover, and House Minority Leader Leo Daughtry, R-Johnston, are parties to a lawsuit against Democratic lawmakers over redistricting. Photo courtesy NCGOP

Democrats' state Senate plan splits 51 of the 100 counties, with 17 for the purposes of complying with the federal Voting Rights Act. He said the House plan breaks up 70 counties, with only 33 to comply with the Voting Rights Act.

"We must stop this blatant disregard for the voters of North Carolina and the rule of law," Cobey said. "Voters should be choosing representatives, not the other way around."

Johnston County Superior Court Judge Knox Jenkins Jr. issued a temporary restraining order, which would have prevented the Democrats' map from being used until the matter is settled.

However, a hearing he had scheduled was suspended pending the federal court's review of the case.

GOP's maps

To support their case, Republicans produced sample maps that preserve majority-minority districts that split counties as required by the Voting Rights Act, but otherwise maintain the integrity of county lines in drawing other districts.

The result is fewer districts with multiple members representing them, as compared to Democrats' plans that keep such districts to a minimum. Democrats and other observers say multimember districts that maintain most county boundaries often submerge minorities' voting power.

"The county boundaries game disappeared a long time ago," said Thad Beyle, a political science professor at University of North Carolina-Chapel Hill. "You can't do that and have one person, one vote."

Democratic maps already approved would likely increase their own numbers in the House from a slight four-seat majority by about six to seven seats. They already hold a commanding lead in the Senate, 35-15. However, Beyle said present-day maps can change their makeup in a hurry.

"Sometimes in a state like North Carolina... things could change right under the plan like they did this last time," he said.

In his order, Jenkins wrote, "this case raises extremely serious constitutional questions strictly under the North Carolina Constitution..."

Republicans believe if the federal court returns the case to Jenkins, he may not look favorably upon the Democrats' move to "go over his head" after he issued his injunction.

Regardless, Republicans want the case heard at the state level, so the state constitution can finally be interpreted on the issue.

"You can draw maps (based) on the North Carolina Constitution," Ballantine said. "Enough of this nonsense." *CR*

Moore, legislators handcuff voters

Prison Projects Skirt Public Debt Provision in State Constitution

By PAUL CHESSE

Associate Editor

Asix-line item in this year's budget puts taxpayers on the hook to pay more than \$450 million in debt for the state, without voting to approve it, as is constitutionally mandated.

The section of the budget authorizes North Carolina's Department of Administration and Department of Correction to build three 1,000-cell prisons in the counties of Alexander, Anson, and Scotland. The Anson and Scotland facilities have already begun construction, and Alexander's is expected to begin in the spring.

The controversial aspect of financing for the prisons is the result of the legislature's decision to require Treasurer Richard Moore to create a third-party nonprofit organization, the North Carolina Infrastructure Finance Corporation, existing solely to be the owner and "landlord" of the prison properties. To some, it gives the appearance of the legislature trying to obtain borrowed funding without the approval of the state's voters, as is required by the constitution.

Former treasurer's criticisms

"They did it in such a 'sleight-of-hand' way—almost no attention was given to it during the legislative debate," said Harlan Boyles, a former state treasurer.

Boyles said that while lawmakers pursued financing for the prisons under the

radar of public view, they were above-board in seeking approval last year for \$3.1 billion in general obligation bonds for higher education infrastructure. He said that was a contradiction in policy.

"The bottom line to all of this is the contrarian view," Boyles said. "On one hand they disapproved it with the universities, but on the other hand they approved it with the prisons."

Details of the funding plan

The state is able to skirt the voter-approval requirement because technically it is the finance corporation taking on the debt, then turning around and allowing the state to use the facilities under a lease-purchase agreement, which has yet to be officially drawn. However, the state is obligated to the prisons once construction is completed.

Department of Corrections leadership suggest that doesn't leave taxpayers on the hook. "The state has not obligated itself," said Lynn Phillips, assistant secretary of the Department of Correction. "The state will not use its taxing power to pay off this financing. None of these loans are secured that way."

But the only way the finance corporation will be able to obtain its funding will be

because the state is obligated to make lease-purchase payments, likely at the cost of more than \$19 million per year for 20 years. Two former state Treasury officials, including Boyles, estimate total cost for financing the prisons could run over \$450 million, once interest, legal and administrative fees are calculated.

Cost for construction under the contract is just over \$223.8 million.

Accountability uncertain

But who holds accountability for the project is fuzzy.

"This authority essentially has a blank check," said Charles Heatherly, former deputy state treasurer. "They can sell bonds for almost anything associated with these prisons. They can charge an unlimited amount of fees to this."

Advocates for the plan say city and county governments in the state have financed projects in this manner for a long time. Most of those facilities are fed by a stream of revenues from the public users, such as hospitals.

"This clearly isn't a new concept," said Bob High, director of State and Local Government in the Treasurer's office. "Our local governments have been using it since

1990."

Actually 1991, after the state Supreme Court decided lease-purchase agreements permitted governments to incur debts without approval through a vote.

High said the North Carolina Infrastructure Finance Corporation assumes the risk, along with the its bondholders. Board members for the corporation are to be appointed by the treasurer.

"The debtholder has no action they can take against (the state) except to take the facility away," High said. "If we don't make the payment, they just take the prison away."

To think the state might consider defaulting on its debt obligations may disturb some. Given that the legislature tried valiantly to preserve the state's Triple A bond rating during budget negotiations, prospects of defaulting are unlikely.

In a letter to *The News and Observer* of Raleigh, Heatherly cited a provision in the North Carolina constitution that states "debt payments rank first, above all other obligations."

"Personally, I don't think it's legal," Heatherly said Dec. 7. "If this is legal, then we can just borrow money for everything."

Moore signaled in August in an interview with *The News and Observer* that the state may use similar methods to finance other capital projects in the future.

Boyles said the state may have avoided seeking public approval for the prisons because it's not as politically appealing as bonds for higher education. *cr*

N.C. agency ignores Supreme Court and state judge

Agency Rule Awaits Challenge

By PAUL CHESSE

Associate Editor

After a Supreme Court ruling earlier this year, the state's Environmental Management Commission found itself lacking control under federal law regarding North Carolina's isolated wetlands, so it established a rule on its own.

In January the U.S. Supreme Court ruled that the U.S. Army Corps of Engineers could exercise no oversight over bodies of water not specifically defined in the 1972 Clean Water Act. The Corps' oversight could extend only to designated waters defined as "waters of the United States," limited to "navigable waterways," "waters in interstate commerce," "interstate waters," and any tributaries leading to, or wetlands adjacent to, such waters. The court ruled in that Illinois case that the Corps, which had tried to exercise jurisdiction over an abandoned sand and gravel mining site, could not interfere with a private enterprise's use of an "isolated wetland."

As a result, the decision's implications extended to North Carolina, because the state had adopted the Clean Water Act's definition of wetlands that are protected by the government. So following the court's ruling, the state's Environmental Management Commission decided in April that for private owners to be able to make significant changes to isolated wetlands, it would require authorization from the state, based on a permitting system that the commission would implement. Such a system would need to be set up via a temporary rule, issued by the commission, authorized by no one other than its own board. By following the temporary route, the commission would be able to issue permits to develop-

ers and businesses who want to dredge or fill wetlands in order to build, while at the same time maintaining authority to preserve isolated wetlands they deemed worthy of protection.

Several business groups challenged the commission's ability to institute such a rule, claiming the jurisdiction over state waters had already been established by the Supreme Court opinion. They said in order to exercise authority over isolated wetlands, the commission would need to follow a permanent rulemaking process, which would require public hearings and other bureaucratic hurdles, likely taking more than a year to implement.

The business coalition sought redress against the temporary rulemaking through the mediation of the state's Office of Administrative Hearings. Administrative Law Judge Beecher Gray found in favor of the business groups in two decisions, saying the commission didn't prove there was sufficient reason to bypass the full rulemaking process. However, OAH did not possess the power to prevent the commission from instituting the rule anyway.

The business coalition is now pinning its property rights hopes on developers. According to a recent report in *The News and Observer* of Raleigh, 10 projects that fall under the temporary wetlands rule await approval from the Division of Water Quality, which originally lobbied the Environmental Management Commission to institute the rule. Craig Bromby, a lawyer representing the business groups, said any one of those developers could challenge the establishment of that rule through state Superior Court, and because they have the backing of Gray's decisions, possibly see the rule thrown out. *cr*

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- "They have been doing a great job all over the country educating people."
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— U.S. Rep. Richard Burr of Winston-Salem
- "You guys are everywhere! CSE is a great organization. CSE, thanks."
— Sen. John McCain



North Carolina CSE members protest state tax increases at an August rally in Raleigh.



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School Reform Briefs

• After more than a year of waiting, the first report to the State Board of Education on closing the achievement gap has arrived.

The commission concluded that "we can no longer afford to avoid the discomfort often associated with recognizing that ethnic culture (race) is somehow associated with this failure. The evidence is compelling. In every analysis of EOG test data from the ABCs program presented to the Commission over the past year, the factor of race was dominant in differentiating levels of achievement."

Five "Root Causes" of the problem are identified in the report, including the evidence that minorities are more often exposed to less-qualified teachers.

The report also identifies the following 11 recommendations to close the racial gap between white students and black students:

1. Reduce and eliminate the disproportionate number of minority students assigned to special education programs.

2. Promote and encourage advanced course work and challenging strategies to increase the number of minority students who perform at the highest levels on end-of-grade tests.

3. Design a public information campaign to get the attention of parents as a method to raise awareness of attitudes and practices.

4. Each school should be required to provide the district office with an annual action plan to get parents involved, a record of parental involvement, and a record of voluntary home visits by teachers and administrators.

5. That the State Board of Education and the superintendent design and fund a professional development initiative that will ensure classroom teachers acquire necessary skills to be successful.

6. That the state provide teachers 11-month paid contracts every four years to develop new skills.

7. The state should create, fund, and support special seminars and course development for existing university teaching education faculty.

8. That all new teacher education faculty members at North Carolina campuses be rated on knowledge, skills, and dispositions they will need to teach new teachers.

9. That the state resolve the shortage of qualified teachers by providing monetary incentives to prepared teachers and placing them in high need schools and teaching areas.

10. That the State Board of Education should set universal standards to measure the achievement gap and incentives at the district level.

11. The state should commission a study to examine the history of organized education for American Indians and blacks that can be used to prepare teachers for diverse classrooms.

Before any action, it is imperative that all educators believe all children can learn. "We must first believe that it can be done — that struggling minority students can score on par with their white counterparts — before we can expect it to happen," the report states. For the full report, go to www.ncpublicschools.org. *CR*

The Battle Over Bilingual Education

An overview on educating Hispanics and other non-English-speaking students

By SHERRI JOYNER
and LINDSAY MAPES

Staff Writers

RALEIGH

Just 58.7 percent of elementary and middle school-age Hispanics scored at grade level in last year on state end-of-grade reading and mathematics tests. In high school, only 38 percent of Hispanics graduate in North Carolina, according to findings from *High School Graduation Rates in the United States* by Jay Greene with the Manhattan Institute.

Most states are struggling to educate non-English speakers, otherwise categorized as Limited English Proficient students. Initiatives in California, Arizona, Massachusetts, and many other states have made headlines as educators duel over the most effective strategies. The most popular initiatives for serving LEP students are:

1.) English immersion — Instruction is entirely in English.

2.) English as a second language — Can either be a class period or a full day of instruction where some support is given in the student's native tongue. However, the class usually consists of only students who are not fluent in English.

3.) Transitional bilingual education — Instruction for some subjects is in the student's native tongue but a certain amount of time is also spent learning English.

4.) Two-way bilingual education — Instruction is given to students in two languages with the hope that all students in the class become bilingual.

What does research tell us?

Like any other policy issue, there are mixed opinions on the effectiveness of bilingual programs and English immersion.

Critics of bilingual education claim that the program is ineffective and keeps students learning too long in their native language — causing difficulties mastering English and slowing assimilation.

Critics of English Immersion claim the program throws the student into the deep end without taking into consideration the individual needs of students.

Parents of LEP students are also split. Some parents have complained that after years in the school system, their children are still not tested in English.

Other parents prefer to have their children taught in their native language.

While most states have used bilingual education since the 1960s and support the program, the New York Board of Education recently reported that English immersion works best for young students.

"According to their data, 84 percent of those enrolled in kindergarten exit within three years," Mayor Rudolph Giuliani said. "In contrast, traditional bilingual programs have a far lower success rate."

George Mason University researchers, Wayne P. Thomas and Virginia P. Collier, have tried to get a handle on the issue.

Since 1996 they have studied the various methods and concluded that one-way and two-way developmental bilingual education is the most promising.

Nationwide, one- and two-way or dual-immersion programs, are used in about 300 schools.

Both programs give student instruction in English and their native tongue, but dual-immersion places LEP students in

classes with native English speakers.

Thomas and Collier found ESL to be the least-effective program at narrowing the achievement gap between LEP and traditional students.

In North Carolina

According to the 2000 Census, at least one in 10 residents in North Carolina is Hispanic. Yet our state seems to be making little progress educating these students.

Even with a lack of evidence for success, ESL programs are the most common in North Carolina.

Asheboro City Schools and Duplin County Schools, with the largest concentration of Hispanics in the state, 20 percent and 15 percent respectively, both use ESL to address language barrier needs.

Two types of ESL, Pull-out and Pull-in, are commonly used across the state. In Pull-

out, a small group of students, usually under 12, are removed from their mainstream class by an ESL teacher. They work on improving their language skills and some English content.

Pull-in uses a similar model, but in this program the ESL teachers come into the main classroom to make demonstra-

tions that reach both the LEP and traditional students.

The success in Asheboro City Schools has been limited. About two-thirds of LEP students with novice English skills advance one level by the end of the school year with the assistance of the ESL Pull-out model, leaving another one-third behind.

Despite the success of English Immersion in other states, the North Carolina Department of Public Instruction does not encourage the program.

At this month's State Board of Education meeting, Fran Hoch, DPI section chief for Second Languages and ESL, reported on what she termed the mythology that surrounds second-language acquisition.

"Some of the most prevalent myths surrounding language learning included the idea that students, especially young ones, learn language quickly and easily and that students automatically learn another language when immersed in an environment where everyone speaks that language," Hoch said.

Jane Cowan, with DPI, has also voiced her concerns that English Immersion does not meet the needs of students according to the law.

Proposition 227 and others

The most famous battle against bilingual education occurred in California. In 1998, a ballot measure titled Proposition 227 passed to end the bilingual education system.

Under the new system, most California LEP students are placed in English immersion programs. After two years, English learners were improving greatly, with the strongest improvement occurring with the youngest students.

With a 2-1 margin in Arizona, voters approved another ballot initiative in November 2000 against bilingual education. But now under court order, education leaders are devising plans to improve programs for LEP students, including supplemental state aid for LEP students.

Despite the state's efforts, parents of a 6-year-old girl filed a suit last month against the state for forcing their daughter to remain in an English-only class.

Currently, about one-third of LEP students in Arizona have received waivers to remain in bilingual programs.

Connecticut has also made recent adjustments to its bilingual education programs. A new law has placed a 30-month limit on the amount of time LEP students can spend in bilingual programs.

While the national trend seems to be moving away from bilingual programs, recent debate in Massachusetts has led state representatives to preserve bilingual education.

Bush's proposal

Under the current law, a minimum of 75 percent of federal bilingual education funds are to be used for programs that use the student's native tongue.

In his campaign to "leave no child behind," President George W. Bush's proposed education plan would get rid of a stipulation that the federal government favor bilingual programs over English-only programs.

Other major elements of the program include consolidating the Bilingual and Immigrant Education Programs in a single federal agency and mandating that all LEP students be taught in English after three years.

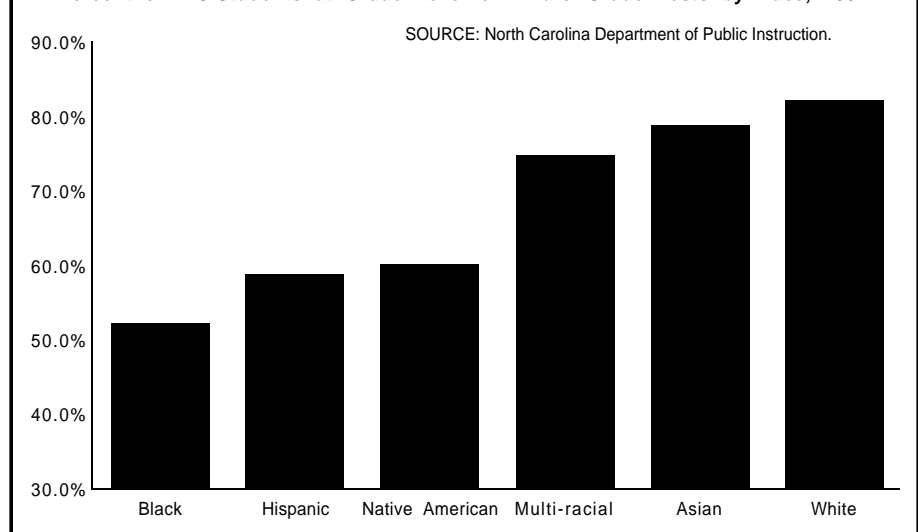
The bill would also require states to monitor the progress of LEP students in attaining English and teachers for LEP students would be required to have fluency in English.

States that fail to meet their performance objectives could lose up to 10 percent of funding of grant programs. *CR*

Even with a lack of evidence for success, ESL programs are the most common programs used in North Carolina.

Percent of N.C. Students at Grade Level on End-of-Grade Tests by Race, 2001

SOURCE: North Carolina Department of Public Instruction.



*Compulsion vs. school choice***Public Schools Toying with Children's Lives**

By SHERRI JOYNER

Assistant Editor

Did you choose the school your child attends? If you are like most parents, you didn't. Most children who attend public schools are routed to schools based on assignment and busing formulas that school officials create — often with an eye toward maintaining racial or socioeconomic balance.

But being able to choose your own child's school may be more beneficial than some officials are willing to recognize.

Existing school choice programs in North Carolina and the nation have demonstrated that choice can generate several benefits, including higher student achievement and increased parental involvement.

An independent study of the Children's Scholarship Fund in Charlotte, a private program that gives partial scholarships to children in low-income families, found that choice parents are generally happier with their child's school.

Nearly twice as many choice parents gave their child's school an A, at 53 percent, compared to public school parents, at 26 percent.

Choice programs also have led to a significant increase in the number of smaller, community schools and fewer facility needs.

Most people easily recognize scholarships, vouchers, and charter schools as choice alternatives. But there are many more dimensions to choice. School systems often consider magnet schools to be choice programs. Higher-income families are able to choose neighborhoods to live in and can send their children to private school as methods of choice. But lower-income families rarely have such options.

Regardless, most parents take for granted the idea that no matter what, their child will be able to attend the local, public school.

This may not be the case.

School districts are not required to take community or parental desire into account. They can choose to reorganize schools and bus children based solely on proper peer diversity — a goal that can lead to a disconnect between families and the school.

Wake County reassignments

The recent reassignment proposal in Wake County has parents fuming, with plans to relocate 5,800 students to different schools. Under the new plan, students who live just blocks away from a school will be compelled to attend another school, miles away.

Dr. Walter Sherlin, associate superintendent of Wake County public schools, said recently that its reassignment plan was necessary to ease crowding in schools.

While some assignments are necessary to fill the openings of three new school facilities, it is obvious that the school system is doing much more. Students who live near some schools are being prohibited from attending the closest school, or even the next closest school, but are being assigned to a third school that is even further away.

In fact, the school system assigns students based on family income and student performance. The Wake County Board of Education assigns students with the goal that all of the county's public schools have no more than 40 percent of the students receiving free or reduced-priced lunches and no more than 25 percent of students scoring below grade level on state reading tests.

"The whole idea is racist in concept," said Jess Ward, a former Cary town council member. "They are assigning students all around for the purpose of social engineering, when they could be providing those resources to help low-performing schools."

With school officials grouping students to achieve socioeconomic balance — regardless of whether they scatter a community — PTA members are urging all parents to fight the reassignments.

But in a recent television interview, Sherlin denied that the system was reassigning students based on income and repeated that reassignments were necessary to ease crowding — causing one to wonder whether the school system cares to admit the problems it may be causing for families.



Pupils at First Assembly Christian School, which participates in the fund

Social engineering is not new to the school system. The system's old reassignment plan had been based on racial balance, but seeing legal challenges to that practice in Charlotte and other cities, the schools chose socioeconomic balance as its new method to ensure all schools are given the "right" diversity of students.

In the March issue of *Carolina Journal*, Brigid Thompson, a new homeschooler and former PTA member, said she noticed the Wake County district was choosing high-performing nodes of students to transfer to low-performing schools — one of the reasons she decided to homeschool her two sons.

"It was their way of averaging out the scores to make the school look all right," Thompson said.

Research and policy reports found on the system's webpage support the decision of the Wake County Public School System to reassign students based on income. They claim the academic performance of all students suffers when a school has too many students from low-income homes.

But that answer doesn't satisfy many parents. Another issue of compulsion has also crept into view over the last year. Schools offering a year-round

schedule were originally created as an option, but now students are being forced to attend.

Oak Grove Elementary School, a year-round school in Raleigh, didn't have enough students from low-income families, so WCPS will more than double the school proportion of low-income students to 8.7 percent under the proposed reassignment plan.

One concern that has been raised by a parent and PTA member at Oak Grove is whether low-income families will be able to afford child care during the periodic, and lengthy, three-week breaks.

Given these trends, many parents in Wake County now feel they have little choice over where their children attend school, despite system claims to the contrary.

Intradistrict choice in Cumberland County

Noting the limited choice parents often have in public schools for their children, Cumberland County Schools offer intradistrict choice to families in their area. The program allows parents to choose among several schools in their area.

With more than 40 schools across the county, serving all grade levels, the program is designed much like a magnet school program. Every school teaches the North Carolina Standard Course of Study, but each has a different focus. For example, students can choose among schools that focus on classical studies, health or natural sciences, finances, and communications, plus year-round options.

The two keys to making the program work are the number of choices available and the fact that attendance is not restricted to where a student lives.

Parents in Cumberland County have responded positively thus far. A survey of the program found that 70 percent of the parents were more satisfied with their children's experience in the choice programs than in previous schools.

It also found that parents liked being able to choose schools for their children.

Families Deserve Choices in Schools

As director of the Children's Scholarship Fund of Charlotte, the last months have been extremely rewarding as I have visited schools, talked and worked with low-income families, processed more than 400 private-school scholarships, and discussed issues with donors. What may surprise many is that individuals support this charity. Donations range from small cash gifts (even from the families we support) to large grants of over \$1 million given by Julian Robertson, John Walton, and Ted Fortsmann. No matter what size gift, individuals who know the importance of education have embraced the vision. Our program changes lives. Simply stated, *we want every family to have the opportunity to choose the best school for their children regardless of their financial circumstance.*

Over the past 25 years of being involved in K-12 education, I have had the privilege of seeing all types of reform emerge from the framework. We now have home schooling (more than 24,000 families in North Carolina), charter schools, private schools, special-teaching-methods schools, virtual schools, religious schools, and the traditional public school system. Now, even the Charlotte-Mecklenburg School system embraces the concept of allowing parents to choose among their 148 schools.

But I have noticed that while there are thousands of higher-education scholarships, there are virtually none for K-12 education. Why would anyone have a problem with this type of charity? Education is one of the most fundamental ways to produce a well-informed and self-governing public. Not one family should feel stuck with a single educational provider. I applaud the bold move of any school system that provides parents the responsibility of choosing a school. The discussion is not one of "either/or," but "and" and "both."

The objections to providing educational options are amazing: "I don't want to have anything to do with the Children's Scholarship Fund because it is too political," "I paid once for everyone's education — why should I have to give again?" "That organization is simply a white, Republican, underground voucher movement," "I am concerned about a child who receives a scholarship taking the position on the sports team of a full-paying child." Wow, do we have an opportunity to educate the adults about the business of K-12 education! Something has to be done. CSF provides options for low-income families, options that are necessary when you realize that nearly half of economically disadvantaged ninth-graders in Charlotte drop out of school.

This past fall, the North Carolina Education Alliance did a superb job of looking at success stories of schools that serve low-income students and finding common elements that lead toward success. As stated on the Alliance tour, reliable, scientifically based education research is not easily available. Therefore, what can be done while politicians debate, advocacy groups spend millions of dollars to secure their positions, and researchers continue to research? Help families! I never receive a phone call from a parent who is satisfied with his child's educational provider. The parents who call are desperately looking for help and have heard that CSF opens doors of opportunity.

While the debate of providing educational options continues in the halls of courts and legislators, today some child is stuck in a classroom where his parents feel they have no power. Thanks to CSF-Charlotte, under the leadership of the John Locke Foundation, more than 350 families have accepted that opportunity of choosing an education that, even with a scholarship, is a financial sacrifice. There is really only one problem — there are other families waiting and needing the opportunity.



Lindalyn Kakedelis

School Reform News From Across the Nation

Accountability in Disability

Battles in Washington, D.C. are once again focused on education. The House and Senate are deliberating over additional dollars that will be put toward programs to assist student with disabilities, and whether the money should be accompanied by reforms and accountability measures.

Federal programs to assist students with disabilities are authorized by the Individuals with Disabilities Education Act. IDEA, first signed into law by President Ford, has brought millions of disabled children into regular classrooms.

But as Rod Paige, secretary of education, pointed out in a *Washington Times* article, in spite of our success, "serious challenges remain in providing students with disabilities the free and appropriate education in the least restrictive environment."

For example, black children are almost twice as likely to be identified as emotionally disturbed as white children and are more than twice as likely to be identified as mentally retarded, according to data from the Office of Special Education and Rehabilitative Services.

"Our system fails to teach many of these children fundamental skills like reading and then inappropriately identifies some of them as having disabilities," Paige wrote. "Not only does this hurt those children who are misidentified, it also reduces the resources available to serve children with disabilities."

President Bush has outlined a plan to increase funding for IDEA by \$1 billion while creating strategies to improve the performance of students with disabilities. The Senate, however, has proposed an amendment to expand the program without addressing its problems.

"This amendment would remove IDEA from two levels of review... by making it a mandatory program," Paige said. "But if there is one thing we know about government programs, it is that money without accountability does not help."

Paige also points out that the Senate amendment would require only 45 percent of IDEA's funds to be spent on the children, with the remaining money spent on general purposes.

"Students with disabilities deserve every dollar appropriated for them, not 45 cents, and all students deserve accurate identification of their skills, abilities, and progress," Paige said in *The Washington Times* article.

House Republicans seem to be backing both Paige and Bush in their efforts as they rejected the Senate's amendment early December.

"We all know the current program isn't working," said Rep. John A. Boehner, an Ohio Republican who is chairman of the House Education Committee.

"It overidentifies children. It overidentifies minority children and has been exploding in its costs and complexity because of court cases. We must take a good look at this program," Boehner said. (As reported by *The New York Times*)

Number of autistic swells

The percent of children with autism in Metro Detroit is swelling rapidly, according to *The Detroit News*. The number of autistic children in Oakland, Wayne, and Macomb counties have doubled in the last five years. For example, Oakland County had 200 autistic impaired students in 1995. By December 2000, it had 641.

What was once considered a rare, mental disorder, characterized by self-absorption, inability to socially interact, repetitive behavior, and social dysfunction, is becoming much more common.

"Autism was once rare, perhaps only one or two of every 10,000 births," said Sally Burton-Hoyle, executive director of the Autism Society of Michigan. "Now, it may be as many as one in every 500."

While medical professionals aren't sure why there has been a drastic surge, educators are looking for ways to pay the costs of educating increasing numbers of autistic children.

"It costs \$20,000 to \$25,000 a year to educate an autistic student, compared to the roughly \$7,000 a year for a regular education student," said Don Bollinger, associate superintendent of the Macomb Intermediate School District.

Luke Tsai, a psychiatrist at a University of Michigan clinic, noted that the increase could be due to a change in definition a few years ago that made it easier for more children to qualify.

The number of children classified as autistic has increased not only in Detroit, but across the nation.

The number of autistic children taught in regular classrooms increased 7.3 percent from 1992 to 1996, according to the National Center for Education Statistics.

The number of students served in the classroom with any disability also increased by 10.5 percent during this time, bringing into question whether more students are actually disabled or whether more lenient guidelines and definitions are the cause.

Failing to serve disabled

Through a court-appointed mandate, the Ravenswood District in San Jose, Calif., received a "very disappointing" report on its progress toward providing for the needs of its special education students.

Now, the district has until March 31 to prove to U.S. District Judge Thelton Henderson that it is capable of providing disabled students with a "free and appropriate public education."

According to the review, one of the main failings is that the district continually failed to hire qualified staff to deliver the required services.

"It's appalling," said Mark Mlawar, the court monitor, after he describe the district did nothing to help a preschool student who scored a zero last summer on a screening test.

"In my view, this is the height of professional irresponsibility, to test students and then do nothing as a result of the test," Mlawar said. CJ



Smaller may be better

School Size Makes a Difference, Nationwide Research Shows

By SHERRI JOYNER

Assistant Editor

RALEIGH
North Carolinians are paying to reduce class size, but does school size also matter? Absolutely. Research from school size tells us that on average, smaller schools can provide a safer place for students, higher achievement, higher graduations rates, and greater satisfaction for students, teachers, and families, according to a study by the Center for School Change at the University of Minnesota's Humphrey Institute.

The report, *Smaller, Safer, Saner, Successful Schools* by Joe Nathan and Karen Febey, provides brief case studies of 22 public school buildings in 12 states: Arizona, California, Colorado, Illinois, Kansas, Massachusetts, Minnesota, New York, Ohio, Oregon, Texas, and Washington.

The U.S. Department of Education is also clear on the subject. "Research findings support the notion that high school students are more successful when they attend small schools," points out the department in *An Overview of Smaller Learning Communities in High Schools*.

The North Carolina Department of Public Instruction agrees that smaller schools increase students safety, student involvement, and could lead to higher achievement.

Nevertheless, schools in North Carolina seem to be getting larger, not smaller, because as the department points out, it actually comes down to money.

"School systems must build as many seats as possible with very limited funds," says a department report. "Small schools are more costly [to] build, staff, and operate than larger schools, when analyzed on a per-pupil basis."

Each school will typically have a media center, PE space/gym, administrative/guidance suite, cafeteria, and other support spaces. The difference in cost between building one 600-person school and two 300-person schools is about \$32,000 — a price many districts aren't willing to pay. Based on economies of scale, North Carolina students can expect to attend large schools.

In an effort to encourage smaller schools, the department suggests several ideas to limit costs. Just two of the ideas represent ways to share costs of facilities, including partnering with other groups and increasing community use and involvement to stimulate the desire of citizens to fund facilities.

Highlighting one success story, the department points out that Pamlico County High School combines a high school media center with a public county library. In addition, the computer lab can be used by the community after school hours.

These "facilities appear to work well," the department said in the report. "Obvious contributing factors to this success are that the community is relatively small and that the sense of cooperation between agencies is very high."

Other examples of schools in North Carolina that offer joint-use public libraries are: Athens Drive High School in Wake County, McDougle Elementary/Middle Schools in Chapel Hill-Carboro, Ocracoke K-12 School in Hyde County, Princeton K-12 School in Johnston County, and First

Flight and Cape Hatteras Elementaries in Dare County.

But Nathan and Febey say a New York City study found that while smaller high schools cost more per pupil to operate, the cost is actually less expensive than at larger schools when cost is calculated per graduate. This effect is due to higher graduation rates posted at smaller high schools.

Alternatives to smaller schools

Even without building smaller schools, schools can create a smaller feel for students and teachers through specific strategies and restructuring.

The U.S. Department of Education outlines several options for states and districts to consider from alternative scheduling to multiyear groups.

To encourage large districts to personalize high schools, \$125 million in competitive grants is available from the U.S. Department of Public Education to districts that wish to create smaller, more supportive learning communities.

Four small school structures that can enhance student learning are: academies, house plans, school-within-a-school, and magnet programs. Each of these plans divides student populations into subgroups to help students feel more connected to each other, to adults, and to their school group.

Charter schools are also a viable option. Research shows that charter schools are smaller than traditional public schools, have friendlier atmospheres with more parental support, and cost taxpayers less in North Carolina because they do not receive per-pupil funding for facility costs.

While increasing the number of charter schools in North Carolina will ensure choice for families who want their children to attend small schools, and can be delivered at a low cost, officials have yet to determine whether they are willing to move forward by raising the 100-school cap.

Public opinion

According to a recent Public Agenda survey released in September 2001, 80 percent of parents interviewed agreed smaller schools are better at spotting troubled students.

The poll also found that most parents and teachers agreed that smaller schools are better at spotting bad teachers and that smaller schools would be better at helping students in large urban districts.

While smaller schools may be better, only 32 percent of parents surveyed said they have given a lot of thought to reducing school size and consider other reform issues, including class size, teacher pay, and discipline, as more pressing issues.

While no definitive study has been done in North Carolina, a Wake County Poll conducted by Tel Opinion Research in December 1999 for the John Locke Foundation showed that more than 70 percent of Wake County residents said they would rather their child attend a school with high academics even if the school building was smaller and had fewer amenities than most schools presently have.

Only 20 percent of Wake County residents were opposed. CJ

Small schools can provide a safer place for students, higher achievement, higher graduation rates, and greater satisfaction.

School Innovation Spotlight

Toisnot Middle Closing the Achievement Gap with High Expectations

By SHERRI JOYNER
Assistant Editor

WILSON
No one rises to low expectations; you get what you expect," said Dalphine Perry, principal of Toisnot Middle School. It is this philosophy that has made Toisnot one of the best high-poverty middle schools in the state. Toisnot has had tremendous success closing the achievement gap in the last few years.

Principal Dalphine Perry boasts that the faculty is a true team, sharing a clear vision that all children can and will succeed.

Serving as the leader, Perry sets high expectations for both the faculty and staff and sets schoolwide goals.

While the core of the curriculum has remained unchanged, the school invokes different strategies as needed to meet individual needs of students.

"The average student attending middle school today is not the same student who attended five years previous. He has different needs, desires, interests. The faculty at Toisnot Middle School is aware of such needs... they cater classroom strategies to accommodate the needs of individual children," Perry said.

High expectations are considered high priority at Toisnot.

"We believe that once children taste success in middle schools they will hunger to taste it again. After all, success breeds success," Perry said.

Indeed, with a student population that is primarily black, the school is gaining ground in closing the racial gap that persists in North Carolina's schools.

High-poverty schools that post high academic marks succeed because they have high expectations for all students.

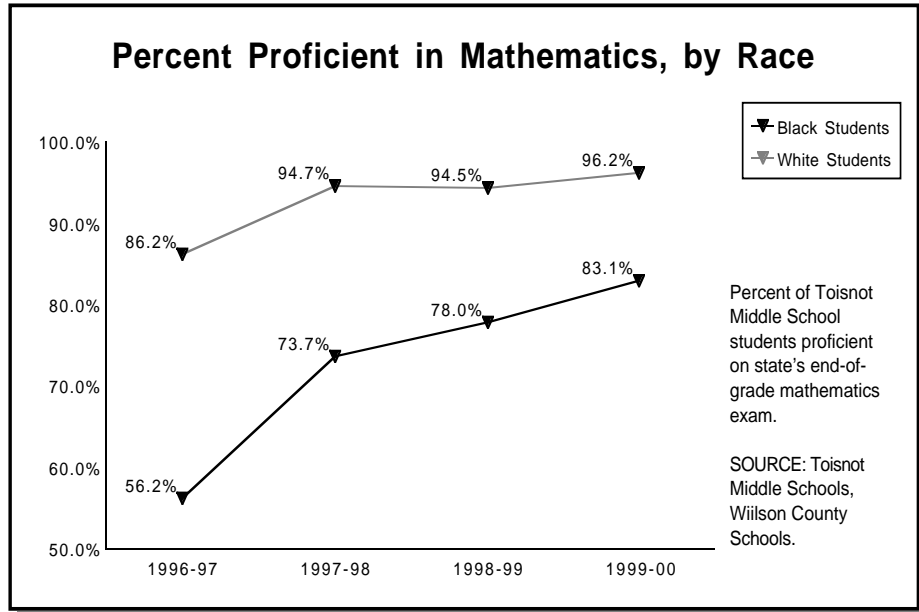
Perry believes that "all students want to be successful, no human is comfortable with failure, especially children."

Math success

Since 1996-97, black sixth-graders have increased math proficiency from 63.2 percent to 91.4 percent at Toisnot on end-of-grade state tests.

Math instructions is tailored specifically to meet the needs of students and accelerated—pre-algebra is offered to sixth-graders, algebra to seventh-graders, and geometry to eighth-graders.

Those students who do not meet their



math standards for their grades receive intensive tutoring throughout the school year.

Whether it is math or reading, student growth is systematically monitored throughout the school year. Then, the results are scrutinized and used to restructure the planning and implementations of the standard course of study.

Encouraging involvement

The ties between Toisnot and the local community are also strong. The Wilson Education Partnership, after-school care sponsors, and businesses in the area contribute to a wide array of educational needs at the school.

The PTA at Toisnot has also offered tremendous support in the classroom, at athletic events, tutoring, art exhibits, the library, and for the school's Renaissance awards program.

"We really try to exemplify a total learning experience," Perry said. "Children are accepted as individuals, held responsible for their success, pushed to academic excellence, and nurtured through physical, emotional, and social changes."

The importance of family involvement is also stressed. "The most important factor in determining the success of a child in school is the involvement of his parents in his day-to-day schoolwork," Perry said. "Schools are only successful when the home, community, and school work together. All components must be present and supportive of one another in order for all children to be successful."

race, gender, and socioeconomic status," Perry said. "Students at Toisnot are coached to work together. Our students are aware of differences and capitalize on those differences to make learning universal and valuable for all."

Teachers and achievements

Research tells us that teacher satisfaction and support is imperative for high student performance.

At Toisnot, teachers help make the decisions that affect them.

The faculty, as a whole, has the ability to make decisions regarding instruction, school policies, program development, student evaluation, athletics, scheduling, and staff development.

"There is a real sense of community among the students, teachers, and administrators in the building," Perry said.

Faculty members work with staff development and integrated teaching daily.

Perry has encouraged a positive environment by sharing with her teachers a high level of expectations for all students.

As a School of Distinction for the last three years, Toisnot's success has not gone unnoticed. The school has been selected to serve as a Professional Development School in partnership with Barton College this year.

Perry was also named the principal of the year 2000-01 by the Wilson County School System.

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Bats in the Belltower**Academics hold their breaths**

The end of racial preferences in California, thanks to Proposition 209, has had the but-we-can-discriminate-fairly academic Left in a tizzy since the voters approved the measure overwhelmingly in 1996. The measure, which prohibits racial and gender preferences in the state, has failed to live up to the dire warnings from opponents who said it would amount to "ethnic cleansing" in the University of California system. The enrollment share of in-state minority students (black, Hispanic and American Indians, that is; Asians are apparently disqualified as minorities by virtue of their generally stellar academics) in the UC system is down a Amnesty-International-mobilizing 0.2 percent since the last class admitted under pre-Prop 209 standards — they comprised 18.8 percent of the 1997 class and 18.6 percent of the 2001 class.

Upset that the people of California had spoken ("NO" to discrimination, even if you think you can discriminate with good intentions) and that minorities were getting enrolled under the same standards as everyone else, the socially conscious types at the recruitment and retention centers of UC-Berkeley have decided the only way to get their way (we'll decide which minorities are worth enrolling) is to artificially deflate minority enrollment. How so? They announced that they plan to discourage minorities from enrolling.

The thinking (if that is what it can be called) behind their idea is that if they succeed in lowering the number of minorities enrolling at Berkeley, then people will see the damage done to admissions there by the ban on racial preferences. One can only imagine them cutting their power lines to signify how bad the rolling blackouts in California are.

Along those same lines, James H. Clark, founder of Netscape and other Silicon Valley ventures, has decided to protest President Bush's recent decision on stem-cell research. Clark thinks the decision will hamper the development of stem-cell research because it limits federal funding, meaning such research will have to rely on private donors like himself. In order to force lawmakers to "decide to pursue what I believe to be a rational course in this vital part of our national future," he wrote in *The New York Times*, he is withholding \$60 million of the \$150 million he pledged to Stanford University for biomedical research.

Next up: Gun-control advocates who demonstrate the danger of firearms by shooting themselves in the foot?

At least it's our conspiracy

Columnist William Raspberry recently gave the "plain language" reason for why black America thinks "affirmative action in higher education is still vital" to their interests:

"Unlike the days when white admissions officers conspired to keep blacks out of their schools, we now have a situation in which blacks will be under-represented at the most prestigious schools unless whites conspire to let them in." *CR*

Horowitz Speaks in Raleigh and Chapel Hill, Assails Moeser, 'Leftist Movement' at Universities

By PAUL CHESSER

Associate Editor

RALEIGH

Leftist-radical-turned-conservative-activist David Horowitz spoke in Raleigh and at the University of North Carolina at Chapel Hill on Nov. 28. Horowitz, president of the Center for the Study of Popular Culture, has been sharply critical of leftists in higher education before and after Sept. 11, and he has been especially critical of UNC-CH.

Horowitz's appearance in Raleigh was sponsored by the John Locke Foundation as a Headliner luncheon. More than 200 people attended the event at the Brownstone Hotel in Raleigh, and the luncheon received intense media coverage, including many television news services, newspapers, and student publications.

Horowitz, who says he helped organize the first anti-Vietnam War demonstration at Berkeley in 1962, now provides conservative leadership in support of America's war in Afghanistan. "I've lived long enough to see what the consequences of opposition to that war were," Horowitz said of his opposition to the Vietnam War.

Horowitz said those "consequences of opposition" led to a divided United States over the war, leading North Vietnamese military generals to believe that, while they couldn't defeat the United States in war, "they knew they could outlast us." Once America left, communists slaughtered millions of South Vietnamese and Cambodians. "Their blood is on the heads of the antiwar movement," Horowitz said.

Formerly a key adviser and confidant of Panther leader Huey Newton, Horowitz renounced his leftist beliefs in a painful and heart-wrenching odyssey he described in his autobiography *Radical Son*. He went on to become one of the chief engineers of George W. Bush's "compassionate conservative" crusade.

As a result of Horowitz's own "radical" conversion, he now crusades as a confounder of what he calls not the liberal, but "leftist" movement on America's college campuses today. He is waging a campaign against campus protesters through speaking engagements and pamphlet distribution with the theme "Think Twice Before You Bring the War Home," which he says is a "battle for America's youth."

Horowitz said on his Nov. 28 visit to Raleigh that one of the biggest problems is at UNC-CH, where "you have a propaganda machine funded by you (taxpayers) and supported by the chancellor."

UNC-CH's proposal to establish a campus in Qatar also drew fire from Horowitz. He said the Persian Gulf emirate is led by "an Islamic radical" and that "there are no human rights [there] — not only for homosexuals and for women, but for anybody who disagrees with the sheik."

Horowitz repeatedly singled out UNC-CH Chancellor James Moeser for criticism, for not promoting a pro-American counterbalance to several antiwar teach-ins and rallies. He said there is no discipline at the university for students or faculty who threaten violence against conservatives, or who seek to stifle outspokenness by those critical of leftists on campus. Horowitz was accompanied in North Carolina by bodyguards because of threats against him.

Horowitz further defended American actions in Afghanistan, and placed part of the blame for the World Trade Center and Pentagon attacks on the Clinton administration. He cited the lack of an American response after the 1993 bombing of the World Trade Center, the weakening of the military



Horowitz speaks at the John Locke Foundation's Headliner luncheon in Raleigh.

and CIA, the selling of intelligence technology to our enemies, and leftists such as Anthony Lake and Samuel Berger in the National Security Agency, as reasons for U.S. vulnerability when the attacks occurred.

"If there is an individual singularly responsible for September 11th," Horowitz said, "it is William Jefferson Clinton."

At UNC-Chapel Hill

Horowitz's appearance at UNC-CH, sponsored by the College Republicans, followed several articles on his organization's web site, www.frontpagemag.com, about the "hate-America left" holding teach-ins at UNC-CH, including a compilation of articles under the headline "UNC-Chapel Hill's Holy War Against America," in which Horowitz declared "The University of North Carolina is a one-party school, and I'm going to wage a war to make it a two-party school."

Horowitz, who earlier this year caused an uproar at UNC-CH and other campuses, including Duke University, with his campaign placing an advertisement entitled "Ten Reasons Why Reparations [for Slavery] Is a Bad Idea — And Racist, Too" in campus newspapers, recently told *The Daily Tar Heel* that the campus reaction to the terrorist attacks is "the worst American universities have ever been, and UNC is one of the worst," he said.

UNC-CH art professor Elin O'Hara Slavick, one of the organizers and participants of the teach-ins at UNC-CH, told *The News & Observer* of Raleigh that she "would not support" his coming to speak to UNC-CH. She said Horowitz was unlikely to foster an exchange of ideas.

Speaking to about 1,000 students and faculty at Memorial Hall at UNC-CH, Horowitz addressed both the recent teach-ins on the campus and the slavery reparations movement. He spoke out against the actions of "leftist faculty" and administrators, specifically Moeser.

Horowitz also talked about his past as a radical protesting the Vietnam War and he compared it with the present actions of the "Marxists" who participated in the teach-ins. "In their hearts, they were jumping up and down when they blew up the World Trade Center," Horowitz said. "That's Wall Street! They've been hoping for this!"

A group of several dozen students, mostly black, staged a walkout less than 20 minutes into the event. The protest, led by the Black Student Movement, a student group that has previously criticized Horowitz for his stand against reparations,

left before he finished explaining his view and rebutting descriptions of him as a 'racist.' Horowitz calmly described them as "close-minded" and said they would "never learn how to respond to these kinds of arguments," which he described in other comments as "rational."

"This is a sad commentary on the Black Student Movement and the Black Cultural Center," Horowitz said of the walkout. "It's a much sadder commentary on the administration of this university and the leftist professors that are encouraging this type of student behavior."

"We walked out to show that we do not support racist teachings," BSM leader Kristi Booker told the *DTH*. Despite having called Horowitz a racist, Bookers' feelings were hurt when she learned of Horowitz's comments about the BSM's walkout. The *DTH* reported that she cried and said Horowitz's comments were "really hurtful" and "makes me feel like I am not a part" of UNC-CH.

Horowitz is heckled

While the largely sympathetic crowd responded with 13 thunderous ovations, there were also hecklers who repeatedly interrupted Horowitz to yell out comments and questions. One woman laughed loudly when Horowitz mentioned that "100 million lives" were taken by Communist regimes in the 20th century.

The most confrontational moment of the event took place during the question-and-answer period. A student who identified himself as an ROTC member argued with Horowitz, calling him a "divider" rather than a "uniter." The student took issue with several aspects of Horowitz's speech, and Horowitz responded that he knew more about those things than the student did. At that the student turned to leave, Horowitz asked him where he was going, and the student replied that Horowitz had just called him "stupid," an insult he inferred from Horowitz's comment. Horowitz replied that he had done no such thing, but several others in the crowd agreed with the inference made by the ROTC student. Others, however, were amused by the sensitivity of their peers. Also during the question-and-answer period, a woman who described herself as "a liberal Democrat" told Horowitz she came expecting to "hate everything" he said, but was instead "very impressed" and enjoyed his speech. *CR*

Staff intern Darren O'Connor contributed to this article.

War denounced as "the Bush s---"

Former Black Panther Leader Insults 'Fascist' U.S. at Duke

By JON SANDERS

Assistant Editor

A former head of a domestic terrorist organization spoke at Duke University on Nov. 15 to an apparently receptive crowd.

Elaine Brown, the first woman to lead the Black Panther Party, spoke at Duke's Page Auditorium. Brown's talk was sponsored by Duke's Women's Studies Department and the Black Student Alliance. Brown, who composed the Black Panther National Anthem, serves on the board of the foundation named for Black Panther leader Huey Newton.

Brown is also the author of *A Taste of Power: A Black Woman's Story*, in which she chronicles her life and her involvement in the Black Panthers. Her book includes accounts of numerous brutalities committed by the Panthers, including the disappearance and murder of Betty Van Patter, for which Brown was also a suspect.

"If I did not believe in the ultimate rightness of our goals and our party," she wrote, "then what we did, what Huey was doing, what he was, what I was, was horrible."

Before her talk, Brown conducted an informal workshop with student leaders, on topics that ranged from her involvement in the Black Panthers, globalization, and the need for students to pick up the torch for civil rights.

The Chronicle, Duke's student newspaper, reported on Brown's speech. According to reporter Andrew Collins, Brown's speech was received by an "enthusiastic audience of over 200 people" who "frequently interrupted her with applause and laughter."

What were they applauding? According to *The Chronicle*, Brown was severely critical of the United States' war on terrorism. "Exactly what happened, and whose war is this, anyway?" Brown asked. "I'm telling you, as a black person, this is not my war... Yesterday, you didn't even want to have a dialogue; now you want me off waving a flag?"

Brown criticized the money going to the war effort, including, Collins reported, the \$40 billion going for defense and the \$15 billion airline bailout. That money, Brown said, would be better spent on education.

Brown also called the U.S. government fascist and concerned only with the interests of big industry. "I think global fascism is in place," Brown told the crowd. "The interests of this government are solely those of the big corporations. I don't know any other definition of fascism."

In denouncing "the Bush s---," Brown said Secretary of State Colin Powell was "unqualified and dangerous." She also called National Security Adviser Condoleezza Rice "really crazy," pronounced President George Bush "stupid" and a "cokehead," and charged that "Laura Bush killed her ex-fiancee."

She also bashed school vouchers as "a bizarre, stupid program" and called Oprah Winfrey "America's Mammy,"

Some Women's Studies students said that *The Chronicle's* account was incomplete and focused only on Brown's controversial statements, although they agreed Brown was quoted accurately.

RALEIGH

The Duke University News Service's entry on the speech said nothing about the war on terrorism as a topic of Brown's speech. All the information about the content of Brown's lecture it offered was: "Elaine Brown, Black Panther Party. Ms. Brown will talk about the global struggle to end oppression of women and minorities worldwide."

Weeks after the Brown event, the Duke campus was still buzzing.

Chronicle columnist John Zimmerman called it "remarkable" that the BSA and the Women's Center "would stoop so low" in inviting Brown.

Zimmerman wrote that the only apparent criterion for those organizations to select a speaker "is that the person be a well-known member" of the appropriate minority group.

Brown was invited to speak "because she is a black female who has attained some notoriety," Zimmerman wrote. "No matter that her fame results mostly from her criminal past; her race and her gender instantly qualify her to talk about 'racism and feminism.'"

Brown pronounced President George Bush "stupid" and a "cokehead" and said that "Laura Bush killed her ex-fiancee."

"Indeed, the Nov. 15 event would be no different than the Arab Students Organization's sponsoring a talk by Osama bin Laden," Zimmerman wrote. "After all, bin Laden is a

well-known person and an Arab. Purely as a bonus, he happens to be a terrorist leader like Brown. According to BSA logic, bin Laden is a superstar!"

If the letters page of *The Chronicle* is any judge of student reaction, Zimmerman's column provoked more of an outcry than Brown's speech did.

On Nov. 30 Traci Bethea wrote that Zimmerman's column sounded "like the ravings of a confused and threatened person with too much time — and a dictionary — on his hands."

Her take on Brown was this: "While I do not exactly agree with Brown's remarks, she did improve the status of women by heading a major group of dissidents. This feat is remarkable."

On Dec. 3 Jonathan Marshall wrote that Zimmerman was "actively striving to promote disrespect and ignorance." He said Brown was "destroying the stereotype of blacks who contentedly accept their situation."

On Dec. 6 Christopher Curtis wrote that Zimmerman lacked qualification to be critical of the BSA and the Women's Center decision to invite Brown. "Since Zimmerman is neither a black in America nor a woman in our society, his enlightened insight regarding the qualifications of Brown to speak to this demographic certainly didn't come from personal experience."

Curtis also agreed with Brown about Condoleezza Rice and Clarence Thomas, whom he said "were placed in power by white men" and thereby "do the most damage" to the cause of "disrupt[ing] the status quo."

Zimmerman did receive one voice of support, however. "Zimmerman has a perfectly valid point," Brice Johnson wrote on Dec. 3.

"It is the ideas in the movement that count, and those ideas expressed in Elaine Brown's speech are counterproductive and offensive to all." CJ

I Am an American

Recent events have put race back on the front page. The North Carolina State University Student Senate fast-tracked and approved a resolution (R35) to condemn the terrorist acts and any act done in retaliation against an "Arab-American, Asian-American" and Muslims in the United States. Condemning the acts is the right thing to do. However, the wording of that clause wasn't as good as it was later in a revision of the same bill. That later clause referred to "Americans of Arab or Asian decent."

The true tragedy of this is that our identity is hyphenated. It is not politically correct to be an American. Instead we are Arab-Americans, Euro-Americans, Asian-Americans, Native-Americans, and African-Americans. We are not a hodgepodge group of people. If there is one thing that 9/11 has shown us, it is that we are a unified people. We are Americans!

Theodore Roosevelt at the beginning of the last century said, "There is no room in this country for hyphenated Americanism. The one absolutely certain way of bringing this nation to ruin, of preventing all possibility of its continuing to be a nation at all, would be to permit it to become a tangle of squabbling nationalities."

Why did we have the right idea visible over a century ago and seem to have lost it since? We have fallen to what I hinted at earlier, "political correctness." The word "political" means "of, relating to, or concerned with the theory or practice of politics." In the politics of this country there is always a debate on what exactly is the correct or best way of doing things. Political correctness by its very definition is inaccurate at best.

We are Americans, not ancestral groups. If we did the same thing by state, it would seem absurd. People from this state would be North Carolinian-American. That's a mouthful, to say the least. You would also run into people who have moved between states, just like children of mixed marriages. I would be either an Ohio-American or a North Carolinian-American. I am neither; I am an American!

We do this sort of thing by region, even though we shouldn't. We have Northerners, Southerners, Midwesterners, and Westerners. However, you rarely hear people call themselves this. When they are asked where they are from, people either answer with the state

or the city where they live. And only in the South does this mean anything at all, and then only in passing. We aren't Southern-Americans, or Midwestern-American; we are Americans.

Some people are so dependent on the idea that race matters that they seem to impose it on our society and language. *Race doesn't matter*. To paraphrase Martin Luther King, Jr., we should not be seen for the color of our skin, but the content of our character. We, Americans, recognize our differences, are strengthened by our diversity, but note that skin, like eye color, does not determine the color of our

hearts. Even bitter rivals have come together on this point. Rudolph Giuliani, a lifelong Yankees fan, was given a standing ovation in Shay Stadium, where he was booed before Sept. 11.

Even UNC-CH fans, the same people who had a Stalin-modeled communist group recruiting on campus, when they painted N.C. State's Free Expression Tunnel after the football game, didn't paint over the part between the two bridges.

That part of the Free Expression Tunnel had an American Flag (note there is no qualifier on "American") and a small mural/memorial to the attack victims. UNC-CH is not known for being the most pro-American campus in the nation, to say the least. However, they left the flag on the wall. That flag went up after the attacks, painted anonymously by a student or group of students. An American flag was still there until Oct. 30. It has been a full month since the attacks and a portion of the tunnel hasn't been painted over, save for changing the message on the stripes. To anybody who has been here a while, that is unheard of.

In disgust we are united. In anger we are united. In response we are united. In rebuilding we are united. In language we should also be united. But because some people don't see themselves or others as Americans this continues. Muhammad Ali took as an insult being called "African-American," He wasn't an immigrant. He was an American; we are all Americans. CJ



Mark Hofer

Hofer is a junior at N.C. State. This article was originally published in Broadside magazine, an independent publication written and published by students of N.C. State (www.broadsidemagazine.org).

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Course of the Month

The Building-Crumbling Power of American Imagination

The Duke University Literature Program has announced its course offerings for Spring 2002, and the announcement caused some vexation at CM. The announcement, at duke.edu/literature/ugrdf01.htm, presented CM a veritable cornucopia of potential honorees. Which do we choose? "Femininity in Contexts?" "Fantasies of Absolute Power?" "Sexualities in Film & Video?" "Imagining Dinosaurs?" (For readers who have forgotten already, these are all listed as *literature* courses).

Fortunately, CM can choose several, one per month. This month, CM chooses the literature course "Marxism & Society," which, as far as CM can tell, is *not* to be confused with "Imagining Dinosaurs" or "Fantasies of Absolute Power".

LIT 181.01 MARXISM & SOCIETY

This course will focus on both Marx's own works and seminal works in the Marxist tradition. We will read Marx's work not only as presenting a political and philosophical position, but also as proposing a method of inquiry relevant to various academic disciplines and intellectual projects. Reading the more recent authors who take up Marx's project will give us an understanding of the alternatives within the Marxist tradition and help us gauge the relevance of Marxism as a scholarly methodology today. This is the required core course for the Perspectives in Marxism and Society certificate program.

This course offers CM several avenues of commentary. Being a literature course, fortunately, it's not restricted by the tenets of science. Otherwise, it would have all the real-world validity of a course on "Geocentrism & Society." Can you imagine: "Reading the more recent scientists who take up the geocentric project will give us an understanding of the alternatives within the geocentric tradition and help us gauge the relevance of geocentrism as a scholarly methodology today."

Note also that the course is a "required" and "core course" for the Perspectives in Geocentrism — er, Marxism and Society certificate program. So students take note: If you want to pay \$28,000 a year to receive certification in the most spectacularly intellectually threadbare philosophy of two centuries ago that created and justified the most spectacularly vicious and brutal regimes of the last century, you have to take this course.

Furthermore, this course is taught by the head of the literature program, Fredric Jameson. This is the same Fredric Jameson who has ignored repeated (more on that in a moment) calls from Duke students writing for *The Duke Review* offering him an entire page in their publication to explain a quotation attributed to him in a 1986 issue of *Commentary*: "To create a Marxist culture in this country, to make Marxism an unavoidable presence and a distinct, original, and unmistakable voice in American social, cultural, and intellectual life, in short to form a Marxist intelligentsia for the struggles of the future — this seems to me the supreme mission of a Marxist pedagogy." The *Review* repeats its call every month. Jameson has ignored it for more than 4,000 days.

He did not ignore, however, the *London Review of Books'* request for his thoughts on Sept. 11. Naturally, what he

said could have prevented the terrorist attacks, which he refers to several times as the "event," from happening was (drum roll, please) — *Marxism!* Also, the culprits really at fault, once you look hard enough, are (again with the drum) — *Americans!*

Turns out, as Jameson explains, "the seeds of the event... are to be found in the wholesale massacres of the Left systematically encouraged and directed by the Americans," especially "[t]he physical extermination of the Iraqi and the Indonesian Communist Parties," which "were crimes as abominable as any contemporary genocide. It is, however, only now that the results are working their way out into actuality, for the resultant absence of any Left alternative means that popular revolt and resistance in the Third World have nowhere to go but into religious and 'fundamentalist' forms."

Jameson also carped about the uncertainty of the war on terrorism. He was certain only of one thing: "until we know [what the war on terrorism will look like], we can have no satisfactory picture of the 'events' we imagine to have taken place on a single day in September." (That last nifty turn of phrase, about what we all imagined took place on Sept. 11 — you know, that noteworthy day in the annals of psychology when hundreds of millions of Americans for some unexplained reason simultaneously hallucinated terrorists attacking the World Trade Center and the Pentagon, and some were so deluded as to have spontaneously vaporized themselves at their places of business, coincidentally at the World Trade Center — earned Jameson an invitation from *LRB* reader Geoffrey O'Brien in New York City "to learn the difference between imagination and reality by taking a stroll in what is left of the neighbourhood where I lived for the past ten years.")

Because Jameson also wrote that Americans were "united by the fear of saying anything that contradicts this completely spurious media consensus," CM wishes him to know that he has nothing to fear in the Land of the First Amendment and would like to echo *The Weekly Standard's* gentle questions: "Fear, one wonders, of what? Has Jameson ever been silenced for his views?"

Then again, taking another glance at Jameson's department's literature courses for next spring, CM cannot guarantee Jameson freedom from fear if he happens to sit in on Duke literature course "Fearing Fear Itself: A History of the Horror Film." CJ



McCarthy invoked despite calls for robust dialogue

Leftists Blast Report Urging Colleges To Teach American History, Principles

By JON SANDERS
Assistant Editor

RALEIGH

A new report by the American Council of Trustees and Alumni has the Establishment-Left wing of academia up in arms.

The report, "Defending Civilization: How Our Universities Are Failing America and What Can Be Done About It," builds on the fact that "academe is the only sector of American society that is distinctly divided in its response" to the terrorist attacks on America to reiterate (not to mention, underscore) the organization's call for trustees, donors and alumni to seek change in their institutions of higher education.

The report stresses that "the robust exchange of ideas is essential to a free society." But what emerges in it is that the exchange of ideas on college campuses is anything but robust. The report explains that ACTA is not seeking to limit free speech on campus, but to expand it so that professors and students who support the war effort are no longer intimidated by the dominant campus ideology. It provides a list of over 100 examples of things said on campuses nationwide that represent

"Their aim is to enforce a particular party line on American colleges and universities."
—Columbia University professor Eric Foner

the range of campus responses to the terrorist attacks and how they hew to the pervasive campus line "that has increasingly suggested that Western civilization is the primary source of the world's ills."

Calling America's first line of defense "a confident understanding of how and why this nation was founded, and of the continuing relevance and urgency of its first principles," the report calls on "all colleges and universities to adopt strong core curricula that include rigorous, broad-based courses on the great works of Western civilization as well as courses on American history, America's founding documents, and America's continuing struggle to extend and defend the principles on which it was founded." It notes that a previous ACTA study found that, of the top 55 institutions of higher education in America, none required students to take even a single course in American history, only three required a course in Western civilization, and 78 per-

cent allowed students to graduate without any history credits.

"It has never been more urgent for education at all levels to pass on to the next generation the legacy of freedom and democracy," the report states. "If institutions fail to do so, alumni should protest, donors should fund new programs, and trustees should demand action. What is not taught will be forgotten, and what is forgotten cannot be defended."

The report has been panned as neo-McCarthyism by leftist academics. The source of this oblique criticism is the report's examples of "the message of much of academe... BLAME AMERICA FIRST." Crafting the list "has a little of the whiff of McCarthyism," as Massachusetts Institute of Technology professor Hugh Gusterson told *The New York Times*. "Their aim is to enforce a particular party line on American colleges and universities," Columbia University professor Eric Foner griped in the *Times*. "Only fanatics demand lock-step conformity," the *Globe* editorialized.

Apparently none of the McCarthyism bloodhounds of the Left sniffed out either of the explicit statements in the report that "professors should be passionately defended in their right to academic freedom" or "let us be clear. This is not an argument for limiting free speech on college campuses." Or, perhaps, since both statements were followed by equally explicit comments that those exercising their freedom are not exempt from criticism, they held their noses at it.

The ACTA report is being decried as a threat to academe — despite its lucid support for academic freedom, and because it seeks that same freedom for those outside of that orthodoxy ("robust debate") as well as increased attention paid to American history and principles in college curricula. Ironically, such criticism reinforces the dominance of the campus ideology discussed in the report, and it demonstrates exactly why its calls for reform should be heeded.

The report is available for download (in PDF format) from the ACTA website: www.goacta.org. CJ

An Excerpt from ACTA's 'Defending Civilization: How Our Universities Are Failing America and What Can Be Done About It'

Until the 1960s, colleges typically required students to take surveys of Western civilization. Since then, those surveys have been supplanted by a smorgasbord of often narrow and trendy classes and incoherent requirements that do not convey the great heritage of human civilization. Accompanying this basic failure is an atmosphere increasingly unfriendly to the free exchange of ideas. Students have reported more and more that they are intimidated by professors and fellow students if they question "politically correct" ideas or fail to conform to a particular ideology. In some cases, students have even been subject to official sanctions for speaking their minds in class. So pervasive is the climate of intimidation one New York reporter covering a City University of New York teach-in recounted the piteous tale

of a student who feared retribution. "My grade depends on a lot of the professors who spoke," the student explained. "If you voice an opinion of dissent, professors look down on you."

Students and often professors, especially if they are untenured, are reluctant to question publicly the dominant campus ideology. In light of this campus climate, it is not surprising that often the students who feel free to speak out are those who oppose the war on terrorism. According to *The New York Times*, students at more than 146 campuses in 36 states had rallied to urge the country to avoid any military response. It is urgent that students and professors who support the war effort not be intimidated. If both sides are heard, students and all of us benefit. CJ

UNC-CH Considers Opening a Business School in Qatar

Freedom, war on terrorism, and other issues spark wide-ranging debate on Chapel Hill campus

By JON SANDERS

Assistant Editor

As the liberation of Afghanistan continues unabated and well ahead of schedule, and as Hamas takes credit for another bloody round of suicide-bomb attacks on civilians and teenagers in Israel, the University of North Carolina at Chapel Hill mulls a proposal to open a business school in the Emirate of Qatar.

Qatar is a tiny Middle Eastern country of about 770,000 people. It lies on the eastern border of Saudi Arabia and faces the Persian Gulf. According to the UNC-CH website about the proposal, the school would expand the bachelor of science in business administration degree program by basing a campus of the Kenan-Flagler Business School and UNC-CH in Qatar. The proposed "UNC-CH-Q," as the website refers to it, would initially enroll about 25 Qatari students who are expected to go on to work in the oil and petroleum business. Freshmen and sophomores will be overseen by the College of Arts and Sciences; juniors and seniors by the business school.

Students must meet both schools' admission requirements plus the swim-test requirement for graduation and the multicultural perspectives curriculum. UNC-CH will control the program's design. Operating costs, however, will be borne by the Qatar Foundation, run by one of the emir's three wives. The foundation seeks to establish a business school in its "education city." Two other U.S. universities are already there. Virginia Commonwealth University runs an arts school for women. Cornell University runs a medical school.

Although some critics wonder whether oil money wasn't behind the university's gushing enthusiasm for the proposal, UNC-CH justifies it on the basis of furthering the "globalization" of the university, which includes bringing new intellectual perspectives back to students, new research opportunities to faculty, and a new context for international public service for students and faculty. As Chancellor James Moeser told a student forum on the proposal, "To be the leading public university in the world, we need to be a global university."

Not all in the UNC-CH community favor the proposal. A recent email survey of Arts and Science and business school faculty found about one-fourth strongly in favor of the proposal and a similar proportion strongly opposed to it. Faculty and students have spoken for and against the proposal in forums conducted on campus. Pro-



Qatar's capital city of Doha on the Persian Gulf contains about 40 percent of the population.

fessor of Management Dennis Rondinelli has strongly objected to the proposal's rationale and security issues, noting that Qatar "is completely surrounded by countries with regimes hostile to the United States — Iran, Iraq, the United Arab Emirates — or those such as Saudi Arabia, Yemen and Oman that harbor groups dedicated to harming Americans."

The final decision, as Moeser told a student forum in November, rests with Moeser himself. "At some point, someone is going to make a decision, and that's my job."

Qatar (pronounced, as the UNC-CH website points out, like "Kotter" as in "Welcome Back Kotter") has become famous internationally as the home of Al-Jazeera, the "CNN of the Muslim world" that has been criticized by President George W. Bush and Secretary of State Colin Powell for providing Osama bin Laden with a mouthpiece. Its owner is Sheik Hamad Ibn Khalifa Al-Thani, who also has been the emir of Qatar since a successful coup against his father in 1995. Hamad is also the president of the Organization of the Islamic Conference.

The regime in Qatar is totalitarian. The Al-Thani family has been in power for more than a century. Non-Muslim religious services are allowed to be conducted only in private, and then only after notifying the government. The U.S. State Department notes that "the government has embarked upon a program of 'Qatarization,' which is aimed at reducing the number of foreign workers." The Qatari government monitors websites and email traffic for dissent against the regime, has imprisoned critics, monitors private social, sports, trade, and other groups, which are required to register with the government, and bars entry to international organizations that are critical of the regime or other Arab governments.

Such organizations include Amnesty International, which has been stymied in its attempts to judge Qatar on human rights, or even to investigate the numerous reports it has received of torture there. The State Department reports that young children, primarily of African or South Asian descent, are forced to work as jockeys in camel races. Other concerns include physical and even sexual abuse of foreign domestics. Significantly, Freedom House lists Qatar as one of the "unfree" countries of the world. In Freedom House's ratings of "Political Rights" and "Civil Liberties," Qatar receives a 6 out of 7 for both (on a scale where 1 is the most free and 7 is the most repressive). By comparison, the United States rates 1's on both scales, and Afghanistan and Iraq rate 7's.

In the late 1990s, Qatar reportedly allowed Osama bin Laden to visit often, and even allowed al-Qaeda to take up public collections at mosques.

On Oct. 10, the OIC headed by Hamad held an emergency meeting in Doha to discuss U.S. retaliation against the Taliban in Afghanistan. While the OIC avoided condemning the U.S. action, the *Los Angeles Times* reported, the OIC's "rhetoric was venomous, condemning Israel as a sponsor of 'state terrorism' against Palestine.

"The delegates also rejected any attempts to categorize Islamic groups such as Hezbollah and Hamas as terrorists, although both groups have targeted civilian and military in suicide bombing missions in the past. . . . At one point, Sheik Hamad even seemed to blame Israel for the Sept. 11 attacks."

Ettela'at, the international Persian daily, reporting on a meeting between Hamad and Iran President Mohammad Khatami, wrote the following on Oct. 25: "The Qatari emir said that the Zionist regime and its prime minister [Ariel] Sharon are exploiting the Sept. 11 terrorist attack to intensify its violence against the Palestinians. He said that the Islamic Republic of Iran is the symbol of democracy among the regional states. He said the neighboring states are following Iran's lead in promoting democracy."

"I am optimistic about the future of the region, thanks to the pattern set by Iran for promoting democracy," Hamad said, according to *Ettela'at*. CI



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Jane Perlov, Chief of Police
City of Raleigh

Town and Country

• The Center for Local Innovation will conduct the Innovate 2002 Conference at the Washington Duke Inn on the Duke University campus.

Topics at the conference will include the top issues of the day and those that are challenging in the day-to-day operation of modern local government.

In particular, there will be panels on annexation, budgeting, and the role of local governments in homeland security. Rep. Walter Jones, R-N.C., will be the luncheon speaker.

The panels will feature both local elected officials and nationally recognized scholars. Among the scholarly representatives will be William Eggers, a senior fellow of the Manhattan Institute. Eggers is working on a book on how the Internet and related technologies are transforming government. He is the former manager of the Texas Performance Review and Project Director for e-Texas, a state initiative charged with developing recommendations to save tax dollars, increase the use of technology, improve customer service and inject private-sector competition into state services.

Also on the panel is Randall O'Toole, author of a new book, *The Vanishing Automobile*. O'Toole teaches at the University of California at Berkeley and is also a senior economist at the Thoreau Institute.

Some of the local officials participating in the event are Wilmington Mayor David Jones, New Hanover County Commissioner Bill Caster, and Winston-Salem City Councilman Vernon Robinson.

The third panel will discuss "Homeland defense: how local governments should respond to terrorist threats." Among invited panelists is Greensboro Mayor Keith Halliday, Charlotte Mayor, and *Shallow Hal* movie star Pat McCrory will be joining the Center for Local Innovation on a panel as well.

The event is scheduled for Jan. 19 and will conclude at 3pm that day. Please direct all correspondence and/or questions to: Erik Root, 919-828-3876 or you may e-mail him at eroot@johnlocke.org

• In our ongoing debate with the City of Wilmington, Deputy City Manager Bill Whisnant sent to CJ material on annexation that the city mailed to residents. He said the city's fee forcing residents in newly annexed areas to hook up to water services is \$1,250. However, this does not count the fees residents are forced to pay for hiring a plumber to hook up their homes to the line.

Whisnant said Wilmington's tax rate is lower than the county's (47 cents compared to 69 cents) and so is not the sole cause for the increased taxes of forcibly annexed residents. The taxes of some individuals have doubled because of additional taxes and fees imposed on them. Many of these taxes are retroactive. That's right; it is not enough for the city to simply institute a tax, but they must charge residents extra. And all of these bills come due around the holidays.

What a particularly nice gift from the city. Kinda makes one warm all over doesn't it? *CR*

Big Government Takes a Hit in Two Cities

Voters turn out to oppose forced annexation and higher taxes in local races

By ERIK ROOT

Assistant Editor

WILMINGTON

Voters turned out in numbers higher than usual in Wilmington's primary Oct. 9 and general election Nov. 6. Not surprisingly, the issues bringing people to the polls: forced annexation and property rights.

In the primary, Katherine Moore barely avoided a run-off and was re-elected to the city council by opposing forced annexation.

Two of the three vote-getters in the mayoral primary race publicly committed opposition to forced annexation and favored government consolidation between the county and city.

Anti-annexation, pro-property rights candidate Harper Peterson ended up handing tax and annex candidate Charlie Rivenbark a loss for the mayor's seat. Though some think Peterson is largely a tax- and-spend liberal (he is a registered Democrat), he campaigned on the twin themes of consolidation and property rights. It appears that Peterson received the votes primary mayoral candidate Bill Caster received. The affable Caster received the third most votes in the primary and was a supporter of consolidation and property rights.

Rivenbark has a long history of voting for tax increases and for supporting city endeavors to tax people outside the city limits who have no voice in the electoral process. He remains boldly on the side of involuntary annexation, but he was on the fence concerning consolidation.

According to reports in the *Morning Star* of Wilmington, Peterson also ran on a fiscal restraint platform. He appears to oppose such high-cost and high-tax endeavors as a new convention center. "It takes money to run and grow a city" and the voters want to know that their money is being properly spent, Peterson told the *Star*.

Peterson was definitely the beneficiary of the newly annexed areas of the city as voters from those places turned out in great numbers to vote. For most of them, annexation and high taxes were their major concerns. The grass-roots organizations have elected one of the most conservative city governments in recent memory.

They were responsible for the primary election of pro-property rights Councilwoman Katherine Moore. Moore opposes annexation.

Newcomer Jason Thompson scored a huge upset over incumbent Jack Watkins. Thompson quadrupled his primary vote Nov. 6. The more people that heard Thompson's message, the more votes he got. Watkins was the pro-annexation candidate and a tax-and-spend proponent.

Nevertheless, local Republicans did not support Thompson despite the Citadel graduate's solid conservative message. Even though the city races are nonpartisan, the parties do recruit and get involved.

The Republican Party's refusal and, some say, downright hostility to Thompson prompted at least one conservative voter in the city to say that "Republicans in Wilmington have not seen a tax increase or forced annexation they did not like." The vice chairman of the county Republican Party, Chris Bolles, quarreled with party members over what he called a lack of principle and even stepped down for a spell. He continually supported the conservative Jason Thompson.

The victories of Thompson, Peterson, and Moore owe their success most likely to the highly organized and active group Good Neighbors of New Hanover County. While their annexation case remains before the 4th Circuit Court of Appeals, they did not sit back and do nothing. They wanted to make sure that the Wilmington city government would not take the land of others. They ultimately hope the city will deannex. It remains to be seen what the anti-annexation majority will do now that they are elected.

The city council race, as well as the mayoral campaign, offered a clear choice and the conservative message won handily. According to many voters, they are not through. They have vowed to fight for the removal of council members who, residents say, don't support property rights.

Such a message does not bode well for the remaining liberal council members such as Jack Conlin and Laura Padgett. City Manager and forced annexation supporter Mary Gornto has already been terminated.

Asheville's lurch to the right?

On the other side of the state, in Asheville a city council incumbent, Barbara Field, lost in a primary. During a city council session to draft a resolution responding to the Sept. 11 terrorist attacks she said that the hijackers were not cowards but rather, that they were "brave," the *Asheville Citizen Times* reported. Even though she apologized for her comments and tried to explain herself, the voters sent her packing.

Another city council incumbent, vice mayor Chuck Cloninger, gave up his seat when he failed to garner enough votes to make the mayoral runoff election. Cloninger's major campaign theme was to rid the area of billboards that he said polluted the sky and the daily commute.

The key fact in this mayoral primary election is that the candidates who spent the most money failed miserably.

The primary left two city council incumbents to battle Nov. 6 for the mayor's seat. The election focused on development and "smart growth" issues. Candidate Brian Peterson labeled the other mayoral candidate, Charles Worley, as "pro-business, not pro-neighborhood." Worley has supported both the multimillion-dollar convention

center plan and the building of a Wal-Mart Supercenter. He was the more conservative member of the two. Peterson was the self-proclaimed spokesman for the neighborhoods group, actually a not-in-my-backyard (NIMBY) group. He was campaigning on a theme to deter the growth and development of Asheville. A pro-business political action committee called Citizens for New Leadership backed Worley and other city council campaigns. In the end, he defeated Peterson to become Asheville's new mayor.

The city council race also provided voters with a stark choice. Joe Dunn received the most votes in the primary and continued that trend in November. He was the most conservative, business-friendly candidate on the list. He campaigned on the twin themes of jobs and tax relief. "Without jobs, we can't have the kind of neighborhoods we want," Dunn said in the *Citizen Times*.

However, the second most popular vote-getter, Holly Jones, is anything but conservative and campaigned on affordable housing. She favors taxpayer investment in housing programs and downtown development.

Jones and another like-minded but unsuccessful candidate, Brownie Newman, co-opted the looks of successful County Commissioner Nathan Ramsay. Ramsay upset a long-term incumbent. His campaign colors were red and white. Jones and Newman (who were running together in what looked like a slate) printed their campaign material (like bumper stickers) with the same colors and look as Ramsay did in hopes of capturing enough votes to win. It only half-worked.

Another pro-business candidate that won a council seat was the somewhat understated conservative Charles Mumpower. Another pro-market advocate, retired business administrator Jim Ellis, did not win election, placing fourth. However, he is rumored to be in line for appointment to Worley's seat when the new mayor takes office in December. If so, that would make Asheville's city council decidedly more right-leaning than it was under the leadership of outgoing mayor Leni Sitnik.

Voter turnout was higher than normal.

New mayor in Fayetteville

Four of five incumbents held their council seats in Fayetteville's council primary while the mayor's race headed for runoff.

Continued as "Mixed Messages," Page 15



*Across North Carolina***Mixed Messages in Local Elections***Continued From Page 14*

Mayor Milo McBryde faced Marshall Pitts in the November election. Pitts won.

Of the two candidates, Pitts was the only one supporting consolidation. Otherwise, both candidates appeared to have the same view of government and wished to use taxpayer money to lure business into Fayetteville. Pitts was the highest vote-getter in the primary.

Going after businesses was the campaign issue for Harnett County elections as well. According to the *Fayetteville Observer*, the loss of Erwin Swift Demin mill was a major cause of economic concern.

A doozy in Durham

The mayoral election in Durham turned out to be a squeaker victory for Bill Bell as the voters decided not to "Stick with Nick." This election was another example of a candidate winning the most votes in a primary but ultimately losing the general election. Republican Nick Tennyson was the top voter-getter in the October primary.

A Republican, he ran as a moderate and that did about as much good as Raleigh Mayor Paul Coble running as a fiscal conservative. A top issue was crime. Tennyson campaigned heavily on his law and order policies. Crime has been declining since 1998 in Durham and Tennyson leaves office with a larger police force in place.

Probably the biggest issue hurting Tennyson was a small business loan scandal in which the city doled out over \$800,000 in loans to business that appear to not exist. Former County Commissioner Bell criticized the mayor for his lack of oversight and leadership of the loan program.

Partisan politics was introduced into the "nonpartisan" campaign when Democratic National Committee operatives came to Durham to visibly support Bell and get out the vote. They spent \$25,000 on the race.

The Republican National Committee (and state Republican Party), on the other hand, did little to nothing. While the Republicans were sitting on their hands, Democrats secured the voice of former President Bill Clinton for a get-out-the-vote phone campaign. It worked.

Asa Spaulding, chairman of the Durham County Republican Party, said before the election that the GOP would extend an invitation to the mayor-elect after Nov. 6. Bell accepted the invitation and spoke to the Republican group.

DNC involvement has made some Democrats unhappy. Several of them have reportedly joined the growing ranks of unaffiliated voters by changing their registration.

"I just want my garbage and my leaves picked up on time and my street swept a few more times," Patrick Byker said in the *Herald Sun* of Durham. "I don't think that's a Republican or Democratic issue." Byker is also chairman of the moderate-conservative Friends of Durham.

"No taxes" message triumphs in Raleigh

Coble, who garnered most of the votes in Raleigh's mayoral primary, couldn't stop a runoff with former councilman Charles Meeker, and ultimately lost by about a thousand votes in the November general election.

Meeker ran on a "better growth" theme, focusing on broad outlines rather than specific policies. However, he did vow not to raise taxes. The no-taxes pledge represents a sea change in political attitudes in the capital city since the election of former Mayor Tom Fetzter on a tax-cutting platform in 1993. Still, Meeker's promise didn't keep him from pledging to charge Cary-like impact fees of up to \$10,000 for every home or business built in Raleigh. The town of Cary has implemented these policies, so far not generating measurable economic consequences (see the news roundup on page 17).

A majority of the voters seemed not to mind that Meeker's law firm was directly involved with lobbying efforts to push through the Triangle Transit Authority (TTA) agenda. Appearing on radio station WPTF's "Jerry Agar Show," Meeker said he could not understand how anyone would think his firm's involvement with the TTA would constitute a conflict of interest. He said he would not benefit monetarily from TTA even though he is a partner in the firm that stands to receive monies for the implementa-

tion of a transit system, explaining that another lawyer would receive the compensation. Agar did not buy Meeker's argument. Indeed, Agar was even more concerned after he heard Meeker's response.

The *News & Observer* of Raleigh endorsed Meeker for the campaign in part because he received less money from developers than incumbent mayor Coble did. The N&O also blasted Coble for failing to put enough emphasis on regionalism and for not supporting rail transit.

Meeker will be joined by Sierra Club member Janet Cowell, who campaigned that "Raleigh needs a breath of fresh air." She, like Meeker, campaigned on the rail transit plan, a ban on "clear cutting," and her involvement in the effort to stop a controversial project called The Oberlin.

Meeker and Cowell, successfully it seems, painted Coble as the political equivalent of a lumberjack who could not wait to clear the Triangle of trees. Meeker told the press that clear cutting in Raleigh was not a problem until Coble came to office.

With the victories of Meeker and Cowell, Raleigh has decidedly moved leftward politically.

No arena fallout in Charlotte

One could claim that it is more of the same in Charlotte as there were no real surprises this election. Mayor Pat McCrory easily won re-election. McCrory beat Democrat Ella Scarborough for the second straight time, but this time by an even greater margin. The victory was all the more impressive considering McCrory did not buy radio ads but instead concentrated on television. Said one voter in *The Charlotte Observer*: "I like Scarborough. I think she's good. But McCrory's been in there for a while. He's got more experience and that's what we need right now." Many voters just believed that they should not "change horses in the middle of the stream." The city council will remain in the hands of the Democrats.

What has turned out to be important is what occurred just a day after the election. Apparently, the strategy of downtown businesses and the politicians they support is to tackle the abrasive question of the new arena for the Charlotte Hornets.

Political leaders were stung this year when the voters overwhelmingly rejected the corporate welfare deal for the Charlotte Hornets.

So disgusted were many Charlotteans that the team recently set a franchise low in attendance at a recent game. Still, this apparently has not dissuaded local elected officials who — now that they are safe for two more years — are beginning another push for a "new" stadium to be built at taxpayer expense.

Don Reid, who campaigned against the arena, told the *Observer* that "if it were simply a matter of (the city contributing) land and infrastructure... that might be acceptable. If it's more than that, (the council members) have betrayed the people of Charlotte."

With professional baseball actually looking to shrink the number of franchises and voters in other cities turning down taxpayer-financed stadiums and arenas in recent years, the issue of sports subsidies would seem to be a controversial one. But supporters argue that without a taxpayer commitment, professional basketball will leave Charlotte, taking with it spillover benefits for the uptown area and the economy as a whole. Many economists dispute the existence of such benefits, however.

Over the coming months, Charlotteans will have to wait to see how their political leaders try to sell the Hornets arena deal this time.

Get off my golf course

Finally in the Buncombe County town of Woodfin, all incumbents were defeated. The controversy surrounded a government-funded golf course and the 12-cent tax increase that local elected officials passed to fund it.

The *Citizen Times* of Asheville reported many voters were angry over the construction in 1999 of the Northwoods Golf Course. The course has not performed as expected.

"When they originally built the course, it was going to pay for itself. That fell through and now we're paying for it. I really wanted to vote for this reason. It's not like this is a community that needs a golf course," said voter Ronnie Young. *CJ*

Peak Pricing Could Help Local Traffic

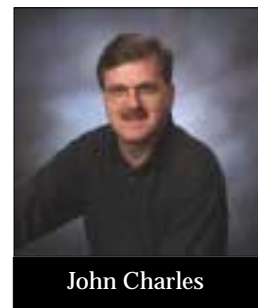
By JOHN CHARLES

Guest Columnist

PORTLAND, ORE.

The most obvious transportation problem in any major city is peak-period traffic congestion. In order to solve this problem, it's important to understand the cause of congestion. Traffic gridlock reflects an imbalance between road supply and road demand. The reason for the imbalance is that most highways are priced incorrectly.

The primary method of paying for roads is the gas tax. Unfortunately, the tax tells the motorist nothing about the relative scarcity of roadway space at certain times of day; it is just a sales tax on fuel. Once paid, the motorist perceives the cost of road access to be "free." Because other motorists have similar perceptions, they logically converge on highways at the same time. The result is traffic congestion.



John Charles

The solution to this problem is peak-period road pricing. This is a road-user fee that varies by the time of day, location, and direction of travel. The fee changes at certain times of the day because demand for road space is constantly changing. For example, at periods of high demand, we each impose delay costs on every motorist behind us. At 2 a.m., those delay costs are essentially zero. A rational user fee system has to reflect these variations.

This concept is not a new one to most consumers. We see it used widely in such applications as matinee movie pricing, time-of-day rates for long-distance calls, and off-season discounts for resorts. In these and other situations, suppliers of goods or services use fluctuating rates to help spread out demand, thus minimizing congestion and eliminating the need for expensive new facilities that might be used only for short periods of time. Peak-period tolls are collected through electronic systems that allow users to pay on the fly. Transponders are placed on all vehicles using a priced facility. Motorists establish private accounts to keep track of payments and the transactions are made through a computer.

This approach has been used since 1995 with great success. The best known example is SR 91 Express, in Orange County, Calif. SR 91 is a privately built, privately operated, 10-mile expressway that is electronically tolled and has 14 different prices, ranging from 75 cents to \$4.25. The rates are set to maintain free-flow conditions. As a result, SR 91 never suffers from congestion problems. Users report high levels of satisfaction, not just for the time savings, but for the reliability. Motorists place a high value on knowing how long a trip will take. With peak-period pricing, trip time is very predictable. Other facilities using peak-period pricing include Interstate 15 near San Diego, and all Hudson River crossings between New York and New Jersey. In April, the largest-grossing toll bridge in the world, New York's George Washington Bridge, began implementing peak-period pricing, and the change received strong endorsements from *The New York Times* and other local newspapers.

One concern with this approach is that people would be forced to "pay twice" for roads maintained through a gasoline tax. The way to address the problem is to begin reducing gas taxes and replace them with electronic tolling, at least for major highways. If those roads are supported solely through tolls, motorists will still pay only once for their use.

Peak-period pricing will not solve all traffic problems. Some regions simply need to build additional lane capacity. The advantage of road pricing is that it tells decision-makers where expansion is most needed, and it provides a ready source of cash. *CJ*

John Charles is the environmental policy director of the Cascade Policy Institute in Portland, Ore.

Local Innovation Bulletin Board

Feds Fund Stupid Growth

The Environmental Protection Agency has given more than \$500,000 to "smart-growth" advocacy groups in 2001. This is on top of the \$1.5 million it gave to smart-growth groups in 2000 and the \$6 million it gave in the late 1990s.

Most of these groups use the funds to either lobby for smart growth in their local areas, to "educate" the public about smart growth, or to hold conferences so smart-growth advocates can meet and work on their political tactics and agendas.

Some of these groups are associations of government officials whose staffs lobby various government officials in favor of smart growth.

I have identified the following 2001 grants as smart-growth grants:

Recipient	Amount
Local Gov't Commission	\$10,000
Alts for Communities & Env	\$20,000
Grow Smart Rhode Island	\$20,000
1000 Friends of Penn	\$45,000
Cong. For New Urbanism	\$35,000
Gulf Coast Institute	\$35,000
Vermont Forum on Sprawl	\$10,000
Earth Island Institute	\$15,000
Vermont Forum on Sprawl	\$25,000
Nat Conf of State Legislatures	\$10,000
Center for Clean Air Policy	\$225,000
Friends of Florida	\$50,000
Environ. League of Mass	\$10,000

Also in 2000 the EPA gave \$100,000 to Environmental Defense to promote "commuter choice" (mandatory reductions in driving), \$200,000 to the Conservation Law Foundation to promote a rail network, and \$346,000 to various other groups to promote smart growth in one way or another.

The above information was obtained from the EPA grant database (http://www.epa.gov/envirofw/html/gics/gics_query.html).

Curiously, this database has been purged of any information about past grants given to the Surface Transportation Policy Project or certain other of the EPA's former "transportation partners." It is difficult to know how many other grants are not in the database.

EPA grants may pale in comparison to grants given out by the Federal Highway Administration to government agencies and nonprofit groups under Section 1221 of the Transportation Efficiency Act of 1998.

This section is supposed to fund "Transportation and Community and System Preservation Pilot Programs." Inspired by 1000 Friends of Oregon's "LUTRAQ" (Land Use, Transportation, Air Quality) studies, many, though not all, of the TCSP grants go for research or studies promoting smart growth.

According to the TCSP web site (<http://www.fhwa.dot.gov/tcsp/index.html>), the program has given out more than \$90 million since it began in

1999. The FHWA expects to give out another \$30 million in the next two years.

Most or all of the grants go to a government agency, but the law specifically allowed the agency to "partner" with nonprofit groups. For example, New Jersey Transit received \$535,000 to plan for "transit-friendly communities."



By Randall O'Toole, Policy Analyst

The grant proposal specifically states that NJT will share the money with other groups "to leverage the talents and resources of its nonprofit and government partners leaders in smart growth, community and downtown revitalization, regional planning, and public education."

Four non-profits are specifically mentioned, including: Downtown New Jersey, New Jersey Future, the Project for Public Spaces, and the Regional Planning Association.

The Central Puget Sound Region (a regional government) received \$400,000 to promote "transit station communities."

The grant says that the funds will be shared with 1000 Friends of Washington, which will do "public education," including "community forums and radio ads."

Other "partners" are the Transportation Choices Coalition, Washington Environmental Council, Livable Communities Coalition, Bicycle Alliance of Washington, and Sustainable Seattle.

Unfortunately, the TCSP web site does not yet provide detailed information about most of these grants. The grants page on the TCSP web site (www.fhwa.dot.gov/tcsp/projects/Searchdb.cfm?function=public) includes a \$600,000 grant given to the Lane Council of Governments in Oregon.

This money helped pay for a "smart-growth" newspaper insert that was sent to 450,000 households in Oregon. The Willamette Valley Livability Project, a group that was created by 1000 Friends of Oregon, wrote the insert, while the Lane Council of Governments only helped with the layout (so the insert says).

But the TCSP grants page does not mention the Willamette Valley Livability Project or other partners. The web page promises to eventually fill in the blanks for many of these projects.

However, it appears many TCSP grants are used by government agencies to develop smart growth plans.

These agencies share the money with nonprofits so that the nonprofits can engage in public lobbying for those proposals. This subverts the laws in many states that forbid the government agencies from lobbying. CJ

This report was written by Randall O'Toole. O'Toole will be a featured panelist at the Center for Local Innovation's "Innovate 2002" conference to be held in January. See pages 14 or 24 for more details on the event, which will be held in Durham.

Commissioner Richard Johnson Swims Upstream in Dare County

By ERIK ROOT

Assistant Editor

MANTEO

CJ: What prompted you to run for county commissioner?

Johnson: I have never been involved in politics. Never been involved in the Republican Party other than to be a Republican. A friend came to me and asked that I run. My first response was I don't want to do it.

I was teaching Sunday school and I always told those in the class that they should stand up for what they believe in — to always stand up for what was right no matter what — and as I studied I came to the conviction that we are obligated to stand up for what was right in politics, too.

One Sunday church was called off because of a snowstorm that went through the area. Most people could not get to services. I listened to three sermons that day at home and all three had the same message: If you are going to make a difference and stand up for what you believe, you must be involved.

I decided then to run. I ran against an incumbent who was vice chairman. He was a member of several boards. He did support big government and was more liberal than I am. I am real conservative, but had no political experience at all. Most did not give me a chance to win, save the chairman of the county Republican Party. Many did not give me a chance, and as a result I did not receive much financial support.

My first election I had about \$2,700 that I ran my campaign with. I bought hats that said "elect Richard Johnson." For a \$20 donation I would give someone a hat. So, half of what I had went into the hats.

In my second race I was re-elected (and somebody told me, I have not looked into this, that I am the first Republican commissioner in Dare to be re-elected) even though the Democrats outnumber the Republicans about 4 to 1. In the second campaign I only had about \$3,000. So, I have not had a lot of funds. I sold shirts that year.

Many of the people who have supported me and my campaign were openly Democrats. In Dare County you have to realize that you have a significant amount of conservative Democrats.

A lot of Republicans run and they run like they are anti-Democrat instead of just saying they are conservative. I don't care who I work with. If that person is a conservative, honest, and fair, I don't care if he's a Democrat or not.

CJ: So, then, has it been easy to work with your fellow commissioners?

Johnson: Politics rears its head every once in a while. I think that most people realize if I vote against them it is not for partisan reasons but because I simply disagree with a certain position they are taking. And I think that those who have voted against me is not for partisan reasons but because they disagree with me.

I am a Republican because I am a little more conservative than Democrats who are more liberal. If I cast a vote against a more liberal cause I think people understand it is because I am a conservative first.

The other commissioners have worked with me and not shut me out. I have been appointed to boards and commissions. I think they have given me opportunity and have worked with me. I think I am being

treated fairly. I mean, they are not going to nominate me for chairman. With six Democrats and one Republican they are probably going to keep some things for themselves. But they have been fair.

CJ: This is your second term. What is the biggest issue facing Dare County?

Johnson: Schools. Schools, bar none. We have a school board that wants another high school built. The school is to hold about 850 students. They sent us a note that they could not complete the school for \$30 million. I think we are looking at \$36 million to complete it with a \$2 million operating cost.

We just raised taxes, too, against my vote, by about 6 cents because we had to address the \$30 million high school issue.

We are completing a \$10 million elementary school that will have an \$800,000 annual cost above what we are paying now. In addition, they are talking about another \$15 million elementary school at the beach,

which I am sure will bring us about \$1 million in additional cost to educate the same amount of students because you have to heat these buildings, hire groundskeepers and kitchen people.

CJ: Any other issues?

Johnson: We have issues facing us in terms of beach renourishment. Our tax base is eroding away and falling into the ocean. The motels and

restaurant owners are going to pay a one-cent tax that will go directly to beach renourishment. Basically the tourists will be paying for those projects.

We have the same issues that everyone else does, really. The sheriff wants more money, and so do the deputies. They find that another county pays more and they leave. It becomes a constant bidding war for police protection, the same way it is for teachers.

CJ: Are unfunded mandates, in such areas as Medicaid, causing Dare County much strain or difficulty?

Johnson: Well, for Dare County it is not really too bad. When the state passes these mandates down... we have such a strong tourist economy that we do all right in meeting them. Of course with everything going on in the nation, that could change. If all the tourism goes away, then we will be in worse shape than other parts of the state.

Unfunded mandates have not been as big an issue as others yet. What does matter is the state saying that they are going to fund class-size cuts in schools but do not fund the additional space needed for classrooms.

This is challenging when we do not have the money to build more classrooms. It almost amounts to adding a wing onto every school we have. So they are dictating class size, but not funding schools. That kind of unfunded mandate costs our county a ton of money. I am not sure I agree with the reduction in class size.

If you look at other countries with high scores, as I understand it, their class sizes are bigger than ours. I think a lot of this stuff surrounding class size is feel-good. We need to become more responsible in our approach. Not everyone can be mainstreamed. If a student is not passing a grade they need to be dealt with differently. CJ



Richard Johnson

From Cherokee to Currituck

An Epidemic of Laws Usurps the Rights of State's Homeowners

By ERIK ROOT
Assistant Editor

In Pittsboro, the state of North Carolina gave the city \$1,400 to distribute 200 bicycle helmets, according to the *Herald-Sun* of Durham. The helmets were provided free to toddlers and adults.

One wonders how the state was able to afford such a luxury, given the budget crisis it is in.

Nevertheless, Pittsboro gave away the helmets at taxpayer expense because of the new law called the North Carolina Child bicycle Safety Act. The law requires all children under the age of 16 to wear bicycle helmets.

Water ordinance in person

The Person County commissioners passed a water ordinance that would require new homes and buildings to hook up to a water line if the structures are within 300 feet of it, the *Herald-Sun* of Durham reports.

Existing homes or businesses would have to be hooked up to the line only if their wells fail and owners cannot drill a new one because of health hazards.

The ordinance, which at first did not include the exception, will allow for some freedom of choice. Nevertheless, at least one county commissioner, Eugene Berryhill, opposes the ordinance, claiming it isn't worth "two hoots and a holler."

Some citizens oppose the ordinance,

RALEIGH

too: "It appears that y'all are not listening to the citizens who put y'all in there. This is our county, not yours," said county resident Billy Timberlake.

Granville Taxes Spike

Granville County property taxes will rise dramatically after that county's revaluation. Tax Assessor Danny Faucette said in the *Herald-Sun* of Durham that property values have risen 54 percent.

Apparently Granville has decided not to embark on a revenue neutral revaluation.

"People need to understand that their taxes will probably go up and they need to know that the revaluation will reflect that. Anyone who has

questions should bring them before the commissioners and not wait until next year before they voice their concerns," Commissioner Herbert Gooch said. "It's not a happy time for people," Commissioner Tony Cozart said. But while the county is raising taxes and officials admit that tax bills will increase dramatically, it is unclear why they have to increase so much.

Recession? Increase art spending

Cary is considering spending more taxpayer money on public art, the *News and*

Observer of Raleigh reports.

According to the ominously named public art task force, the town of Cary could spend \$1.2 million on public art. It would also create a permanent public art program and a commission to administer projects.

"Done properly, public art... is a draw, it's a way for people who come into your community to remember it" said Jennifer Murphy, a consultant based in Charlotte.

Murphy assisted in the development of the plan espoused by the task force.

The town asserts that art will draw the disparate communities together and make the town "tighter." Mayor Glen Lang appears opposed to the projects and thinks the money would be better spent on roads and

schools.

The in-humane society

The Humane Society of Lincoln County wants the Lincoln County commissioners to pass an ordinance requiring dog owners to build their dog houses to certain specifications. The ordinance would tell dog owners how to build the houses and where to build them, according to the *Charlotte Observer*. The Humane Society is concerned that the current ordinance doesn't provide animal control officers to force dog owners

to move their pets into the shade on hot days.

"If a dog owner has a shelter that is weather-worthy, and he feeds and waters his dog, in my opinion he's taking care of his animal," Commissioner Larry Craig said. If the ordinance passes, in the summer owners will have to provide enclosed doghouses with a roof, floor and doorway opening. The doghouse will have to be positioned in the shade as well. In the winter, owners will have to make sure their dogs are protected from the cold, wind, rain, snow, or sleet.

Wasted in Atlantic Beach

Private companies are the best available means for cities and other local governments to capitalize on the natural innovative technologies that come from such an enterprise.

"The track we are pursuing is to let the private companies come in and use their innovative technologies," Commissioner Doug Harris said in the *Daily News* of Jacksonville.

Some of the town's residents have failing sewer systems and others are concerned about getting waste off the island.

Harris thinks privatization will allow the town to keep bills at \$50 a month.

A study by the Maryland-based firm Infrastructure Management Group Inc., conducted a study for the town to make sure a system would pay for itself with reasonable charge for the service. The study was paid for by grants. *CR*

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From the Liberty Library

- The Cato Institute has published *Medicare's Midlife Crisis* by Sue Blevins, president of the Institute for Health Freedom. The book examines the program's origins, evolution, and future policy options. Blevins recounts how Medicare was created as part of a larger plan for universal health insurance, and points out how Medicare costs grew far beyond the original estimates used to muster political support for the program. She also finds that Medicare restricts health care choices, jeopardizes the doctor-patient relationship, and threatens to invade the medical privacy of seniors. More information on the book can be found online at www.cato.org.

- Earlier this month Regnery Publishers released *Bias: A CBS Insider Exposes How the Media Distort the News*, which according to news reports has caused an uproar at author/reporter Bernard Goldberg's former place of employment. In his book Goldberg writes about widespread media bias among the major network news divisions, and reveals specific examples through his own experience at CBS. He portrays CBS executives as patsies for "Evening News" anchorman Dan Rather, and says news division President Andrew Heyward told him, "All the networks tilt left." An anonymous CBS executive told the *Drudge Report* that Goldberg was a "traitor" and a "bitter man who is now determined to settle a score."

- Also out from Regnery is Casper Weinberger's *In the Arena: A Memoir of the 20th Century*, a collection of the former defense secretary's personal reminiscences. Throughout the last century Weinberger has been at or near the front lines of history, whether reporting to Gen. Douglas MacArthur on the movement of the Japanese fleet, listening in stunned silence as President Richard Nixon dismissed his entire Cabinet the day after he was re-elected, or joining President Ronald Reagan on the White House lawn as they welcomed back the hostages who had been held captive in Iran. Weinberger provides a window on personalities and motivations of other leaders such as Margaret Thatcher, George Bush, and Henry Kissinger, and their effects on history. More information on Regnery titles at www.regnery.com.

- More fond recollections of the Reagan years can be found in Peggy Noonan's *When Character Was King*. She contends that the one thing a man must bring into the White House with him if he is to succeed is a character that people come to recognize as high, sturdy, and reliable. The former Reagan speechwriter and current *Wall Street Journal* columnist argues in the book that the true source of Reagan's success was his character — his courage, his kindness, his persistence, his honesty, and his patience. Noonan reflects on her own memories of Reagan and discloses never-before-told stories from his family, friends, and White House colleagues to reveal the true nature of the man. A Viking Press title, at www.penguinputnam.com. *CL*

On Culture

"...Find Them All, and in the Darkness Bind Them"

By JOHN HOOD

Publisher

In case you've been living in a cave for the past few months — and if so, various members of the U.S. armed forces are probably looking for you — the first of three films based on the *Lord of the Rings* trilogy is being released this month.

I am not going to regale you with lengthy accounts of the books or their cultural influence. Far more knowledgeable people than I have been and will continue to do so. Moreover, as with writing on Star Trek or G.K. Chesterton, a halfhearted attempt to opine about an author like J.R.R. Tolkien will only get one into trouble, as there is always someone out there who knows a lot more about the subject than you do — and is likely to prove it at the slightest opportunity.

But I did have a thought about the timing of the "Fellowship of the Ring," the first part of the trilogy. It comes as the United States faces an evil adversary of worldwide power and influence. Like the dark forces led by Sauron on the book, Islamic terrorism respects no civilized bounds and is completely self-aware; it knows that it can-

not stand the light of day and must prevail by fooling others into advancing its cause whether they realize it or not.

In the first book, Frodo the hobbit is charged with the task of destroying the Ring that his forebear Bilbo had "burgled" in a previous story, simply called *The Hobbit*. The Ring is the key to defeating Sauron and those who use other rings of power he has forged; its inscription reads: "One ring to rule them all, one ring to find them, one ring to bring them all and in the darkness bind them."

But Frodo is not charged with completing this task alone. A "Fellowship of the Ring" forms to include a wizard, an elf, a dwarf, two humans, and three other hobbits. Their adventures are colorful, spellbinding, and immensely entertaining. Yet at the end of the day, as some have fallen and others have gotten sidetracked, it is left to little Frodo and his loyal friend Sam to take the Ring to the towering volcano where it was forged, there to be destroyed.



Frodo the Hobbit draws his elvin blade, ponders the ring. (New Line Productions Inc., 2001)

My thought is simply this: right now, America enjoys the fellowship of other countries in its war against terrorism. But as the conflict escalates and expands, these allies may fall away, or in some cases be overthrown. Like Frodo and Sam, we may ultimately face alone a seemingly insurmountable challenge. One can only hope that we rise, like they, rise to the challenge and vanquish the evil that threatens us. *CL*

Book Review

Professor Ebeling Explores Threats to Freedom

By GEORGE C. LEEF

Contributing Editor

Richard Ebeling, Editor: *Competition or Compulsion? The New Market Economy versus the New Social Engineering*, Hillsdale College Press, 2001, 241pp.

There is a chameleonlike characteristic of the enemies of freedom — they keep changing the appeals they use to get people to surrender liberty and property. During the Cold War period, those who favored central control over individual freedom importuned people with the absurd claim that state control over the economy would both be more fair and make us more prosperous.

Now that they realize good old-fashioned socialism is almost impossible to sell, they have switched to a new set of claims calculated to be more appealing to Americans who are, for the most part, rather affluent and unlikely to be swayed by even toned-down Marxism.

Now the siren songs of the authoritarians are more apt to appeal to the fears of those affluent people, saying that they might lose their comfortable living unless the state is given further powers.

The new social engineering

The subtitle of this book is a good description of the current sales pitch: the new social engineering. The challenge to the free market now comes not in the strident red of Lenin, but in the muted earth tones of environmentalism, the "antisprawl" movement, the "precautionary principle," and similar notions, all designed to seduce comfortable Americans into the embrace of collectivist policies pushed by politicians and goups dripping with concern and compassion.

The new social engineers have figured out that the old adage is true — you do catch more flies with honey than with vinegar. That makes them all the more dangerous.

In the most recent addition to Hillsdale's Ludwig von Mises Lecture Series, editor Richard Ebeling has collected 12 essays ex-

ploring the threats to freedom posed by the new social engineering. "The contributors," Ebeling writes, "all warn of the continuing danger from the idea and ideology of the social engineer, in all its modern transformations."

The first and by far the longest essay in the book is by Professor Ebeling himself — "Planning for Freedom: Ludwig von Mises as Political Economist and Policy Analyst." Ebeling's wide-ranging discussion touches upon numerous interesting points in Mises' career before World War II, including an exchange with Hayek in which Hayek accused Mises of "extreme rationalism."

Unless you happen to be among those people who think that there is virtue in "partial rationalism" or "occasional rationalism," this comment is certainly a mark against Hayek.

Most of the essay, however, concerns Mises' analysis of the untoward effects of government intervention in the free affairs of men.

One of the chief problems of interventionism, he observed, was that it inevitably creates ripples of disturbance in other human endeavors that then seem to require further intervention by the state.

Ebeling writes, "Thus, in Mises' construction of the logic of interventionism, a 'dynamic' is set in motion that generates the potential for an ever-expanding circle of interventions due to the disruptions previous interventions have created." At the time, the problem Mises was thinking about was efforts at central economic planning, but his insight applies with equal force to the "new social engineering."

Those who want to reshape society are no more able to stop with just a few measures of control than were those who desired to reshape the economy.

My favorite essay in the book is by Virginia Postel, "The Future and Its Enemies: Dynamism vs. Stasis." The essay, of course, has its roots in her book "The Future and Its

Enemies," but is not simply a reprint of a chapter. It's a fresh look at what I regard as the key battleground in the current war between freedom and authoritarianism, namely the fight over the desirability of progress.

Stasis menaces progress

Postrel's argument is that our ability to make progress is menaced by the forces of stasis. That is to say, there are people who contend that humans live well enough (or even too well) already and ought not to jeopardize what we have by permitting others to experiment with new products, methods and ideas.

She quotes British philosopher John Gray, who whines that freedom fosters "the malady of infinite aspirations." Proponents of stasis would like to tell us just what our aspirations may be. Another excellent contribution comes from Fred Smith of the Competitive Enterprise Institute. He compares the current

fight over "globalization" with the "Progressive Era" in the United States.

Smith points out that then, as now, most intellectuals sided with the forces of control rather than with liberty. In the Progressive Era, when change meant increasing government control, they favored change, but in the modern era change means ways for people to escape from control and, Smith says, intellectuals have become the reactionaries.

Other essays in the book are by George Bittlingmayer, Allan Carlson, W. Michael Cox, Peter Ferrera, Vaclav Klaus, Nancie Marzulla, Patrick Minford, Sam Staley and Walter Williams. The book is a worthy continuation of the fine Hillsdale series. *CL*

George C. Leef is book review editor for *Ideas On Liberty*.

Movie Review

'Harry Potter' Leaves No Stone Unturned for Kids — and Adults

By NATHAN LINTNER

Editorial Intern

RALEIGH

Harry Potter and the Sorcerer's Stone, 152 min., Rated PG

Part of Shakespeare's genius was his ability to write plays that appealed to diverse audiences. In 15th century London, uneducated commoners stood on the floor of the theater and were entertained by the story's action and drama, while in the gallery and gentlemen's rooms the more wealthy and educated classes interpreted mythological and classical references and regarded themes centered on the popular studies of the day. In today's cinemas this sort of dual appeal, while perhaps less prominent than it should be, survives.

In good movies, an entertainment quality satisfies audience members who crave nothing more than a good time, while a subtle intellectual ingredient stimulates the more ambitious viewer with societal, philosophical, historical or political commentary.

This dichotomy also applies to children and parents at family or children's movies. Usually, of course, it is the child who desires entertainment and the accompanying parent that hopes for a substantive and meaningful story. Adults can often appreciate a story's creative and literary components and be entertained by the talents of the author, regardless of whether the content is marketed specifically to them.

Adults will be stimulated

While the imaginative qualities of *Harry Potter and the Sorcerer's Stone* will doubtless captivate children, it is visually stimulating and creatively entertaining and will also engage the interest of most adult viewers. Fans and students of classic poetry, literature, alchemy, magic, and the sciences should be especially receptive, but imagi-



native moviegoers looking to have fun with a special-effects-packed yet innocent story will likewise be pleased.

The film is based on the first of a hugely popular four-book series by British author J. K. Rowling. However, viewers who did not contribute to the books' popularity will have no trouble following the plot or being entertained. In fact, audience members who have not read the books may even enjoy the movie more than the Harry Potter buff whose knowledge of the storyline will diminish the element of surprise or suspense.

The story centers on the life and early training of a boy wizard (Harry) and details the trials and discoveries that his character encounters along the way. The names and terms are unusual, but thanks to the visual medium, a strict knowledge of them is not required, though remembering names will prove helpful when a character is spoken of but not seen.

The actors are British and as such, prestigious accents abound. While the initial setting is London, the majority of the action does not take place there, but in a type of hidden world. In fact, the story assumes two worlds. One, that of Muggles or "non-magic folk," is visually indistinguishable from the modern world in which audience members themselves live. The other is a world where wizards, witches, magic, and the like, are the norm and where the manner of dress, architecture and absence of certain technologies offer a setting that is mostly pre to contemporary 19th century in appearance. Inhabitants of each world are aware that the other exists, but only characters who possess magical abilities can travel between the two at will (so long as they know where the secret corridors lie). Muggles are confined to their own world.

Crusade for Sorcerer's Stone

Harry and his two schoolmates serve as the main characters as they embark on a crusade to save the sorcerer's stone and protect the forces of virtue. As the plot unfolds, the three characters experience several miniadventures that include two encounters with a vicious three-headed dog, a battle with a giant troll and a journey through the dark forest, where unicorns, centaurs, werewolves and creatures of the night roam.

The BBC reported in November that 60 Australian schools had banned the Potter books from their libraries because of concerns that the content might encourage children to experiment with the occult. Certain groups have voiced similar concerns about the movie.

Chick Publications has produced an information video entitled, *Harry Potter: Witchcraft Repackaged, Making Evil Look Innocent*, the aim of which, according to the company's website, is to reveal "how completely occult is the world of Harry Potter." The website states that due to the books' popularity, "the ancient occult religion of Wicca is being introduced in almost every public school in America."

The movie is an accurate depiction of the first book and has enjoyed similar popularity.

But to assert that J. K. Rowling created the story with the intention to turn children onto mysticism or make them imitate occult practices represents a faulty and shortsighted

interpretation of the film's visual and textual information.

The characters' words and actions repeatedly suggest that spells are not to be cast for spite or vengeful purposes and the forces of good are preferred to those of evil throughout the story. Despite some characters' misuse of magic, it is taboo to cast spells and practice witchery in the Muggle world and the main antagonist is defeated.

The film's central themes are love, friendship, honor, trust and selflessness; in the resolution evil and mischief are not rewarded. The characters who embody the most positive themes are children; their righteousness serves as a model of proper conduct and it is with them that the audience most strongly sympathizes.

Harry Potter and The Sorcerer's Stone, while no *Hamlet*, is an entertaining family film that will resonate with educated and perceptive adult audiences. Excellent visual effects and computer-animated creations make it a great big-screen experience — most will leave the theater satisfied and conclude that it was worth the money. *CL*

Book Review

'Sleeper' Tattles on Left Wing's New Thought Police in America

By CHARLES DAVENPORT JR.

Contributing Editor

RALEIGH

Tammy Bruce: The New Thought Police: Inside the Leftist Assault on Free Speech and Free Minds, Forum, 2001, 268 pp., \$23.95

Since Sept. 11, the term "sleeper" has imposed itself on the American vocabulary, but the concept of an enemy within is nothing new.

Even in the relatively innocuous realm of political philosophy, shadowy villains abound, and the latest example is Tammy Bruce. Her recently published book, *The New Thought Police*, serves as a reminder that in the arena of ideas, as elsewhere, the internal enemy is the most feared.

This is a breathtakingly honest book that offers an insider's view of the activist Left, including the National Organization for Women, the National Association for the Advancement of Colored People, the American Civil Liberties Union, and others. Her credentials as a sleeper fortify what might otherwise be condemned as just another vicious right-wing assault; Bruce is not only a former president of the Los Angeles chapter of NOW, but also a self-described openly gay, prochoice, gun-owning, prodeath penalty, liberal, voted-for-Reagan feminist.

Given the potency of her message, she will be declared either an intellectual terrorist or a freedom fighter. And all but the most hardened radicals will choose the latter. In fact, many readers of the activist persuasion will be compelled to acknowledge a dreaded truth: The Left has a newly anointed nemesis, the likes of which it hasn't encountered since the emergence of another sleeper, David Horowitz. His philosophical journey foreshadows that of Tammy Bruce, who quotes him favorably.

Disillusioned by the murder of his friend Betty Van Patter in the early 1970s, Horowitz, the son of communists and an associate of the infamous Black Panthers, cast aside his left-wing colleagues.

Soon thereafter he skewered his former ideology in a series of books including *Radical Son*, *The Politics of Bad Faith*, and *Hating Whitey*, all of which were damning indictments of the Left. Consequently, Horowitz is a particularly contemptuous figure in activist circles.

A similar degree of disdain surely awaits Ms. Bruce, who assails a host of liberal sacred cows: Multiculturalism is not about exotic restaurants and charming street fairs.

It is a code word for moral relativism. Accepting the notion that all ideas and systems are equal precludes a willingness to

think critically about what surrounds us. Furthermore, a multicultural society encourages and rewards arrogance, pride, and separatism.

The persuasive power of common sense is paraded again when Bruce addresses the dangers inherent to hate-crime legislation, another pet cause of the nihilistic Left: Make no mistake — hate crime is a euphemism for Thought Crime, allowing the government to gain the public's assent to prosecute people for what they think in addition to what they do. This is a potent argument, yet it is not quite sufficient to illustrate her thesis.

The essence of Bruce's book

But this will do nicely: The Left implements speech and mind control because they know they cannot truly persuade on the issues; silencing the opposition becomes their only recourse. There, in a nutshell, is the essence of *The New Thought Police*. In short, the radical forbids a forthright discussion for fear of revealing his own intellectual puniness.

Isn't it ironic that left-wing activists congratulate themselves for celebrating diversity, and for their morally superior sense of tolerance, while simultaneously insisting that traditionalists are bound and

gagged? Many readers will find it reassuring to know that at least one lesbian, prochoice liberal not only concedes the presence of, but also resoundingly condemns, this flagrant hypocrisy: Look around you. Labels such as racist, sexist, and homophobia are routinely used to demonize anyone who doesn't support the leftist agenda.

So eclectic is the author's philosophy and so wide is the range of her targets, that nearly every reader will stumble across an issue here and there on which he and Bruce disagree. Such is the nature of a book that defies convention.

In fact, Bruce was kind enough to include the obligatory chapter on media bias: "In general, the fact that journalists are usually on the Left has been a good thing for me and any other feminist. The issues I've worked on, such as abortion and women's rights, have historically been well-received and supported by the Left. I've felt lucky that I was on the same side as those who program the news." But since alienating herself from NOW, she writes, "I've found out what it's like trying to get your message out when you're on the wrong side of an issue."

Welcome to the conspiracy. *CL*

Charles Davenport Jr. is an op-ed columnist at the Greensboro News & Record.

Editorials

DMV DERELICTS

Asleep at the wheel on drivers' licenses

State government has an obligation to ensure that drivers' licenses and other forms of state-authorized identification are legitimate and not tainted by doubt. In North Carolina, the state is failing miserably at this minimal task. Given the horrors of Sept. 11 and the proved connections to terrorist machinations, the citizens of our state should be deeply concerned about the demonstrable incompetence of state government.

Sadly, much of what has happened with respect to the N.C. Department of Motor Vehicles and its issuance of licenses and other forms of identification — as reported in last month's *Carolina Journal* — offers little solace as to either the integrity of state-issued identification or the probity of the system.

Current events demand that we pay due attention to a greater degree than we otherwise have. The integrity of any state-oriented identification procedure is vital also to the security of our homeland and that of our freedom.

As it is, North Carolina has issued drivers' licenses to those who have lied about Social Security numbers, the status — or lack thereof — of citizenship, home addresses, true names, the eligibility to vote, and insurance coverage. In 1997 almost 400,000 licenses were issued to people who said they did not have Social Security numbers. Of that total, many were illegal aliens or nonresidents of our state.

Whether the goal is to disguise one's identity, falsely claim the possession of liability insurance, evade DWI penalties, or skirt immigration law, it is clear that our state has become a national source of illegality.

Et tu, Mike Easley?

With the attorney general's office — at the time headed by one Mike Easley — asleep at the switch, not yet having issued a governing opinion on questioning standards promulgated on July 12, 1999, one wonders what, if anything may have happened since the terrorist attacks on the American homeland on Sept. 11. Given what has transpired through the DMV, to call its inattention to a sheer case of negligence and incompetence is to be too kind.

Wayne Hurder, director of the DMV's Driver License Division, SBI agent David Barnes, Larry Leake, chairman of the State Board of Elections, and then Attorney General Easley all presumably knew over a year ago of malfeasance in the issuance of drivers' licenses. We have credibly reported that Easley should have known full well of problems in Madison County having to do with inadequately confirmed identification of illegal aliens and did absolutely nothing about it. And if he did not know, what does that tell us about the job he did as attorney general? Given his performance to date as governor, however, perhaps we shouldn't be surprised by the reticence he exhibited on this matter. But who knows? Maybe the fact that Leake is a political ally of Easley's who also helped him raise money

for his gubernatorial race has something to do with Easley's inattention to enforcing the law.

At one time the actor Peter Sellars was asked by a fan, "Are you Peter Sellars?" Sellars said "Not today" and walked away. In North Carolina apparently this man could say the same thing and get a driver's license. Easley, it seems, would surely approve.

Given the events of Sept. 11 and North Carolina's renown as a haven for those seeking fraudulent drivers' licenses and identification, actions by the legislature this year to tighten procedures for the acquisition of these state-issued documents are a day late and a dollar short. When noncitizens and nonresidents can get official state-issued documents of such importance, not to mention actually register to vote, confidence in government at all levels suffers. And deservedly so.

All things in life require checks and balances. Willa Cather wrote in her novel "Alexander's Bridge," circa 1912, that "no one can build his security upon the nobleness of another person." Honor and integrity are good and necessary in both public officials and in the execution of the law. We cannot safely assume, especially in light of this drivers' license and identification imbroglio, that our public officials are necessarily noble and attentive in maintaining the security of citizenship against the transgressions of those who subvert the law, with the connivance of the state, to hide their true and often malevolent purposes.

When four top state officials essentially ignore such a serious problem as *Carolina Journal*, the *New York Times*, and CBS News have reported on regarding our State Department of Motor Vehicles, there are ample reasons for the citizens of the state to lose respect for the government that claims to represent them.

WAR CRIES

Campus left full of mush, as usual

With America at war, our university and college campuses — with a professoriate now infested with '60s left-wing radicals — seem unable to foster a serious public policy debate about the relevant issues. North Carolina State University, the University of North Carolina at Chapel Hill, and UNC-Wilmington among others have hosted panels largely dedicated to trashing the United States for having the umbrage to respond to the attacks of Sept. 11 with military force.

While inviting Osama bin-Laden and the Taliban's Mullah Mohammed Omar to partake of an afternoon tea seems a ridiculous option, many of those floundering about in academe, where the real world rarely intrudes, seem to think that such a tete-a-tete will help us to understand why such hatred is directed at the people of the United States.

We have little interest in facilitating a theological discussion about the justification for war. We were viciously attacked and President Bush is properly seeking out those responsible and wants them, yes, "dead or alive." While

we all may have our preferences or objections to one or the other alternative, the pooh-bahs of "peace" in their ivory towers are sad little people with apparently little understanding that, yes Virginia, there actually are truly, demonstrably, and basically evil people in the world. Instead, we have Paul O'Neill in a forum at N.C. State claiming "every war the U.S. has started in the last 50 years was against people of color" or ignorant history professors such as State's Akram Khatar spewing foolish bromides (he said the war is about "oil").

Stan Goff, a "professional antigovernment protester" — whatever that means — suggested the events of Sept. 11 were simply a U.S. government plot to justify war and build a Central Asian pipeline. These people are, charitably put, fools with no obvious knowledge of history and a blinding contempt for America.

As early as August 26, 2000 Easley should have known of problems with the issuance of drivers licenses.

Whatever the idiocies mouthed by the professoriate and the rest of the radical hive that swarms around tax-funded universities, those who whine about encouraging a "cycle of violence" need to rethink their analytical process. America did not start this war. We have no choice but to take our message home, forcefully, to our enemies.

This is, in fact, a rare moment when utilitarian motivations are applicable. With the Islamic fascists having killed thousands of innocents both here and abroad, the lives of many more will be saved when our mission is complete and the miscreants imprisoned or, preferably, killed.

In the meantime, our culture continues a misguided and evolving degradation of language. Censorship's primary definition suggests that one is attempting to prevent the dissemination of information and ideas by force of law. Many campus potentates, including Chancellor James Moeser of UNC-Chapel Hill, responded to the ridicule of taxpayer-funded "peace panels," in which America has been trashed and denigrated for defending itself, by whimpering that others were trying to engage in censorship when they voiced objections to the one-sidedness of these forums populated by those who would rather sit in a circle, chant "kumbaya," and "dialogue" with murderous thugs so we can understand why they *really* hate us. Then we can all have a group hug, they can go on about their massively murderous ways, and, for ignorant peaceniks, the world will smell of flowers once again.

In truth, as Michael Barone wrote for *U.S. News & World Report*, the only true attempt at the suppression of speech has been by those who want to stifle pro-American sentiment.

9/11 and the Reichstag Fire

Do we exaggerate about the abhorrent nature of the campus dialogue? Well, at the Sept. 21 "dumb-in" — organizers called it a "teach-in," further degrading the language — leading participants equated America with Nazism and called for our country to apologize to "millions of other victims of American imperialism." Goff, the "professional antigovernment protester" — hint; get a real job pal — compared the attack on America with the Hitler-induced Reichstag fire, apparently suggesting that 9/11 was some sort of propaganda ploy.

At another "dumb-in," this one at UNC-Wilmington, Lisa Pollard, an assistant professor of history there, said "what is it we can do, after bringing Mr. bin Ladin to trial, to be less of a terrorist?"

Forget the use of a superlative and respectful title for a mass-murdering thug and forget for now the idea of a trial for bin Laden, which would be most unwelcome. (Should it come to that, he *should* get a fair trial — albeit a short, sweet, and secret one by a military tribunal — and then be summarily executed along with as many of his henchmen as we can get our hands on.)

What remains most disturbing about these campus events is that, in environments where the pursuit of knowledge and free discussion of ideas should be sacrosanct, we are faced with intellectual midgets who seem to think they are being subjected to censorship if some openly disagree with the infantile notions they promulgate at our expense.

The campus leftists demonize America, demand that patriotic slogans not be posted in public, and corral their forces to strike "God bless America" from our lexicon. If they had the true courage of their alleged convictions they would be in Afghanistan right now trying to have a "peaceful dialogue" on American foreign policy sins with Osama bin Laden and his brutal al-Qaeda henchmen. But if they want to give aid and comfort to the enemy they shouldn't be surprised at an angry and vengeful response. What's more, if we may put it bluntly, they should whine on their own dime and be thankful they live in a country where they have the freedom to do so.



PENSION PAYOFF?

Subsidized housing loans on deck

Drawing comfort and solace from home ownership is an experience deeply desired by the American people. While housing has been subsidized in our country since the 1930s through a combination of the mortgage interest deduction and low-cost government loans, it is not at all clear that such financing techniques are necessary for citizens to purchase their own homes.

Moreover, such subsidies have perverse effects. Their benefits accrue primarily to households with higher-than-average incomes. And by reducing the real prices to consumers for buying larger homes, the subsidies essentially steer investment capital away from productive business in favor of residential development.

Now comes State Treasurer Richard Moore with a scheme to subsidize loans for a limited number of government employees through manipulation of the state's \$55 billion pension fund. Currently being studied by a Moore-appointed working group, the idea has superficial appeal because we can all identify with the goal of home ownership. It is, after all, part and parcel of the American Dream.

Moore lifted the idea from California Gov. Gray Davis, who, following the electric utility fiasco there, demonstrated his own level of financial wizardry to a degree that would get him tossed from Harry Potter's Hogwarts. The *News & Observer* of Raleigh reported that Moore hopes "to offer 200 mortgages to public school teachers in Nash, Guilford, Gaston, and Buncombe counties, providing a fixed mortgage rate of 4.99 percent for 30 years." The paper also said "a single person could earn no more than \$43,500 per year to be eligible" and the price of a financed home could be no more than \$126,000. Moore has launched a 50-loan pilot program. The state Housing Finance Agency and Fannie Mae will enable the reduction of rates on \$10 million in loans by offering \$1.6 million in subsidies.

Current mortgage interest rates average between 6.75 percent and 7 percent on a fixed 30-year loan. The payment for these rates is deductible but Moore would offer qualifying state employees a 26 percent to 29 percent advantage over those of us competing in the market for standard loans. It is not at all clear that a single person making \$43,000 requires or deserves such a subsidy.

Federal housing aid via the home mortgage interest deduction is the third largest social program in the United States after Social Security and Medicare. And given the exigencies of the marketplace it has a stronger political base of support than transfer programs such as cash welfare, Food Stamps, or Medicare. Moore is obviously playing to the emotions of the political environment. But he has another goal too; to give state employees a back-door pay raise. As the *N&O* observed, "every drop of one percentage point in interest is the equivalent of a 3 percent pay increase for state employees."

In a perfect world, no housing subsidies would exist whether they are interest deductions, direct subsidies, public housing, or rent control. They distort the marketplace in favor of those with the political pull to intimidate easily cowed politicians and against those who, in properly functioning markets, could find housing acceptable to them given their income. A better idea for teachers and state employees would be, as with Social Security, to allow them to manage their own pension investments rather than having an elected or appointed official do it for them.

Christopher Howard, assistant professor of government at the College of William and Mary, recently observed that "if power consists of the ability not only to resist change but also to discourage serious debate over change, then the home mortgage interest deduction is truly powerful." Rather than building additional government subsidies into the housing market, Moore and other state leaders should be searching for ways to reduce them.

ODOROUS TAXES

Pollution test fee hike stinks

To comply with the federal Clean Air Act for the purpose of keeping our own highway money flowing back to North Carolina from Washington, the General Assembly recently approved a compromise to raise the annual emissions fees for autos so that charges will be up to as much as \$30 a year. Rep. Joe Hackney, D-

Chapel Hill, said "it is a big step forward for clean air, particularly for the urban areas of North Carolina."

As reported by James Eli Shiffer of *The News & Observer* of Raleigh, the bill allows inspections stations to charge up to \$30 for emissions tests. It also raised vehicle inspection fees, even though the inspections are of questionable necessity.

North Carolina's most populous counties — Mecklenburg, Guilford, Forsyth, Wake, Durham, and Orange — have been required to do emissions inspections for years now. Last year the legislature expanded the number of counties facing such a requirement to 48 by 2007. With older cars exempted, the new coverage will be phased in over several years.

Washington's Blackmail

There are two serious problems with the current regulatory regime. First, it is based on the way state legislators bow obsequiously to federal blackmail by a power-hungry federal government. This also leads to demands by auto manufacturers, the federal government, and environmen-

tal activists to centralize a single federal emissions standard which many wish to be centrally enforced by limited state inspection resources for questionable gain and at great cost. Virginia fought this battle with the EPA seven years ago.

Second, the best available evidence clearly shows that most autos on the road today contribute relatively little to air pollution. It is a small minority of cars and trucks — delivery vehicles, older cars, those in a poor state of repair — that generate most of the problematic emissions. We need a system to target these vehicles for inspection, repair, or replacement, not a system that foists regulatory costs on those who are not responsible for the air-quality issues supposedly being addressed.

North Carolina prattles on about the need for economic development but is fast becoming one of the most perniciously aggressive leviathan states in the country. Between our horrendously high taxes and increasingly onerous regulations — imposed at a time when the economy is in recession, and do so with little real justification other than the raw pursuit of power — the government's continue expansion fouls the air at least as much as our cars do. *CF*

Hoopla, Hogwash, and the '01 Session

Leaders of the North Carolina General Assembly's Democratic majority tried desperately to put the best face on it. The longest-ever legislative session, which concluded on Dec. 6, protected patients from evil HMOs and featured new investments in class-size reduction and preschool programs, they said proudly.

"We're one of the very few states that went forward in education when most of the others went backward," said House Speaker Jim Black, D-Mecklenburg.

Hogwash.

The 2001 legislative session will be remembered as a political and policy catastrophe, a series of mishaps and mistakes motivated by raw partisanship, special-interest politics, and bad faith.

Yes, the newly elected legislature and Gov. Mike Easley took power this year facing significant challenges. An economic slowdown, a growing budget deficit, a foot-loose faction of liberal Democrats, a surprising new congressional district — all made the legislative situation complex.

But our leaders addressed these issues in ways that widened the already deep chasm between the political class in Raleigh and the remainder of the state.

Flipping and Flopping

Easley began his tenure with a disastrous State of the State address that attached his political future to a passing a state lottery — an agenda that simply isn't important to very many North Carolinians, even those who tell pollsters they like the idea.

After running a campaign last year against Republican Richard Vinroot that succeeded in wooing fiscally conservative Bush voters with warnings about Vinroot's supposed tax-raising proclivities, Easley then flipped on the issue and proposed one of the largest tax increases in state history. After months of denying their intentions to do so, Democratic leaders then passed such a tax increase in the midst of a worsening recession and a nation heading off to war.

With a price tag of more than \$1 billion over the next two years, the package hit consumers with a half-penny sales tax while sparing the politically powerful lobbies such as lawyers, doctors, and the news media, who maintain a sales-tax exemption on their services.

The bill, passed essentially on a party-line vote, raised the top income tax rate to 8.25 percent, meaning that entrepreneurs and other high-value professionals will pay more than half of their income in federal and state income and payroll taxes. Since competing states like California, Virginia, Florida, Texas, and Massachusetts will now offer substantially lower tax rates, why should these job-creating individuals come to or stay in North Carolina?

Legislators went after the private health insurance industry with a vengeance, slapping a new tax burden and costly new regulations on HMO customers and

taking away a valuable tax credit to families who buy private health coverage for their children (foolishly justifying the latter as "eliminating a loophole" even though it was originally intended to eliminate the tax bias favoring employer-based and government health plans). These measures will increase enrollment in Medicaid, thus hitting taxpayers again later on.

But surely, say defenders of the legislature, only a tax increase could save North Carolina education from fiscal ruin? What a shameful deception this is. State spending will actually grow by more than 5

percent this year, hardly evidence of a meaningful attempt to eliminate waste and restrain government growth. The governor got a \$15 million kitty with which to reward big corporations who play political ball with him. The state's Medicaid program, already the most expensive in the South, posted a double-digit increase and escaped any significant reform.

The ridiculous Global TransPark project in Kinston got millions more to waste. Other spending on corporate welfare, arts subsidies, administrative duplication, ineffective programs (yes, including those in schools), and useless university research was spared.

Oh, and speaking of the University of North Carolina system, it got away with a multi-billion dollar construction program left largely intact even though voters had approved it only months before on the ironclad promise that it wouldn't raise their taxes. This was, to put it bluntly, a lie. Coupled with double-talk on the tax issue from Easley and legislative leaders, it will leave average North Carolinians wondering if anything politicians say can be taken seriously in the future.

Politicians Lack Connection to Reality

Exposed as allergic to the truth, the political class also wasted their time and \$20 million of our money on an 11-month session that passed an embarrassing gerrymander and shackled North Carolina's economic recovery with high taxes. Aghast business and community leaders have responded by calling for firm limits on legislative sessions and a more productive relationship between the two political parties and between Easley and Jones Street.

The problem goes deeper than that, however. We have a General Assembly that is disconnected from the real economy of the state (which has little to do with ribbon-cuttings and wasteful subsidies) and from the lives of average North Carolinians. Their hubris will cost the rest of us dearly. *CF*

Hood is president of the John Locke Foundation and author of Investor Politics: The New Force That Will Transform American Business, Government, and Politics in the 21st Century, just out from Templeton Foundation Press (www.TempletonPress.org).



John Hood

Editorial Briefs

Asbestos Fears and the WTC

Some scientists say that the reason the Twin Towers of the World Trade Center collapsed in a matter of minutes following the assault by two commercial airliners was the lack of asbestos in the building to retard the flames' progress.

In 1971, even as the World Trade Center was under construction, New York City banned the use of the fire retardant asbestos, amid concerns that it causes cancer.

The structures' supporting steel beams were coated with asbestos insulation to keep them from reaching temperatures above 1,100 degrees Fahrenheit — at which point steel becomes soft — up to the 64th floors, but was replaced by another fire-retarding material further up the columns.

The Twin Towers were designed to withstand the impact of a Boeing 707 and a raging four-hour fire before the steel lost strength and collapsed, says chemistry professor **Art Robinson**. During those four hours, the buildings' designers believed workers below the fire level would escape, while those trapped above the fire would be plucked from the roof by helicopter.

However, Tower One collapsed one hour and 40 minutes after it was struck by the first airliner; Tower Two collapsed after 56 minutes of fire.

Although the fire-retarding material used in the upper floors was tested by Underwriters Laboratories up to the temperatures of ordinary fires and was found to have comparable fire retarding capability, the *New York Times* has noted that some experts think asbestos would have outperformed it at the higher temperatures reached by the burning jet fuel.

Asbestos has been shown to cause lung cancer in workers exposed to high levels for long periods of time during the manufacturing process; the Environmental Protection Agency now says casual exposure is not harmful.

Reported in the *New York Times* and on WorldNetDaily.com, 11-20-2001

Online Trading and the Market

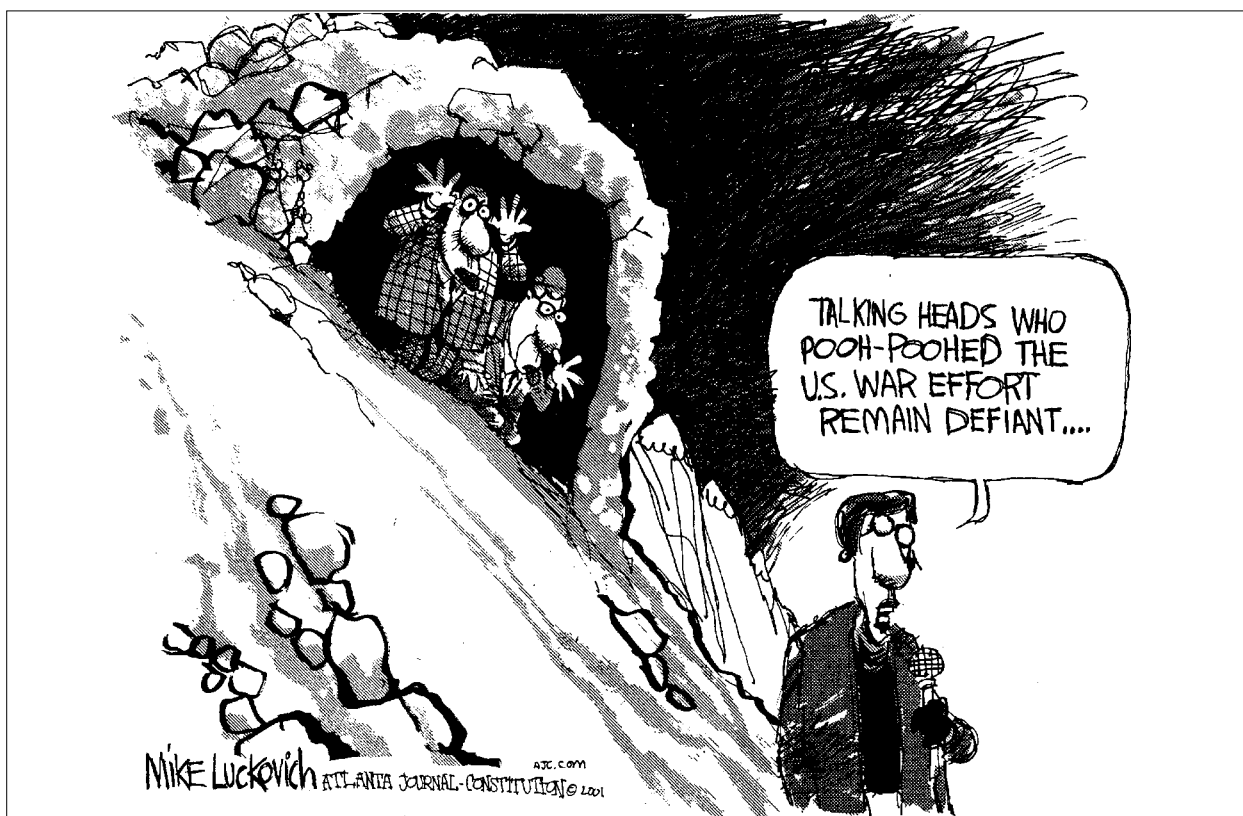
Has the growing availability of online trading technologies greatly affected stock market volume and volatility? In a recent study, researchers found that although the introduction of Web trading seems to increase total trading, it does not appear to increase short-term trading or last-hour trading.

The author's study was based on trading data from the participants of two large corporate 401(k) plans. Both plans opened a Web trading channel in 1998, adding to preexisting phone trading. Within 18 months of the initiation of Web trading, Web transactions had grown to approximately 60 percent of all transactions. The total trading rates of the participants, adding up phone and Web channels, had also quadrupled from its pre-Web level.

Of those participants who tried the Web, 88 percent made their next trade on the Web. Conditional on a first and second Web trade, 94 percent made their third trade online, and 96 percent of Web traders made their fourth trade online. The average phone transaction in these data is 75 percent larger than the average Web transaction — for example, respective transaction averages of \$70,000 (phone) versus \$40,000 (Web) for one of the two firms and \$105,000 versus \$60,000 for the other firm.

The researchers also determined that while high-balance plan participants are more likely to try the Web, low-balance participants are most likely to trade frequently on the Web. Low-balance participants conduct a relatively large share of Web transactions.

See James J. Choi, David Laibson and Andrew Metrick, "Does the Internet Increase Trading?," NBER Working Paper No. 7878, September 2000 National Bureau of Economic Research.



Unleash the Media in War? Not So Fast

By RICHARD WAGNER

Editor

RALEIGH

Debating the rights of a free press vs. national security, for me, is like arguing religion: I'm forced to forget my religion for the sake of a greater good.

A newspaper editor for 28 years and an activist for open government, I have always considered myself a foot soldier fighting a seemingly endless war against government abuse of power. And I have the scars, and awards, to prove it.

That, however, was before Sept. 11. Now, I find myself at odds with many of my colleagues who seek unfettered access to government information while the nation is waging a war against terrorism, both abroad and at home.

Reading columns written by some of those journalists leaves me wondering whether they really know what they're demanding. Rather than making a case for the First Amendment, they appear once again to be elevating themselves to a plateau reserved only for themselves and other elitists.

Take, for instance, a column headlined "The war on journalism," written by Paul McMasters of the First Amendment Center. McMasters scores a few points with his arguments about government going too far to restrict the press. He cites the grounding of news helicopters, the removal of certain information from federal web sites, and the banning of photography at the World Trade Center as examples of undue censorship.

Granted, some of these measures might have been extreme. But let's not forget our priorities: War is the ultimate in extremism. The nation faces a clear and present danger to its very existence. Isn't it understandable that those entrusted with security of our nation would seek to protect it, sometimes unreasonably, even if some civil liberties must be sacrificed?

War on journalism?

And, really now, is this national crisis all about a "war on journalism?" I think a huge majority of Americans would be surprised to learn that. They believe, rightfully, that the nation is actually battling terrorism, not the press.

McMaster's column is just one among scores of articles written by journalists who bemoan being shunted into a backseat on war coverage. Their cause, under the mantle of the First Amendment, is just. Their aim, unfortunately, is off target.

Many journalists, including McMasters, have complained that government officials should allow them to accompany troops in the field and to file reports on their observations.

They insist they could be trusted not to divulge sensitive information and to protect the lives of American soldiers.

These reporters point to the performance of journalists in past wars as evidence of their trustworthiness. Look at World War II's Ernie Pyle as an example, they say. The Pulitzer Prize-winning Pyle accompanied U.S. troops in

the battlefield and through his personal style chronicled the day-to-day reality of war to homes in America.

The problem with these examples, though, is that even Pyle and his colleagues had to contend with the unavoidable censorship of delayed publication of their stories. By the time Americans read Pyle's accounts of GIs in action, the smoke from the battlefield had long drifted into thin air and the safety of our soldiers was no longer an issue.

Before Desert Storm and Vietnam, wars were waged in a time devoid of television, the Internet and other means of electronic communication.

Television's powerful and immediate influence was demonstrated in the unrestrained reporting of the Vietnam War. To the delight of the North Vietnamese and the Vietcong — who quickly learned they could use the medium as a tool for propaganda — television spilled the horror and chaos of war real-time into the living rooms of America. We soon lost our will to fight.

Ironically, many of the journalists howling the loudest are those who embrace laws that strip us of our civil liberties and preach that Big Brother must protect us from ourselves. These are the same people who advocate affirmative action, seat-belt laws, gun control, and witch hunts against deadbeat dads.

Now these journalists question that same government's authority to protect us against a foreign enemy. Go figure.

Other Americans understand that they will have to make sacrifices during wartime. Many of these will include civil liberties and even their very lives and those of their loved ones. At such a time I don't think they will understand any journalist's devotion to a "right to know" religion.

Restraints on a free press are nothing new. Federal and state open records laws grant exclusions with which a majority of journalists readily abide. Among the exclusions are those for personnel records, to protect personal privacy, and ongoing investigations by law enforcement authorities, to protect civil security.

The Supreme Court has routinely held that First Amendment freedoms are not absolute, usually to protect the rights of others, such as against libel and the invasion of privacy, or to guard against subversion of the government and the spreading of dissension in wartime.

President Abraham Lincoln was the first to use the "clear and present danger" reason for censorship during the Civil War. First Amendment freedoms and protections were secondary, according to Lincoln, to the preservation of the nation. Similar restrictions were invoked during World War I and World War II.

It's time that all journalists, and government officials, get on board with the Principles for News Coverage of Combat. The principles, adopted by representatives of the American news media and the Pentagon after the Gulf War in 1992, allow for open and independent coverage of U.S. military operations while the guidelines also protect the lives and security of U.S. forces. It is clear that while the principles grant some openness to journalists, the overriding consideration is operational security and the safety of American lives. That is as it should be. *CR*

State Democrats Follow National Trend in Redistricting

By JOHN HOOD
Publisher

Last month the North Carolina Senate abandoned an attempt to contort the state's new congressional map to flip a 7-5 Republican majority to a 8-5 or 7-6 Democratic one. With an overwhelming majority in the state senate, Democrats nevertheless had to capitulate to a closely divided state house, which had already drawn a plan essentially protecting all incumbents and drawing the state's new 13th district to lean Democratic.

In so doing, North Carolina Democrats — who gained national fame 10 years ago with amazing feats of political cartography that generated, among other creations, the so-called "bug-splat" district struck down by the U.S. Supreme Court — followed a path already well-trod by legislative majorities in other large states this year.

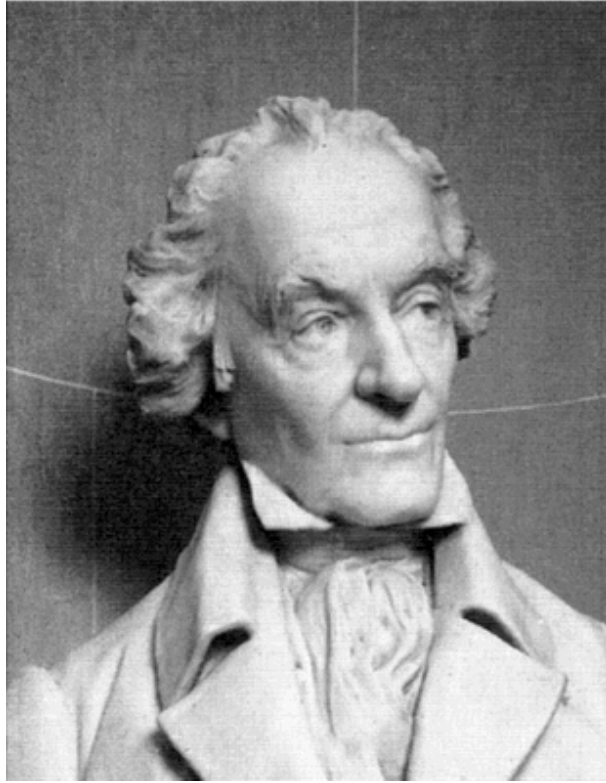
It is the path of least resistance. After dramatic legislative elections across the country last year that promised to determine control of Congress through redistricting, most political observers now expect the new maps to have surprisingly little impact on Washington power politics.

Charles Cook, the longtime election analyst and publisher of the *Cook Political Report*, expects the redistricting gains to be a "wash" between the two parties, with a net GOP pick-up of as few as three seats. Given earlier predictions that Republican redistricting advantages in such states as Florida, Pennsylvania, Ohio, Virginia, and Michigan might generate double-digit gains, Cook's latest prognostication may seem like more bad news for Republicans already buffeted by the loss of two governorships and a number of mayor's offices in elections earlier this month.

But Democrats have suffered their share of redistricting setbacks so far this year. In California, Gov. Gray Davis and solid Democratic majorities in both houses were supposed to engineer big gains to offset Democratic losses elsewhere, but these gains didn't materialize (partly because Republicans have already lost most of California's competitive seats in recent elections, including four last year).

The Democrats will probably pick up one seat in the Golden State. With the same result likely in North Carolina, the party can celebrate a significant victory only in Georgia, where legislators approved a new map on Sept. 28 that may well shift an 8-3 Republican edge in the delegation to a 7-6 Democratic one. (Georgia picks up two new seats due to population growth).

In Texas, which has a Republican governor and a split legislature, partisan prospects have careened wildly in recent weeks. In October, a state judge ordered a new con-



Former Mass. Gov. Elbridge Gerry, namesake of "gerrymander."

gressional map that seemed to eliminate at least one Democratic seat and threaten four additional ones, setting up a significant swing in the current 17-13 Democratic majority. But in November, a three-judge federal panel opted for what has been called the "least-change" option, basically protecting incumbents of both parties while making one of the Lone Star State's two new districts solidly Republican and the other marginally so. Democrats celebrated the panel's decision — Rep. Martin Frost (D-Texas), who heads up the party's national redistricting effort, said that "without large gains in Texas, Republicans' redistricting rhetoric is no longer credible, so GOP strategists better devise some new spin for how they keep the House in 2002" — but theirs was a defensive win, not a shot on the GOP goal.

A number of shoes have yet to drop here. Perhaps most important is the redistricting plan expected from the Republican majority in Pennsylvania within the next month. They hope to widen their current 11-10 majority in the commonwealth to 12-7 (Pennsylvania loses two seats post-

apportionment). To do so, they will need to take the kind of risks that Democrats in California and North Carolina (and the two Democratic judges on the Texas panel) would not. For example, in the Pittsburgh region GOP lawmakers could opt to wrap a solid Republican district around the city or create two Republican-leaning districts to the north and south.

Several Republican operatives I have talked to suggest the low-risk approach. Despite President George W. Bush's wartime popularity — this is the first time in 40 years that an incumbent president has a shot at gaining congressional seats through redistricting — Republicans are nervous about the economy, voting trends on other issues, and the Democrats' get-out-the-vote successes in local and state elections earlier this month. The GOP has yet to come up with a strategy to match the use of tape-recorded messages from Bill Clinton, Al Gore, and other Democratic celebrities to generate solid turnout among blacks and other base voters. If too many districts are drawn with only a slight Republican tilt, the result could be disastrous, say Republican worrywarts.

But given what has already happened in other big states, the GOP might be well-advised to take some risks now. There will be far fewer competitive seats for Congress in 2002 that we have seen in a long time, perhaps a few as 25. Assuming Republicans maintain a national advantage in fundraising, they should be able to deploy significant resources in the relatively few seats likely to determine control of Congress next year.

Finally, a series of legal processes await the new maps, thus clouding the picture. The Bush Justice Department must sign off on redistricting plans in states subject to the Voting Rights Act. A decade ago, pressure from the elder Bush's department resulted in the creation of a number of majority-minority districts, which made surrounding ones more competitive for Republicans. Furthermore, the courts are already filling up with lawsuits. In North Carolina, separate teams of conservative plaintiffs have sued in both state and federal courts. During the past decade, judges ordered the state legislature to redraw its congressional map four times. The outcome of the latest legal wrangling is impossible to predict — other than the fact that many lawyers, Democrats and Republicans, will be gainfully employed for the foreseeable future. *CI*

Hood is president of the John Locke Foundation and author of *Investor Politics* (www.TempletonPress.org).

Economic Outlook

Robin Hood Is Alive and Well in the Federal Tax Code

By MICHAEL L. WALDEN
Contributing Editor

One of the favorite activities of politicians is to change the tax code. Since 1978, federal politicians have passed 15 major tax bills. Just this summer, Congress passed another change to federal taxes that will be phased-in over 10 years. An often-heard criticism in the mainstream press is that most tax changes favor the rich (remember the coverage of the Bush tax cut last summer). In fact, tax changes have frequently been termed "Robin Hood in reverse," implying the changes benefit the rich at the expense of the poor.

A closer look

But have they? What really has been the impact of all the alterations in federal taxes in recent decades? And what income groups have been winners, and which have been losers?

To answer these and other questions, the nonpartisan Congressional Budget Office studied changes in all federal taxes from 1979 to 1997. Included were individual income taxes, corporate income taxes, payroll taxes, and federal excise taxes. The CBO's report was just released and, to say the least, it is packed with many headline-grabbing findings.

First, what does the report say about the overall federal tax burden? Perhaps surprising to many, the CBO analysts found the total effective federal tax rate fell modestly

between 1979 and 1997.

However, there was not an even change between the two years. The federal tax burden was reduced significantly in the early and mid-1980s, but rose thereafter.

The composition of federal taxes also changed during the two decades. The share of federal taxes from individual income taxes remained virtually unchanged in 1997 from 1979, but the share did fall in the early and mid-1980s and increased in the late 1980s and 1990s. The share from payroll taxes rose in the 1980s and fell slightly in the 1990s. The share from corporate income taxes fell in the 1980s, but rose in the 1990s.

A modern Robin Hood

And what of the conventional conception that tax changes favor the rich at the expense of the poor? Have politicians operated a "Robin Hood in reverse" scheme — taking from the poor to give to the rich?

The answer from the CBO study is a resounding "no." Between 1979 and 1997, poorest households received the largest reduction in the total federal tax rate, and the richest households received the smallest reduction. Specifically, the tax rate reduction for poor households was more than five times larger than the reduction for rich households.

Furthermore, with the exception of one tax rate increase in the mid-1980s, tax rates for the poorest households fell constantly over the time period. In contrast, with the exception of two years, the average tax rate paid by the richest households rose.

As a result of these changes, the share of federal taxes paid by the richest households rose from 57 percent in 1970 to 65 percent in 1997, while the share paid by the poorest households fell from 2 percent to 1 percent.

Although not covered by the CBO report, the Bush income tax cuts of 2001 followed the same pattern: lower income households received the largest percentage reduction in their taxes. *CI*

Have politicians operated a "Robin Hood in reverse" scheme — taking from the poor to give to the rich? The answer... is "no."

Moral of the story

The moral of this story is simple. Contrary to popular thought, federal tax policy has favored the poor over the past two decades. The traditional Robin Hood is alive and well in the federal tax code. *CI*

Michael Walden is a William Neal Reynolds distinguished professor in the Department of Agricultural and Resource Economics at North Carolina State University and an adjunct scholar with the Locke Foundation.

House Can't Overcome Profiteers To Pass Bill

'Clean Smokestacks' legislation is stuck in committee while industry keeps polluting pristine mountains

By BLYTHE LEE

Reprinted from *The Nuisance Preserver*

SPRAWLEIGH

While blackened smokestacks repeatedly burped noxious oxides and other brown stuff, leaving many North Carolinians gasping at the sight, the state House ignored its constituents' temporary attention by failing to act on a "Clean Smokestacks" bill during this year's session.

The bill, passed overwhelmingly in the heroic Senate by a 43-5 vote in April, would require the polluting utilities Duke Powerful and Carolina Profits & Unenlightened Co. to install Smokeaters on their 14 coal-fired power plants throughout the state. The contraptions would suck the toxic clouds away from Birkenstock-clad hikers in the Great Smoky Mountains (its historical name merely a coincidence), instead funneling the emissions directly into smoke-filled rooms where corporate CEOs scheme.

"We think this is a good bill that everyone but misanthropes can support," said Shirley Sainly of the environmental advocacy group N.C. PRISTINE (which stands for Proudly Rejoicing in State Trimming Its Noxious Emissions).

The legislation requires Duke Powerful and C&PU to install the Smokeaters, considered to be art-of-the-state thingamajiggies, at an estimated cost of \$2.5 billion. However, if passed, the law would allow the two big-money, lobbyist-heavy power companies to pass the extra costs on

to their customers.

"While it is not a perfect bill, it is the best we could come up with given the fact that, unlike the Senate, we have competitive elections over here — for now," said House Speaker Slim Blacklungs. "As someone has said, only misanthropes can be against this bill."

However, while the measure had some bipartisan support, there still were not enough votes to bring it to the House floor for victory. "We heard rumors that legislators might try to amend the bill on the floor," Blacklungs said. "That's a bad habit we've been trying to break members of this year."

In an effort to create the illusion of a fair and balanced article, the *N&P* interviewed a corporate shill (not his official title) who opposes the legislation.

"Smoke good. Profits good. Air bad," grunted economist Roy Cordato of the John Locke Foundation, the only real person interviewed for this story.

Dragging his knuckles behind him as he slinked around his office, Cordato also said that there's scientific research somewhere that refutes the need for the Clean Smokestacks legislation. Apparently he has won a sufficient number of converts with his "science" to help hold up the bill.

In addition, big business profiteers who said they need less expensive electricity to earn even more profits, said their profits would be hurt because of the anti-profit legislation. Profits, they stated.



A factory's "Dirty Smokestack" belches toxic filth into the sky over God's country.

"We might have to lay off more people if this legislation passes," said Richie Guy, president of Rural Sockmakers, Inc. He said his electric bill could increase by more than \$50,000 per year, which he admitted might still probably leave him some profit.

"All their business is going to Mexico anyway," said Sainly of N.C. PRISTINE, "so it doesn't really matter."

"It's a small price to pay in order for us to bring an end to obscured vistas, lung-clogging smog, tear-inducing emissions, and phlegm-inducing toxins. We're trying to reduce the number of loogie expectorations on mountain trails here, too. They're so gross."

Because the bill is stuck in the House

Public Utilities Committee and the chamber has adjourned, it means the earliest it could be taken up again is when lawmakers meet again next May. That means another six months of mountain peaks obscured by toxic haze, polluted air that drizzles down on streams and wildflowers, and yet another Christmas that, sadly, won't be white.

The state's tourism industry — the state's number one industry, according to the tourism industry — is worried.

"Some businesses might need low-cost electricity, but folks come here for the scenery," said one hotel owner. "Why can't the government get its act together and pay for this, instead of making businesses, consumers, or taxpayers do it?"



U.S. Rep. Walter Jones (D-NC)

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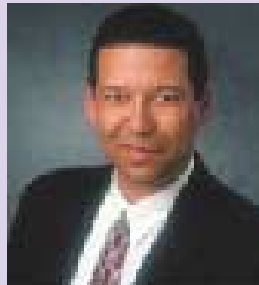
The event costs \$35 per person (\$20 for elected local officials) and includes breakfast, lunch, and conference materials. For more information or to make a reservation, call us at 919-828-3876 or visit www.JohnLocke.org.



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