

# CAROLINA JOURNAL

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## Lawmakers To Convene Session Facing Budget Gap

State budget writers say cuts and savings will top the priority list this year

By ANDREW CLINE  
Managing Editor

RALEIGH  
Facing a budget deficit of more than \$486 million in this fiscal year and more than \$490 million in the next fiscal year, state budget writers say they expect to balance both budgets by trimming spending rather than increasing taxes.

But the question of how to pull off that trick has left them perplexed as they see a more or less lean rather than a fat state budget, they told Carolina Journal in interviews late last month.

"We really and truly don't know how we're going to get everything handled to where we can balance the budget," Sen. Aaron Plyler, D-Union, cochairman of the Senate Appropriations Committee, said.

"It looks like it's gonna be very tight. It looks like we're going to have to do some close budgeting this year and next year to do what we can without raising taxes or cutting services to the people of this state," he said. "We've just gotta tighten everything down to where we can get through this crunch."

### The View From The House

Rep. David Redwine, D-Brunswick, co-chairman of the House Appropriations Committee, said this session would be difficult because legislators are out of easy budget-cutting or revenue-raising options.

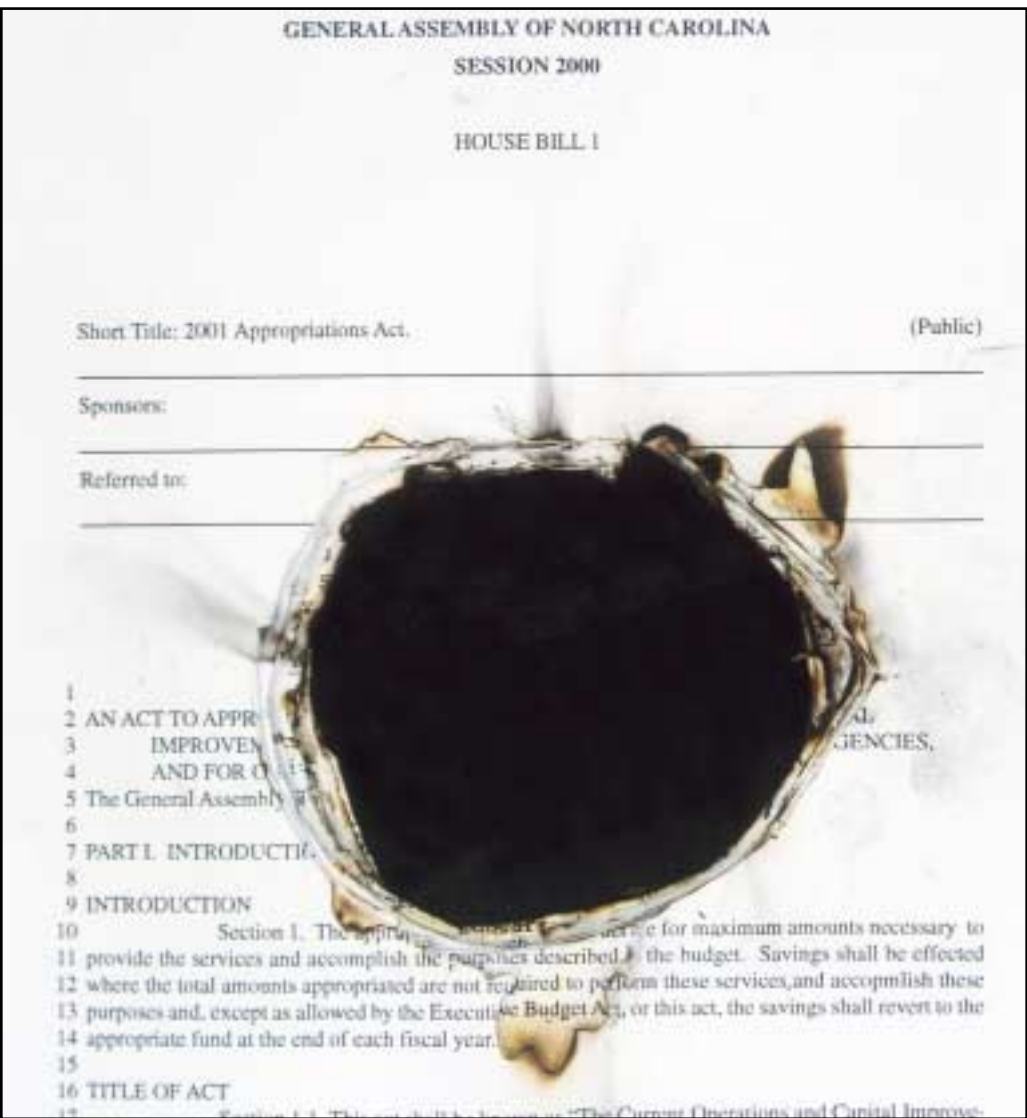
"The bottom line is, it's going to be tough," Redwine said. "There aren't any silver bullets left. We fired most of those."

The situation is going to be grim unless lawmakers receive an unexpected boost in revenues, Redwine said.

"Unless we get manna from heaven, unless we get some benefit from capital gains — there may be some residual gain for us in the April numbers in capital gains, of course that's one-time money — we'll have to cut.

"We'll have to go into the budgets and retool some priorities, I suppose, and look how we can generate some savings to do some of these things. Some things just may have to be put off until we get some money."

Redwine and his House Appropriations



The 2001-02 state budget has a gaping hole lawmakers must plug.

Photo by Andrew Cline

co-chair, Rep. Ruth Easterling (D-Mecklenburg) said they saw little fat to trim in the current budget.

"Quite frankly we have cleaned that rascal pretty good as it is," Redwine said.

"Common-sense people can debate what kinds of priorities we can have. But at least in my estimation, we've already cut a lot of the fat out of our budgets in the last couple of years."

Easterling was equally as satisfied that the budget is lean.

"I can't think of anything that I would cut," Easterling said. "I don't think that we throw money at programs. But there just is not enough money in the education budget right now to meet the needs of the low-wealth counties and the small counties. I don't see that we can cut in public education. The court system needs additional money, I don't see how we can cut that."

Plyler said reductions should come across the board, not from targeted depart-

ments or programs, and that there should be no sacred cows.

"It'll have to be a small reduction from all of the departments," he said. "I wouldn't say we'd cut education, I wouldn't say we'd cut human services. We've just got to look at the whole picture.

"Everything's gonna be looked at. We found ourselves in a bad situation in the early 90s and we came out of it."

Redwine agreed that no program was off-limits for budget-writers trying to find some cost savings.

"I would expect everything is on the table," he said. "The bad thing about that is that the big money is in education and human resources, and they're both screaming for more money."

Easterling suggested that some savings could come from changing the state's eco-

State could face a tax hike or a lottery if lawmakers refuse to cut spending

By ANDREW CLINE  
Managing Editor

RALEIGH  
With the state in its worst fiscal position in a decade, two of the most dreaded words in politics have floated around Raleigh on whispered winds in the past few months. The words: tax increase.

But state budget writers are savvy politicians, and say they will do everything they can to ward off that unhappy possibility.

"It would be a last resort as far as I'm concerned," said Sen. Aaron Plyler, D-Union, cochairman of the Senate Appropriations Committee. "I don't think we'll be doing it."

Sentiment in the House was the same.

"I guess when you're going down the third time you reach for anything you can to keep from drowning," Rep. David Redwine, D-Brunswick, cochairman of the House Appropriations Committee, said. "I think [a tax increase] might be on the table, but I can't imagine any major tax increases being passed. It's still an option, but I think it's the last option there is."

If any new source of revenue needs to be found, that source will more likely be a lottery than a tax increase, Redwine said.

"I think what you'll see is a lot of prayerful faces between now and April," he said. "I think you'll see a reluctance to go out and create any grand new programs. I think you'll see increased talk of the lottery before the tax word is ever mentioned."

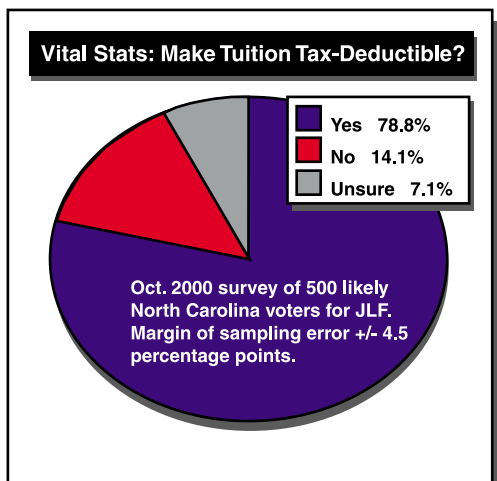
A lottery has passed the Senate in various forms several times, only to die in the House. Now many legislative insiders are wondering what will happen this year.

"It'll pass the Senate," Redwine said. "In the House, I think it is still less than a 50-50 bet. But I think its chances have improved significantly even with the closeness of the vote. The lottery doesn't follow along party lines."

Republicans, generally more opposed than are Democrats to a state lottery, picked up four seats in the House, leaving Democrats with a 62-58 majority.

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## Calendar

### Fox News' Fred Barnes To Speak Jan. 23 In Raleigh

Fred Barnes, executive editor of *The Weekly Standard* and cohost of the Fox News program, the "Beltway Boys," will speak at a Locke Foundation Headliner Luncheon at noon, Tuesday, January 23 at the Brownstone Hotel in Raleigh.

Fred Barnes is widely regarded as the nation's preeminent political reporter. John McLaughlin of the McLaughlin Group declared: "Fred [Barnes] is one of Washington's few first rate journalists. Not only is he respected by his peers but also, more important, by his sources — many and on both sides of the aisle."

From 1985 to 1995, Mr. Barnes served as senior editor and White House correspondent for the *New Republic*. He covered the Supreme Court and the White House for the *Washington Star* before moving on to the *Baltimore Sun* in 1979. He served as the national political correspondent for the *Sun* and wrote the "Presswatch" media column for the *American Spectator*.

Along with Mort Kondracke he hosts the "Beltway Boys" on the Fox News Channel. Mr. Barnes and Bob Beckel engage in political debate on "CBS This Morning." From 1988 to 1998 he was a regular panelist on "The McLaughlin Group." He has also appeared on "Nightline," "Meet the Press," "Face the Nation," and "The NewsHour with Jim Lehrer."

Barnes is a graduate of the University of Virginia and was a Neiman Fellow at Harvard University.

To view the latest issue of *The Weekly Standard*, visit the magazine's web site at [www.weeklystandard.com](http://www.weeklystandard.com).



Weekly Standard Executive Editor Fred Barnes

The Fred Barnes event will cost \$15 per person, which includes lunch. Please R.S.V.P. to (919) 828-3876.

### OTHER UPCOMING EVENTS

• 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 held at the Locke Foundation offices at 200 W. Morgan Street, Suite 200, in Raleigh. Below is a listing of some of the Shaftesbury Society's upcoming speakers for January and February. For more information, or to R.S.V.P. for a Shaftesbury lunch, call the Foundation at (919) 828-3876 or email [events@johnlocke.org](mailto:events@johnlocke.org).

• Tom De Witt, senior editor of *Carolina Journal*, will speak at a meeting of the Shaftesbury Society at noon, Monday, January 22. De Witt will speak on the necessity of the Electoral College.

• Ed Regan, Deputy Director of the North Carolina Association of County Commissioners, will speak at a meeting of the Shaftesbury Society at noon, Monday, January 29. Regan will speak on what to expect from the state legislature regarding local government issues during the new session.

• Kevin Cherry, consultant for special collections at the State Library, will speak at a meeting of the Shaftesbury Society at noon, Monday, February 5. Cherry will speak on the history of the Confederate prison at Salisbury, which was North Carolina's only major Confederate prison and was reputed to be as bad as if not worse than the notorious prison at Andersonville, S.C.

• William Chafe, Dean of the Arts and Sciences faculty at Duke University, will speak at a meeting of the Shaftesbury Society at noon, Monday, February 26. Chafe will reflect on the 20th Anniversary of the publication of his landmark book, *Civil Rights and Civil Liberties*, about the civil rights movement in Greensboro. **CJ**

For more information about these and other upcoming events, call the John Locke Foundation at 919-828-3876 or visit us on the Internet at [www.johnlocke.org](http://www.johnlocke.org).



# Easley Has Golden Opportunity To Curb Patronage In State Jobs

By DON CARRINGTON

Executive Editor

**L**ike every governor before him, Mike Easley will bring to the executive branch his own team of department heads, managers, and advisors who will help him advance his agenda and run state government. He will also make or influence the appointments of hundreds of people to state boards and commissions, and he can even exert a strong influence over the hiring of rank and file employees.

But unlike previous governors, Easley has a historic opportunity to rein in a patronage system that has grown to unprecedented heights in the past quarter century.

Easley's immediate task at hand is the appointment of people into political positions. In addition to those policy-making jobs, about 500 people per month are hired in the departments directly under the governor's control.

At issue for Easley is whether to follow in his predecessor's footsteps and make as many of those jobs political as possible or make sure that only the best and most qualified candidates are hired for those public service jobs. Easley already has indicated that he plans to pursue the latter option.

"What I want to do is recruit and attract the best and the brightest, regardless of whether they supported or opposed me politically," Easley told *The News & Observer* of Raleigh shortly after his election.

## Political v. Non-Political Jobs

When Gov. Jim Hunt first took office in 1977, state taxes funded approximately 160,000 government jobs. Today that number is closer to 250,000.

Of those, the governor controls about 66,000 positions. Those positions can generally be categorized as either career or political. Career positions are often referred to as "subject," meaning subject to the protective provisions in N.C. General Statute 126, which governs state personnel matters. These employees basically have civil service protection and can be fired only for cause or through a reduction in force due to budget cuts. They are supposed to be offered jobs and promotions through a merit-based selection process.

Employees in political positions serve at the pleasure of the governor and can be fired without cause. They are often referred to as "exempt" or "exempt policy-making," because they are exempt from the protections afforded by G.S. 126. Under the applicable laws and Hunt's changes, the system has about 400 political slots, but Easley can designate another 250 more without any legislative approval.

## A Short History of Executive Patronage

Jim Hunt's four terms as governor spanned from 1977-85 and from 1993-2001. Throughout his four terms, Hunt has been particularly adept at rewarding or punishing employees and potential employees. Law changes, loopholes, and gimmicks have permeated a system that has escaped any meaningful checks or balances from the legislative or judicial branches.

When Republican Governor James Holshouser left office in 1976 he had fewer than 70 positions in addition to the ones specified in the law that were subject to his

political control. Immediately after his first inauguration in January 1976, Gov. Hunt more than doubled Holshouser's number by designating 169 positions as political.

Then in early March the Hunt Administration developed plans to eliminate 971 state jobs as part of an effort "to control the growth of the state government bureaucracy." It was charged at the time, despite assurances by Hunt, that many of the eliminated positions were held by Republicans or Democrats unfriendly to his administration.

At the same time he launched the program to "control growth," Hunt announced intentions to add an additional 1,081 positions to the departments under his control.

On April 29, 1977, Hunt increased the number of political positions from 169 to 868. Hunt said that the designations "were aimed at making sure state officials respond to his policies and directions." By the time Hunt left office in January 1985, he had increased the number of political jobs to approximately 1,500.

Following Hunt in 1985, Republican Gov. Jim Martin began his first of two terms. In keeping with his campaign promise to de-politicize state government, Martin announced a reduction in political positions from 1,500 to fewer than 900.

"This action should make career positions within state government more attractive and remove the political pressure on state employees," he told *The News & Observer*. According to former Martin administration officials, less than 150 Hunt political employees were ever actually terminated.

When Hunt returned to the governor's mansion in 1993, he had until May 1 to designate which positions would serve at his pleasure. Hunt slightly reduced the total number of positions serving at his pleasure.

However, he selectively reclassified several

positions from political to career, and others from career to political. Several Republicans had their positions reclassified to political status and were subsequently fired without cause.

Hunt was reelected and started his fourth term in 1997. By May 1, 1997, Hunt declared several changes to the exempt list, but this time he was modifying his own list. He did reduce the total number slightly, but again there was significant shuffling in some departments.

For example, the Department of Transportation went from 143 political positions to 117. But within that net change, 36 positions went from political to career and 10 from career to political. In the Department of Correction, net political positions fell from 152 to 116, but 69 went from political to career, and 32 went from career to political.

These shuffles made it easy to conclude that Hunt was using the system to both reward and punish people.

Then, two months later, on July 1, Hunt trimmed his patronage list again. He converted 476 positions from political to career. Since those 476 employees essentially achieved career status through the back door, many Republican leaders unsuccessful-

fully said the employees should reapply for their jobs.

Hunt's action was primarily a reaction to the patronage abuses unveiled in the Algie Toomer hearings. The hearings were conducted by a special House Committee to investigate why the Hunt administration gave Toomer, an employee in the Division of Motor Vehicles, a \$100,000 settlement associated with his dismissal.

Immediately following Hunt's actions, the General Assembly made somewhat matching changes to the personnel laws. But upon close examination, the changes may have had no real limiting power on what a governor can do.

For example, in the Department of Commerce the Director of Employment and Training and the Director of Community Assistance positions were reclassified by Hunt from political to career in November 1997. In August 1999, one week after Ray Denny started his job as Director of Industrial Development,

Hunt reclassified the job to career status.

In all three cases, the occupants were hired outside any sort of merit-based recruitment process into important positions and then the jobs were reclassified as "career" status.

## How the Current Law Works

There is essentially no legislative oversight of these changes. According to the law, the governor can reverse a designation by merely sending a letter to the Speaker of the House, President of the Senate, and State Personnel Director.

The Governor may designate a total of 100 exempt policy-making positions in the 10 executive branch departments under his control. In addition, confidential assistants,

confidential secretaries, chief deputies, department heads, other high-level positions, and the governor's office staff account for approximately 250 more positions. Also, the entire 100-person staff of the Housing Finance Office serves at the pleasure of the governor.

In addition, the staffs of many boards and commissions such as the State Ports Authority and the Global TransPark Authority ultimately serve at his pleasure.

Also as part of the 1997 political patronage reform bill, the General Assembly added the category of "exempt managerial position." A person in this category is somewhere between career and political. The employee is not actually policy-making, but he may be a high-level manager. According to news reports at that time, the positions were to be filled based on merit, but the governor could dismiss the jobholders at will.

Exactly how this will work is not clear. Since Hunt already had made all the changes he needed, he had no practical reason to use this category and thus no positions have received this classification. Easley may be the first governor to use this category. He may designate 220 additional positions into this category.

The law still allows a governor to request more political positions by sending a list of additions to the Speaker of the House and the President of the Senate.

## Easley's Choice

In 1997, nearly all legislators and political writers across the state praised Hunt's pruning of the patronage empire that he had created. But has it really been trimmed?

The implications of Hunt's 1997 patronage slashing are not clear. Easley can make approximately 650 appointments without any legislative approval or oversight, and he can ask for more.

The political appointment system is still full of loopholes. The question is: How will Gov. Easley handle these loopholes? *CD*

## Legislators Aim Scalpel At Budget

Continued From Page 1

economic development policy so that fewer or no tax credits would be given to companies opening in the more prosperous counties.

"One thing that has always bothered me about economic development is that [tax credits] were in different tiers and the county was not given the money, but businesses that would locate in that county would get those tax breaks," she said. "It also bothered me that we gave tax breaks to people who set up businesses in coun-

ties like Mecklenburg. It seems to me we could take a look at that and concentrate on the counties that need help the most."

Redwine suggested delaying some expenditures until better financial times.

"We just have to look at deferring some things," he said. "Maybe it's just a situation where we try to meet the commitments that we've already made and just not have any expansion this year. I know no governor wants to hear that advice, but we may get to that point at some point down the road."

Then again, we may not. Some lawmakers are more optimistic than others.

"Right now it looks like we are more than \$400 million short," Plyler said. "Of course, some other things might come in, we don't know." *CJ*

## Lottery Or Tax Hike Possible

Continued From Page 1

"I think there are two things that are different now than we had before," Redwine said. "We finally have a governor that's willing to get out and use the bully pulpit and push it. If you look at the history of the lottery, you'll see that that's one of the components that's needed to get it passed. There are a lot of things the governor can do when you get in the heat of battle."

"Second, we're surrounded literally almost, except for the Tennessee border, with states that have it. That giant sucking sound

you hear is all that money going from Mecklenburg County into South Carolina. If people are going to play it regardless of what we do, why not take advantage of it?"

Still, not all House members buy that argument, and passage of a lottery remains a questionable prospect despite the election of a governor who favors a lottery and the passage of the lottery in South Carolina.

If not a lottery, and if not tax hikes, then where will lawmakers find the roughly \$400 million they need to fill the hole in next year's budget?

The No. 1 answer state budget writers gave Carolina Journal was across-the-board spending cuts. But, they noted, everything was on the table.

"We have to look at everything in a global view in context of the whole budget. I don't think there'll be any sacred cows," Redwine said. *CJ*



Gov. Mike Easley

Hunt's action was primarily a reaction to the patronage abuses unveiled in the Algie Toomer hearings.



### Inside the Beltline

• In North Carolina, if you want to vote straight ticket, you still have to cast your vote for presidential candidates separately. Though many people assumed that this was a new ballot design for this year, it was not. State Elections Director Gary Bartlett told *Carolina Journal* that the ballots have been that way since 1976. He said he thought the change was made after the 1972 election in which Republican Jim Holshouser rode Richard Nixon's coattails into the governor's mansion. (Nixon got 1,054,889 votes in N.C. to McGovern's 438,705.) Conservative N.C. Democrats, Bartlett said, did not want their fortunes in state races tied to the likes of George McGovern and the other left-wingers that had taken over the national party. But a call to legislative research staff found that the ballot design was put into law in 1967 at the recommendation of a study commission formed in 1965. And there is evidence that ballots across the state were designed that way even earlier.

• Only 29 percent of Hurricane Floyd relief money has been spent, though 68 percent has been committed, Leeza Aycock, director of the hurricane Redevelopment Center, told legislators last month. Almost 700 families still live in temporary homes as a result of the flooding, the state says. Some lawmakers are considering taking the uncommitted relief money and using it to fill the state's \$300+ million budget gap.

• North Carolina's experimental drug courts are returning vastly different results depending on their location and the type of offenders they take in, according to an analysis by *The News & Observer* of Raleigh.

Mecklenburg County's drug courts, which were the first to open in North Carolina, have produced amazing results. Only four of the county drug court's 80 graduates have been charged with additional crimes since graduating from drug court. Of the 20 graduates of Mecklenburg's Superior Court drug court, not one has been convicted of a new crime.

Wake County's drug courts are another story. The recidivism rate among graduates of Wake County's drug court, which is in Superior Court, is 44 percent — almost identical to the recidivism rate for other criminal courts.

However, drug court graduates are less likely to commit new crimes than their counterparts who dropped out of drug court. The recidivism rate for dropouts in Wake County is 58 percent. The recidivism rate for dropouts in Mecklenburg County is 40 percent. That's vastly higher than the recidivism rate of Mecklenburg graduates, but actually lower than the recidivism rate of Wake Graduates.

One explanation for the higher recidivism rate in Wake County could be that the Wake drug court participants seem to be more experienced criminals. In Wake, 44 percent of the first participants had two or more previous convictions. In Mecklenburg, just 22 percent of the first participants had two or more convictions.

## Agenda 2000 Poll Shows Voters Prefer Low Taxes, Greater Choice in Education and Health Care

By JOHN HOOD  
Editor

RALEIGH

Polls conducted before and during the November 7 election shed light on what North Carolina voters were thinking about as they headed to the polls to elect Democrat Mike Easley as governor, other Democrats for most state offices, and Republicans in local and judicial races.

Because a variety of factors can influence election results, it can be difficult to establish whether particular issues or proposals have effectively been endorsed by voters based on their candidate preferences.

Indeed, in the areas of education and the state budget, some of Republican candidate Richard Vinroot's ideas were popular with voters despite those same voters' choice of Easley as their next governor.

Exit polls taken in North Carolina and nationwide by Voter News Service, as well as the John Locke Foundation's pre-election Agenda 2000 poll, provide evidence that voters were fiscally conservative and friendly to market-based solutions.

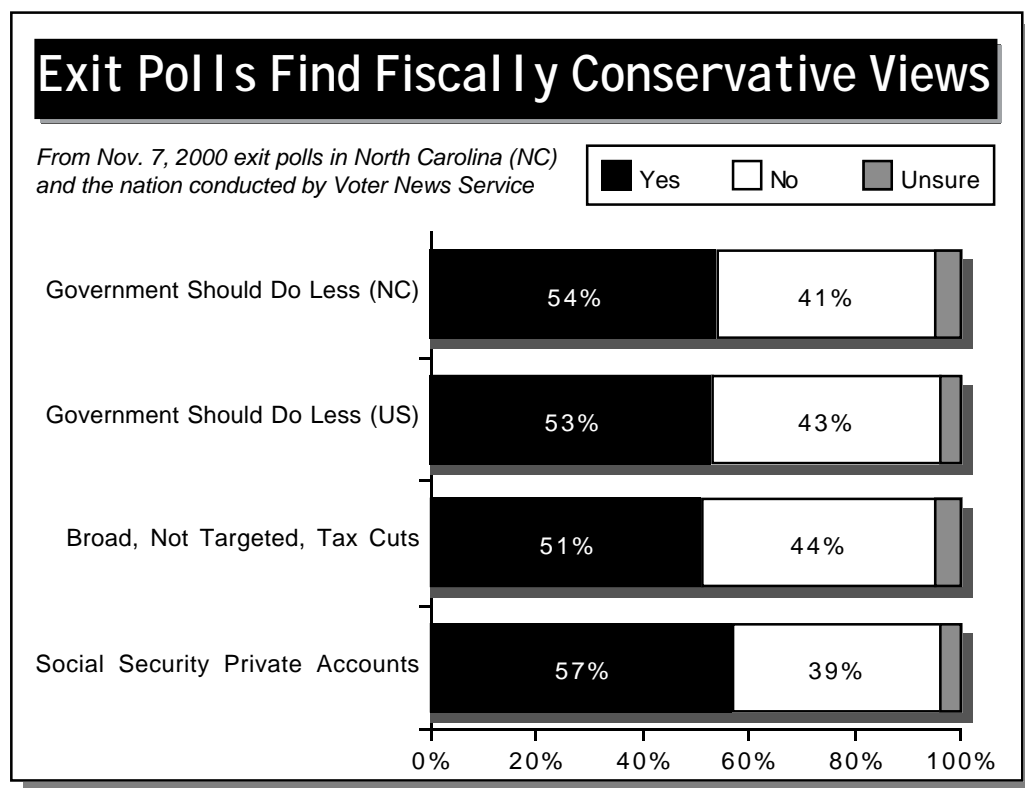
For example, the North Carolina exit poll asked voters if they wanted government to "do more or do less." The answer was less government by a solid margin (54 percent to 41 percent).

While Democratic Easley won three-quarters of those who wanted more government, Republican Vinroot won only two-thirds of those who wanted less — suggesting that Easley's ads were successful in creating doubt among fiscal conservatives about just how conservative the former Charlotte mayor was in comparison to his Democratic rival.

In the Agenda 2000 poll, Vinroot's proposed Taxpayer Protection Act, which would set an annual limit on state spending growth, received overwhelming support from N.C. voters, including pluralities of Democrats and self-described liberals.

During the campaign, Easley criticized Vinroot's version of the idea as an unnecessary straightjacket that would imperil essential state services — an argument not specifically tested in the poll.

While neither candidate called for



higher taxes, the state's major newspapers and several interest groups have complained that the \$1.4 billion in tax relief enacted by the state legislature since 1995 was excessive. But in the Agenda 2000 poll, only 9 percent said the tax cuts were too large, compared with 35 percent who said they were too small and 35 percent saying the tax cuts were "about the right amount."

#### Other Poll Findings

On the issue of school choice, polls show that the election results do not necessarily reflect public opinion. When specifically asked about Vinroot's proposal — a limited scholarship program for poor students in low-performing schools — N.C. voters in the Locke poll favored the idea by a 51 percent to 30 percent margin. The only subgroup opposed to the idea was upper-income voters (39 percent in favor to 46 percent against).

Independents favored Vinroot's publicly funded scholarship proposal 50 percent to 34 percent, blacks 55 percent to 25

percent, middle-income voters 50 percent to 35 percent, and low-income voters 66 percent to 12 percent. A plurality of Democrats also favored Vinroot's proposal, 46 percent to 35 percent.

Easley appears to have scored points with many voters during the campaign, however, by arguing that the plan would take a significant amount of state funds away from public schools.

On other matters, the polls showed that voters favored private investment accounts for Social Security (57 percent to 39 percent in the VNS survey), ending the diversion of state highway revenues from highway needs (55 percent to 37 percent, Locke), emphasizing housing affordability over controlling sprawl in managing growth (69 percent to 21 percent, Locke), and encouraging choice in education, health care, and child care through tax breaks rather than government programs (Locke). CJ

For more information about the Agenda 2000 poll, visit [www.JohnLocke.org](http://www.JohnLocke.org).

## Both Parties Learn Lessons In State, Local Elections

By JOHN HOOD  
Editor

RALEIGH

November's topsy-turvy elections gave both Democrats and Republicans reasons to crow and lessons to learn about the state's political parity.

Attorney Gen. Mike Easley won the governor's race, with fellow Democrats winning several other statewide races at the top of the North Carolina ballot, including all but one of the Council of State seats.

But Republicans did better in other races, winning seats on state appeals courts and county commissions across the state while gaining four seats in the N.C. House.

Statewide Democrats came on strong in the last week of the campaign, recovering from a scary series of polls suggesting a Republican surge in mid-October. But Republicans continue to demonstrate solid strength down the ballot, reflecting the extent to which North Carolina has become a competitive, two-party state.

Easley's 52 percent to 46 percent victory came primarily in the Charlotte and Triad areas of the state. The turnout in GOP nominee Richard Vinroot's home district

was surprisingly low, with Easley taking a large share of the vote.

More importantly, the Democrat carried the crucial battleground counties of Guilford and Forsyth, which have trended Republican in both federal and local races, and picked off several coastal counties where immigrants and retirees have helped propel GOP gains in counties and the legislature in past elections.

#### Looking Down the Ballot

Similar patterns developed in other statewide races, although Democratic margins shrank in many of them. GOP State Rep. Cherie Berry did make history, however, by narrowly winning election to the post of State Labor Commissioner, the first Republican in the job in a century.

Judicial races offered Republicans more favorable results, with Beverly Lake, Jr. winning the Chief Justice spot and Republican Appeals Court Judge Bob Edmunds graduating to the high court. GOP candidates won many other contested state and local judicial races.

Easley was able to open up his six-point

margin of victory in the last week by sending two somewhat contradictory messages through paid advertising.

To the Democratic base, which includes the teacher union, he tilted leftward and returned to his early theme that "vouchers would destroy public education."

Meanwhile, he ran to the right in the Triad, coastal counties, and elsewhere by reassuring Bush voters that he was at least as conservative as Vinroot on taxes and gun control.

Coming in somewhat under the radar screen were county commission results that confirmed the split nature of the vote. (For more on the county results, see page 14.)

Both Democrats and Republicans can learn some lessons from this year's results.

Democrats should learn that they can't take anything for granted and that they have to run as fiscal conservatives to win statewide elections in North Carolina.

Republicans should learn that they need a strong, consistent ground game — turnout in GOP-leaning areas was anemic — and can't afford to let their school choice message be characterized as anti-public education. CJ

## State Board Appears To Have Broken Open Meetings Law

By DON CARRINGTON  
Executive Editor

On Friday, December 15, the North Carolina Aeronautics Council apparently held a quarterly meeting in violation of the state open meetings law because the meeting time and place were not advertised as required by law. The 9 a.m. meeting in Manteo included the approval of funding for airport projects across the state.

The 14-member council advises the Secretary of Transportation on aviation grants to N.C. airports.

General Statute 143-318, referred to as the North Carolina's open meetings law, requires that "the hearings deliberations, and actions of public bodies be conducted publicly." The law also establishes that notice is required for all meetings so that the public has advance notice of the time, date, and location of the meeting.

The Aeronautics Council has not been able to produce any document showing that the meeting was advertised as required by law.

A day before the meeting, a *Carolina Journal* reporter contacted the Division of Aviation to find out the time and location of the December 15 meeting. Shirley Pearce-Rowley, administrative assistant to division director Bill Williams, said the meeting was at 1 p.m. A meeting was held at that time,

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but the agenda dealt mostly with the First Flight Centennial and other events.

Council Chairman Eddie C. Smith of Lexington told *CJ* that the discussion and approval of spending had been handled at a 9 a.m. meeting.

"Three meetings were held. We had a 9 o'clock meeting and approved funds — just a short meeting. The way I understand it, we were going to meet at one... but it was changed."

When asked who has the authority to change the meeting time, Smith said, "the director or whoever, I guess. We talk about it sometimes. I am certainly not dictating it. We are an advisory group. Bill Williams is...I don't doubt what Bill might do at the last minute because he is chairman of this whole world-wide fly -in."

Pearce-Rowley said the agenda for the 9 a.m. meeting was not publicized. "What are we supposed to do, put it on the web site?" she said. The Board of Transportation does put its meeting info on its web site.

Division Director Williams first insisted that the 9:00 meeting was scheduled for a least two months, but he could not show that the meeting had been publicized.

He later called *Carolina Journal* and acknowledged the group may have violated the law. He said he was trying to get a legal opinion from the State Attorney General's Office. He said they would provide the minutes to anyone who requested them. *CJ*

## Highway Funding Needs Boost To Meet Minimum Standards

By ANDREW CLINE  
Managing Editor

RALEIGH

State road maintenance funding has not kept pace with inflation in the past decade, resulting in a \$290 million backlog of road and bridge repairs, a Department of Transportation official told legislators in December.

The DOT needs an additional \$122 million over what's already been budgeted for next year just to move state roads to a minimal level of quality, engineer David Allsbrook said.

"If we don't get that extra \$122 million, we'll have to scale back our activities," Allsbrook said.

In absolute terms, road maintenance funding in 2000 was more than \$100 million greater than in 1990. But adjusted for inflation, the "total dollar amount devoted to maintenance and resurfacing in [fiscal year] 2001 is essentially the same as that in FY 1990," according to a newly released DOT report.

During that same period, the amount of traffic on N.C. roads has greatly outstripped road capacity, the report shows. In 1990, vehicle miles traveled was equal to the amount of paved lane miles. This year, vehicle miles traveled are 40 percent higher

than in 1990, while the mileage of paved roads has increased by just 16.9 percent.

"A lot of our roads are taking more cars than they need to take," Allsbrook said.

DOT officials grade state roads the same way teachers grade pupils, with grades ranging from A to F. North Carolina's interstates rate a C while the rest of the state's roads rate a D, according to the report.

DOT wants to spend \$500 million in the 2001-2002 fiscal year to bring the Interstate highways up to an A and the rest of the state's roads to a C, Allsbrook said. "This is what we're striving for," Allsbrook said. But legislators have budgeted just \$378 million for road maintenance for the next fiscal year, leaving a \$122 million shortfall.

With a budget deficit this year of nearly \$500 million, no one is sure where the money to fill the gap will come from. The picture does not look promising for drivers, who will continue to travel poor roads if repair backlogs persist.

While the backlog in bridge maintenance has actually been cut in the past decade, the backlog in road maintenance has increased, Allsbrook said. Without additional funds, that gap will continue to widen, he said. *CJ*

Hunt's action was primarily a reaction to the patronage abuses unveiled in the Algie Toomer hearings.

### Sudden reversal surprises observers

## Municipal Electricity Providers Change Position On Deregulation

By MELISSA SUAREZ  
Senior Writer

RALEIGH

ElectriCities, the organization representing the 51 NC municipalities that operate electric power utilities, told lawmakers in December that it is backing away from its support of electricity deregulation in North Carolina.

Electricities officials said they saw too much evidence from other states, particularly California, that deregulation can hurt consumers and raise electricity prices.

Since May, ElectriCities has expressed support for legislative efforts to deregulate the state's electricity industry. The group backed the Study Commission on the Future of Electric Services' recommendation in May to open the electricity market to competition.

But just before Christmas, ElectriCities officials surprised commission members both in withdrawing support for deregulation and in its reasons for doing so.

"ElectriCities has pushed deregulation because we believed the consumer benefits would surpass the costs and hurdles to get it done," stated the ElectriCities report to the commission. "With the changes in energy market prices and the problems in other states, we are reevaluating our position. We urge the Study Commission on the Future of Electric Services to do the same."

ElectriCities representative Jessie Tilton said that, in many cases, deregulation has "played a significant role in higher prices" and has led to a "failed flawed market."

"We're alarmed that the customer could pay more [with deregulation]," said Tilton. He cited the alleged negative effects of de-

regulation in states like Oregon, Arkansas, Washington and California.

Several lawmakers, however, questioned ElectriCities' assertion that deregulation has caused higher prices, especially in California, where consumers are now filing a class action suit, citing \$4 billion in electricity overcharges. Since California deregulated its electricity industry, consumers there have experienced skyrocketing prices.

"California's huge price increases show what happens to consumers when deregulation happens before real competition is established," states the ElectriCities report.

But California's high prices may be more the result of an increase in overseas crude oil prices, said one commission member. Natural gas prices have jumped 25-fold since last year, and half of California's power is produced by gas, he said.

Another problem in California, said other commission members, has been poor planning for competition. California has a shortage of energy generators coupled with an oversupplied energy market. The discrepancy has forced higher prices for scarce energy, they said.

"We view California as being an aberration," said Jim Roach, a representative of Dominion Resources, a subsidiary of N. C. Power and Light. "I disagree with a lot of [ElectriCities information], for what it's worth."

Several studies and news stories, reported in *Carolina Journal Weekly Report* in recent months, have shown that California's price problems resulted primarily from lingering regulations and an unexpectedly hot summer. *CJ*

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## School Reform Briefs

• N.C. fifth graders must meet new, higher standards this year before they may proceed to sixth grade. Not only must they meet local promotion requirements, they also must score "proficient" on the state's end-of-grade tests in reading and math, and score at or above the proficiency level of 2.5 on the grade 4 writing assessment.

North Carolina is among the few states that have implemented student accountability standards in hopes of raising student achievement and discouraging social promotion.

After months of discussions, the State Board of Education unanimously approved new statewide standards on April 1, 1999. Students in grades three, five, and eight are required to score at a proficient level on end-of-grade tests before they will be allowed to progress to the next grade.

High School students are also required to pass an exit exam and a computer skills test before they may graduate. This year will be the first time any students are required to meet these standards.

• North Carolina gets a grade of a C on student performance and a C on student progress, according to the state's own report, "A Goal for North Carolina's Schools," a report card released by the North Carolina Education Research Council.

The statewide report, part of Gov. Jim Hunt's goal to make North Carolina's school first in the nation by 2010, assigns North Carolina letter grades based on various state and national performance measures, including the state's ABCs test, the National Assessment of Educational Progress (NAEP) test, SAT scores, and national survey data.

The report was designed to compare North Carolina's educational performance and progress to other states. In many ways it looks remarkably similar to the John Locke Foundation's *Grading Our Schools* report, which also assigns letter grades to N.C. schools.

Summarizing the report card, Hunt said, "I think the way to categorize this is that we are performing a little better than average, but only a little bit. The way to react to this is to say, 'Hey, gosh, we've got to do better.'"

• A recent ruling in Buncombe County may pave the way for charter school funding in North Carolina. Judge Robert Payne ruled in November that the Asheville City Schools must give the Francine Delaney New School for Children, a charter school, its share of a supplemental county tax and a fine and forfeiture fund.

"Perhaps now the charter school experiment will receive equal funding so we can see if this alternative to traditional public education really can work," Peter Millis, a Francine Delaney teacher, told the Associated Press in November.

Richard Schwartz, attorney for Asheville City Schools, said the ruling may be appealed. If the decision stands, charter school students may see a boost in educational opportunities and funding.

## Leandro Reshapes Education Landscape

State court case puts school funding and policy decisions in limbo

By SHERRI JOYNER

Assistant Editor

RALEIGH

North Carolina schools may soon be required to offer classes for "at-risk" four-year-olds. In an October ruling expected to transform public education in North Carolina, Judge Howard Manning of the Wake County Superior Court wrote that the state must provide preschool for children who are in danger of academic failure.

School officials are still waiting for a final ruling determining whether some districts, especially low-wealth ones, will receive additional funding from the state.

Setting the stage for the decision was *Leandro v. North Carolina*, a landmark decision that set a constitutional standard for every child's right to a "sound basic education."

On July 24, 1997, the North Carolina Supreme Court ruled that an education that does not prepare students to compete in society is constitutionally inadequate.

"For the purposes of our Constitution, a 'sound basic education' is one that will provide the student with at least the ability to read, write, and speak English, prepare the students in a number of academic subjects including geography, mathematics, science, and prepare the student to engage in post-secondary education or vocational training, the court concluded.

The case began in May 1994, when parents, school boards, and students of five low-wealth counties (Cumberland, Halifax, Hoke, Robeson, and Vance) filed a lawsuit in which they charged that the state failed to provide equitable educational opportunities for all school districts.

The group argued that funding disparities among districts allowed some wealthier districts to receive greater educational opportunities. Plaintiffs asserted that children in poor districts were not receiving a sufficient education, that school buildings were inadequate, and that poor test scores in these districts reflected the disparity of educational resources.

The following October, six urban counties (Asheville City, Buncombe, Charlotte/Mecklenburg, Durham, Wake, and Forsyth/Winston-Salem) joined the case to contend that the state failed to provide sufficient resources to ensure an adequate education for all children.

Drawing upon many documents, in-

cluding the N.C. Constitution and General Statutes, the court determined that the state was not required to provide equal educational opportunities for all children.

However, the court ruled that Article I, Section IX of the State Constitution along with Section 2 of the General Statutes guaranteed every child in the state an opportunity for a "sound basic education."

Ruling also that plaintiffs should proceed to trial, the case was split into two separate trials, one relating to the low-wealth districts and another to the urban school districts. The North Carolina Supreme Court sent the case involving the low-wealth districts back to Wake County Superior Court to determine whether the constitutional right to "a sound basic education" was being denied to N.C. school children.

Today, under the authority of Wake County Superior Court Judge Howard Manning, the low-wealth district case, now known as *Hoke County Board of Education v. State of North Carolina*, is reshaping education policy.

Much of the trial has focused on testimonials from the Hoke County school systems' teachers, parents, students, and experts on educational development.

The arguments range from insufficient classroom materials to the need for early development programs, including pre-kindergarten classes. In fact, much of the trial has focused on current pre-kindergarten education and whether North Carolina is fairly serving low-income children.

## Decisions Begin To Roll In

In October, six years after the plaintiffs sued, Judge Manning issued the first of three rulings. In the first opinion, Manning ruled that the State met the constitutional standard for educational quality and sided with the state's assertion that its distribution of funding was equitable.

However, Manning also wrote, "[T]his finding does not answer the question of whether or not the State of North Carolina is providing adequate funding...in a manner that ensures that all children are receiving an equal opportunity to obtain a sound basic education."

The second ruling came just two weeks later, on October 26, 2000. Judge Manning ordered the state to expand its pre-kindergarten program for those children identified as "at risk." Manning also ruled that

the state must do more, particularly for those students from poor backgrounds.

"These (test) results are unacceptable," Manning wrote. "They clearly and convincingly show that more than 25 percent of our third graders are at risk for academic failure after four years of education in the public schools. The only logical conclusion that one can draw is that these children who are at risk for academic failure in the third grade have 'missed the boat' in their first four years in their respective schools. They are not on track to receive a sound basic education."

This decision may result in school districts being required to spend millions of additional dollars for preschool programs.

Mitchell Tyler, superintendent of Hoke County Schools, was hopeful about the case.

"We are optimistic," he said. "However, we are not implementing any changes until the court reaches a decision because we don't have the resources available to us to waste by jumping the gun."

## Manning Has His Say

The intent of the plaintiffs had not been to focus on preschool programs, but Judge Manning ruled early in the case to add the component stating that a child's right to education was dependent on need, not age.

"I think everyone agrees that readiness to learn is critical to academic success, and we need to make sure that those children who are in need of extra support receive it," said Katherine Meyers, Chairwoman of the Durham Board of Education and a member of the N.C. Charter School Advisory Board.

Almost 95,000 N.C. children receive child care subsidies through Smart Start, a child care initiative aimed at ensuring that children are healthy and prepared to learn.

Smart Start is currently operating on a \$220 million budget. Preschool programs are expensive, and many districts, if required to participate, would be forced to obtain additional funding.

Manning's forthcoming third ruling holds the key to the funding issue. If he rules in favor of the plaintiffs, North Carolinians may see a redistribution of funding or an increase in the education budget.

"Children, regardless of where they live in the state, should have the same opportunity, they shouldn't be penalized due to geography," Hoke's Tyler said.

The question is definitely about funding. How will districts be able to afford additional programs, especially with North Carolinians still waiting on whether low-wealth districts can provide children with an adequate education.

Scotland County, next to Hoke, has less to worry about. Although Hoke County Schools have struggled to stretch local dollars, Scotland automatically receives a set amount of funds.

"We have a funding floor that was developed in the merging of Laurinburg and Scotland districts in 1964," said James "Buck" Carter, Chairman of the Scotland County Board of Education. "Scotland is unique because we are funded at the average state pupil funding level. That has been a real plus for us because we can focus on what the children need."

If the court does rule in favor of the plaintiffs, the current method of funding will need to change.

"Whatever funding formula we come up with," Meyers said, "there will be different views as to what is equitable and fair. But we need to keep in mind that local control and flexibility is crucial for funding."

This decision may result in school districts being required to spend millions of additional dollars for preschool programs.



*Curriculum Changes Lead Way***New Policies Help North Carolina Schools Close The Racial Gap**

By MELISSA SUAREZ

Senior Writer

RALEIGH

Schools across North Carolina are helping legislators to address the gap in the academic performance of minority and white students.

This fall, the legislative committee on improving the performance of minority and at-risk students invited several schools to share their methods of success in closing the gap.

The committee, charged last year with studying ways to close the gap, is looking at school systems where the percentage of minority students is greater than 33 percent and where the percentage of students receiving free or reduced-price lunches is greater than 40 percent.

The committee has so far identified several similarities among successful schools. For one, successful schools treat children as individuals, not numbers in a system.

"We've stopped looking at percentages," said Sylvia Faulk, an assistant principal at Wilburn Elementary School in Wake County. "We are looking at names. This is the student. This is where he is. And this is where he needs to be."

"These children are doing it. But they have to believe they can... All of our staff has bought into the fact that we are going to succeed. We do not see diversity as an excuse. We celebrate it and use it."

At Wilburn Elementary, black students are among those making the greatest improvement. Their performance exceeds that of black students countywide. But "black and white don't have the standard meanings that they do in other school systems," Principal Darryl Fisher said.

Last year, 28 percent of Wilburn students were black, 6 percent were Asian, 2 percent were biracial and 1 percent were Native American. Thirty-eight different languages are spoken by Wilburn students.

"Thirty-five to 40 percent of kids are in and out of class throughout the course of the year," Fisher said. Hispanics are the fastest growing population."

**Great Expectations**

Another top strategy that has worked to boost academic achievement has been raising academic expectations.

"We don't understand what some of our students go through when they get off the bus," Wilburn teacher Valarie Joseph-Lewis said. "But we make them aware of the fact that we expect them to perform. The attitude that we have is that there are high expectations and that we expect them to meet those expectations."

A similar philosophy exists at Penderlea Elementary School, where 83 percent of black students scored at the proficiency level in reading and math.

The difference between white and black scores (90 percent of white students scored proficient) was the smallest among Pender County schools.

John Freeman, the school's principal for the past 14 years, said one reason for the school's success is the community.

"Everybody's got programs, and everybody's got teachers who work hard," Freeman told the *Wilmington Morning-Star*



Dr. Dorothy Singleton tells legislators about the benefits of the Direct Instruction teaching method.

in October. "We are a community school. That's got to be part of what's making a difference."

Freeman also lauded low teacher-turnover and retirement rates as well as a year-round calendar. (Wilburn is also on a year-round school system.)

The year-round calendar "makes it easier to remediate children who are behind," he said. "Every quarter you have three weeks built in to help those kids before they fall too far behind."

But the key to closing the gap, he said, is to focus on helping all children learn.

"Historically, black kids have been the furthest behind. But, truthfully, there are white kids behind."

The results of a Department of Public Instruction study this fall confirm what school leaders are saying. The study looked at nine schools that have succeeded in closing the gap and found many similarities.

**Back To Basics**

"Each of the schools visited was very focused on helping students master basic competencies in reading, writing, and mathematics," the study noted. The use of district-wide pacing guides in these subject areas — helping teachers maintain adequate coverage of the state curriculum across the year — as well as the use of teacher-

developed thematic units incorporating multiple subject areas (e.g., reading and social studies, math and science) was also common.

"Despite the study's focus on strategies that raise minority student achievement, it is important to note that none of the schools reported that its programs were designed for minority students," the report read.

"It is worth noting that some of the strategies employed in these schools do not target any specific student group; that is they are school-wide strategies aimed at raising achievement among all students regardless of their current level of performance or their demographic characteristics," the study found. But the study hinted at problems that may hinder legislators as they try to find statewide solutions.

"The fact that all schools studied were in small or mid-sized districts may have been a factor in the district-wide cohesion," DPI Chief of Evaluation Services Carolyn Cobb said.

Larger districts find cooperation at the district level more difficult than do smaller districts, she said.

**Opportunity For All**

Honored, excited, optimistic, thrilled, blessed... all words that express how I feel about taking over the reins as director of the N.C. Alliance for Smart Schools.

For the past 10 years, children and education have been my passions. My work in the education field is varied. From a local education foundation, to a program working with public housing youth, to a state board position with Smart Start, I have witnessed firsthand the impacts of good educations and bad ones.

After traveling across the state and nation visiting schools and school systems, meeting with parents and business leaders, and observing children as they learn, one thing is abundantly clear: One size does not fit all.

The recent political season brought education to the forefront. Issues such as vouchers and tax credits and the demise of the public school system dominated the media. Unfortunately, the positive message about school choice got lost in the rhetoric.

The Alliance For Smart Schools is an advocate for school choice, but to us "choice" means all the opportunities that are out there, including innovative options within the public schools, charter schools, private schools, home schools, faith-based schools, contract schools, public-private partnerships, tuition tax credits, and need-based vouchers.

As a mother of three young children who are excelling in the public school system, I am a supporter of public schools. My children are blessed to be surrounded by committed, hard working, innovative teachers who love teaching. However, if one of my children was performing poorly or was trapped in a school that was failing, you can bet I would use whatever assets I had to find a school that was right for my child!

Is it fair that all parents do not have that opportunity? The children and families I worked with who lived in Raleigh's public housing communities cared deeply about their children, and their children had the same abilities to learn as my children. But because of their socioeconomic conditions, they had no choices.

If our goal is really to ensure that all children have access to a quality education, we must come together, pool our assets, and create education communities. Education communities that are energized by competition, strengthened by the sharing of resources, and committed

to matching children with the right education setting for their individual needs.

As Pierre Jimenez of the Independence Institute wrote in an article about meeting the educational needs of the Latino community, "What we must ask ourselves now is why competition and choice is desirable when it comes to selecting a doctor, buying a cars, clothing, or Corn Flakes, but not when it comes to something even more important. Equity should not mean sameness." Again "one size does not fit all."

Teachers know that children learn differently, so we must invest in our teachers. The education profession is the most important profession in our country, and teachers are often treated like second-class citizens. In a day and age where star athlete's multimillion dollar deals, we must publicly recognize and financially reward our star teachers and educators — not just once a year, and not just during a political cycle. The business community has fabulous models for retaining top-notch employees. Similar packages need to be developed for our teachers.

Study after study has demonstrated that there is no direct correlation between education spending and student performance. There is some evidence that when resources are invested wisely, with specific instructional goals in mind, the results can be very positive. But the same studies show that this is a relatively rare occurrence in American education. There are few countries in the world that invest as large a percentage of their education dollars in administration as the U.S. does.

Now that the heat of the political season has come to an end, I hope the innovative thinkers from the business, government, education, non-profit, and faith communities can put aside partisan differences and do what it takes to develop a plan that ensures North Carolina's children can compete in the global marketplace.

For, as former Milwaukee School Superintendent Howard Fuller says, "without an educated populace, democracy itself is endangered." *CI*

Holland is director of the N.C. Alliance for Smart Schools.



Paige Holland

"One thing that you will find across lines is the ability to have flexibility, communicating expectations, and having high expectations," said Dr. Henry Johnson, Associate Superintendent for Instruction and Accountability Services for the North Carolina Department of Public Instruction.

"We know a lot about school success. Some of it can be done at the state level," he said. "But a lot of it can be done at the local level."

For now, state education leaders and legislators are still studying the issue. Closing the achievement gap between black and white students has become a top priority of late, and officials say they want to find out what works before implementing remedies.

**The year-round calendar "makes it easier to remediate children who are behind," said a Pender County school principal.**

One approach receiving nationwide attention is the use of parental choice programs aimed at at-risk children. In Charlotte, a privately funded program is in its second year of operation. Known as the Children's Scholarship Fund, the program helps hundreds of low-income students, mostly African-American, attend a private school of their choice. After the first year, participating students scored significantly higher in reading and math than their peers who remained in public schools. *CI*

For more information about CSF-Charlotte, visit [www.JohnLocke.org](http://www.JohnLocke.org).



## School Reform News From Across the Nation

## Court Strikes Down Vouchers

A federal appeals court last month struck down the Cleveland school-voucher program as unconstitutional, saying it violated the separation of church and state. The much-awaited ruling from the 6th Circuit Court of Appeals sets the stage for what many believe will be a school-choice showdown before the U.S. Supreme Court.

The court's three-judge panel voted 2-1 to uphold a previous decision by U.S. District Judge Solomon Oliver, a Clinton appointee. Oliver ruled in December 1999 that the Cleveland Scholarship Program was unconstitutional because most of the 56 participating schools had religious affiliates. Reported in *The Washington Times*, December 12.

### Merit Pay Introduced

Teachers in Cincinnati will become the first public school teachers in the U.S. to be paid based on performance, *The Christian Science Monitor* reported in December 5.

Proponents of merit pay have long touted the advantages associated with the reform. They include rewarding good teachers with higher salaries at a speed similar to the private sector and squeezing out those teachers who don't meet the grade.

Supporters in Cincinnati say the new structure will work because teachers played a significant role in creating the system.

"The Cincinnati plan is the most dramatic and fundamental change-oriented local effort on teacher compensation we've seen," said Allen Odden, a professor of education at the University of Wisconsin and an expert on teacher pay. "It represents the first major change in how you are going to pay teachers since we invented the single-salary schedule in 1921."

### Bilingual Ed in N.Y.

Bilingual education in New York is changing, giving parents more control over where their children are placed. School Chancellor Harold O. Levy is implementing intensive English classes that would allow students to be placed into mainstream classes earlier. The move is a response to Mayor Rudy Giuliani's call for English immersion. Currently, the New York School System's bilingual education teaches students in their native language for many years. Reported in *The New York Times*, December 13.

### Housing for Teachers

On roughly a \$50,000 salary, Stephanie Rafanelli, a science teacher at Atherton's Menlo School, can not afford to buy a house anywhere on the Peninsula. With a median price of single-family homes at \$620,000 in the Silicon Valley area, the school and community decided that something needs to be done to boost teacher salaries so they can live in the community they work.

In response, the school has begun investing \$2 million in donations from

parents and other sources in venture capital funds, with long-term proceeds to be shared among the school's 125 full-time employees, from its gardeners to its teachers and administrators.

If the plan works, teachers at the 85-year-old school could rake in, after taxes, an estimated \$214,000 over the next 11 to 12 years in bonuses from the proceeds, said Jennifer

Ayer Sandell, director of special projects for Menlo. Reported in the *San Francisco Chronicle*, December 5.

### California Sues Districts

Gov. Gray Davis of California has sued 18 failing school districts, including San Francisco and Oakland, contending that any inadequate educational conditions are a local responsibility. "If children in school are being deprived of a basic education . . . districts have the power, the authority and the duty to fix those conditions and should be ordered to do so," John Daum, a lawyer for the state, said yesterday at a San Francisco Superior Court hearing.

According to the case, schools are failing to educate children because they are in such poor condition with leaky roofs, falling tile, outdated textbooks and a lack of space. The suit also claims that schools also have a disproportionate number of teachers without regular credentials. Reported in the *San Francisco Chronicle*, December 13.

### Power to the Principals

A new Arizona law will give principals the authority to make decisions without the approval of school boards or superintendents.

"Every time a principal sneezes," Sen. Tom Smith said, "he calls up the superintendent and says, 'How am I supposed to do this?'" But critics see risk. "You set one of these things up, and you're king for life," said Tim Hogan of the Arizona Center for Law.

The law will give principals the power to contract with vendors for goods and services, choose maintenance crews, pay deserving teachers more, and use lesson plans different from those approved by the district board. Reported in *The Arizona Republic*, Dec. 17.

### U.S. Test Scores Flat

U.S. eighth graders made no gains on international math and science tests between 1995 and 1999, according to data released in December by the National Center for Education Statistics.

On the test, the Third International Mathematics and Science Study (TIMSS-R), U.S. eighth-graders exceeded the international average in math and science. However, there was no growth from their 1995 performance, when they took the test as fourth-graders and placed below the international average.

The reason U.S. students surpassed the international average in 1999 but not in 1995, though their scores did not improve, is that some Western nations that participated in the 1995 test were replaced on the 1999 test with Third-World countries.



## Advisory Group Redesigns Plan

# Wake Leaders Turn Bond Defeat to Victory by Building Consensus

By MELISSA SUAREZ

Senior Writer

RALEIGH

Uncertainty may have surrounded the 2000 presidential election, but on November 7, Wake County's public schools scored definitive victory when voters overwhelmingly approved a \$500 million school bond measure to help build 14 new schools and fund more than 100 renovations and expansions.

"When we have significant and critical issues facing the community, bipartisan collaboration is essential to success," said Jim Talton, director of the Citizens Advisory Committee that helped craft the proposal.

Talton said leaders should celebrate the bonds but also always remember that the proposal succeeded because of its broad-based support that ran across party and ideological lines.

Cooperation was not on the agenda in June 1999, when the Wake County School Board submitted to voters a \$650 million bond proposal. Voters overwhelmingly rejected the plan.

"The largest percentage of people voting are 50 or older and do not have children in school," Talton said. "The details and the needs were there, but not well explained."

The \$938 million capital spending plan, of which the failed \$650 million bond was a part, would have substantially raised property taxes and included \$158 million for new technology spending (the current bond includes no spending for new technology).

The plan was "too aggressive," said Talton. "More items were included in the package than were needed."

The sound defeat of the bonds presented Wake County school board members and county commissioners with a dilemma. The county badly needed new schools and more space. But school leaders would need to persuade voters.

### Building Support

School board and commission members then broached the idea of a bipartisan board to reach consensus on the school system's needs and decide how to ensure voter approval. The result was a Citizen's Advisory Committee that included more than 30 educators and community leaders.

"We worked diligently to choose business [leaders], educators, and conservatives," Talton said. "There was a strong, concerted effort to ensure diversity geographically and philosophically."

The transition from a one-sided to united approach got a rocky start, said Talton. "To begin with, there was not a sense of cooperation because there was a sense of distrust. We had the far right, far left and the middle in the room. There was, I think, a high level of concern over whether we could be successful."

Presentations by various groups helped spur cooperation. In an early meeting, Chuck Fuller, director of Citizens for a Sound Economy-North Carolina, a group that had actively opposed the 1999 bond, talked about the importance of embracing new ideas. Also, a research paper and public opinion poll published by the N.C. Alliance for Smart Schools, a division of the John Locke Foundation, showed how schools could be constructed at a lower cost and without the tax increases that Wake County voters opposed. The presentations drew press attention and stimulated debate.

As committee members considered all



Jim Talton, Chairman of Wake County's Citizens Advisory Committee

sides of the issue, attitudes began to change. "The 'pro-education' forces came to realize that voters were not receptive to another tax increase and that needs would have to be prioritized," Talton said. "To come together, we had to let everyone talk and everyone have their viewpoint. It was up to every group to sell their case."

"Toward the end," Talton said, "everyone realized that we needed more classrooms and that ultimately what we were all about was the children of Wake County."

With a common goal in mind, the committee prioritized the school system needs. In the process, Talton said, "we forced the school system to prioritize its needs."

The committee's final report recommended cutting the total bond amount from \$650 million to \$500 million and increasing the percentage of bond indebtedness in the total capital spending plan, which was shaved to \$550 million.

These changes reduced the impact of the plan on the county budget, freeing up resources for operating needs. The committee also recommended decreasing school sizes and using modular construction to cut building costs, ideas originally proposed by the Smart Schools Alliance.

"Current models of 650 students per elementary, 1,100 per middle, and 1,600 per high [school] create school that are too large and bureaucratic to promote effective, efficient, flexible learning environments," the committee concluded.

The committee's guiding philosophy of focusing on core academic and building needs led to important changes in financing methods. For example, members sliced \$158 million for new technology and recommended that future tech projects be funded through operating, not capital, budgets.

Talton said he could not be happier with the finished product. As a result of the committee's work, Wake County has changed its funding formula for school construction. When the 1999 bonds failed, Talton received calls from Alabama, Virginia, and Florida asking whether citizens supported their schools. Now other states and counties look to Wake as a model.

"Voters make intelligent and informed decisions and [that] when they understand the needs of the community, they will respond with a plan that is reasonable," CSE's Fuller said.

To meet community needs, leaders have "to collaborate, to get the community involved in helping set direction before final decisions are made," Talton said.

To read the Smart Schools report on school construction, "There Are Better Ways," visit [www.Johnlocke.org](http://www.Johnlocke.org).



*Organization Spotlight***Community Learning Centers Put Resources Into Housing Projects**

By PAIGE HOLLAND

Contributing Editor

Pride and hope are key components of success in life, and that is exactly what Community Learning Centers provides public housing youth in Raleigh.

With support from individuals, churches, businesses, government leaders, and program partners, CLC is bringing existing community resources into public housing to provide basic educational and job skills to parents and children. The goal is to break the residents' cycle of economic dependence.

"The prosperity we have enjoyed in the Triangle has been accompanied by many challenges to the labor force, public safety, quality of life and education," Jim Cain, president of the Carolina Hurricanes and chairman of the Community Learning Centers said. "Few endeavors address all of these issues. Community Learning Centers offers us a rare opportunity to do so."

After months of research that included visits to 1,400 homes in public housing to talk with parents and children about what they needed to succeed, a community coalition created the vision of Community Learning Centers.

Led by former Raleigh Mayor Tom Fetzter, State Senator Eric Reeves, public housing advocate Josephine McCullers, and businessman Glenn Williams, Community Learning Centers began mobilizing resources for youth and advertising a call to action.

CLC then focused its efforts on building an alliance of individuals and organizations prepared to help families.

"Most communities have in place the resources to benefit youth and children," Glenn Williams said. "Community Learning Centers became the broker of those resources. We identified high quality programs and then made sure families could access them."

**The Community Responds**

The call to action was enthusiastically embraced in the community, and donations poured in. Cash, equipment, volunteers, and lots of energy put the program on a fast track.

Area developers offered to upfit donated buildings. Local businesses contrib-

uted new furniture and computer equipment, organized book drives, and provided volunteers. Energetic volunteers painted walls, cataloged donations, and coordinated grand-opening celebrations.

Finally, the vision of Community Learning Centers was translated into a very real working entity, and centers opened in Heritage Park and Chavis Heights, two of Raleigh's large public housing communities.

**Resources, Not Just Money**

"It's not all about money," said Al Byrd, program director for Community Learning Centers, said. "It is about access to resources. These kids have the same bright eyes as your kids. They have the same potential, wants and dreams. They just lack the opportunities. If the center can touch these kids, it can divert them from the path that most of their neighbors have chosen."

More than 70 percent of students living in Raleigh's public housing do not graduate from high school. According to U.S. Department of Education statistics, those dropouts are two times more likely to be unemployed, six times more likely to become unwed parents, and three times more likely to earn criminal records.

**Mobilizing Manpower**

Over the past 12 to 18 months, Community Learning Centers have provided after-school tutoring and mentoring, reading programs, computer training, kindergarten readiness classes, summer camp experiences, scouting, and many educational and enrichment opportunities for young people living in public housing.

Much of the manpower comes from the 15 partners, which include the YMCA, Communities In Schools, Motherhead, the City of Raleigh, the Raleigh Housing Authority, and the Raleigh Jaycees to name a few.

Each partner brings specialties to the project, from trained tutors to literacy programs to transportation assistance.

For example, the YMCA offers after-school tutoring and mentoring for elementary school children; Communities In Schools adopted CLCs as official CIS sites and provides trained tutors and mentors; the City of Raleigh provides space within an existing Parks and Recreation facility to



George W. Bush visits Raleigh's Community Learning Center during the 2000 campaign

hold program; and the Raleigh Housing Authority donated an entire building to the effort.

In addition to support for the youth, CLC assists parents as well. CLC staff have encouraged parents to establish, enroll in, and complete a GED program. And they have enabled the parents of approximately 40 children complete a Motherhead program on-site.

"Locating the centers in the public housing neighborhoods is a key to their success because it removes barriers such as transportation and childcare," said Classy Preston, president of Community Learning Centers, Inc. "It also provides a positive hub in the community — a gathering place — where children can go to learn."

Whether through the center's library,

Internet connections, or real people, the residents are able to connect with the resources they need, Preston said.

Families not only benefit from increased skills, but the idea is that their access to a more information will allow them to make better decisions, learn how to solve problems, and have increased confidence, trust and a sense of belonging.

And they don't have to catch a bus or find child care because the resources are in one central location in their own housing complex.

It's a win-win proposition for everyone, and an idea that communities across North Carolina should emulate. *CH*

Holland is director of the N.C. Alliance for Smart Schools and a former director of CLC.

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## Course Of The Month

COURSE OF THE MONTH salutes UNC-Chapel Hill for creating a new, politically oriented minor, "Social and Economic Justice." The minor will be the first in UNC-CH history to require a "service-learning component" — which means students will be required to take part in political activism.

According to *The Daily Tar Heel* of Sept. 11, 2000, the minor was created "for students interested in studying human rights, equality, economic justice, diversity and peace." Sociology Professor Judith Blau, chairwoman of the curriculum, pushed for the new minor, and said listening to students in her class prompted her to seek the minor.

"Students today are very well-informed about the issues," she said. "They have clear ideas about getting involved. I wanted to push them further."

By that justification, the minor follows pop-culture studies and other fields of study that rely on students' expertise in those subjects to teach them. In fact, the goals of Sociology 68, the one course that all Social and Economic Justice minors are required to take, include "That students should participate actively in their own, and their classmates', education, by helping to construct the course, present course material in class, and engage in classroom discussion." Here is more on that course:

**SOCIOLOGY 68: SOCIAL AND ECONOMIC JUSTICE.** Covers theory and practice of social and economic justice, including analyses of racial-gender-sexual-class-national and other forms of justice, the history of influential movements for justice, and strategies of contemporary struggles.

In this class and minor, there are many different kinds of justice. No longer a high, moral ideal, justice has become a term that can no longer stand on its own as a self-evident good. Now it needs modifiers — social, economic, race, gender, sexual, class, national and "other forms" — to specify which political group this "justice" is good for.

The web page for the course includes values for the course. The first is, "That social and economic justice is a good thing."

The need to state a course justification explicitly may appear strange to some. But CM suggests that all courses have similar justifications. Here are a few examples we'd like to see in the undergraduate bulletin: "Introductory Chemistry is a good thing"; "Calculus — good for America, good for the world"; "History isn't as bad as it's cracked up to be"; "Business: A good thing, despite what you'll hear from those neomarxists in the Sociology Dept."

OK, maybe such justifications should remain rare. Student experts may need them before taking the course, though, just to be safe.

As for any non-experts who choose to take the course, if they struggle, they can earn two grade points by completing the proposed extra-credit project: a "2-page report on 'Still Red? Socialisms in Practice,' a research workshop, University Program in Culture Studies, December 1-2, 2000."

## UNC, State Return To Building Dreams . . .

## Faculty Pay, Research Enhancements Make Up Majority of New Spending

By JON SANDERS  
Assistant Editor

RALEIGH  
A 975-acre wooded tract in Chapel Hill is the University of North Carolina at Chapel Hill's field of dreams. University officials envision that the site, the Horace Williams property, will house a satellite campus that would bring together private industries with academic research facilities.

Meanwhile, N.C. State University has returned to its plans to upgrade Carter-Finley Stadium, where N.C. State's football team plays host to its opponents.

Details of a plan to convert the Williams property into a satellite campus of the university emerged in early November. The plan devotes space to industrial use, offices and research labs (5.8 million square feet); homes (2.3 million square feet); shops (120,500 square feet); and even civic buildings (31,200 square feet).

The conversion would include a costly cleanup effort on the eastern edge of the tract, the site of an old landfill and a burial ground for chemical waste. UNC-CH trustees will consider a master proposal for the site in January.

Should the university succeed in building the campus, it would become the third research park in the Triangle: The Research Triangle Park and N.C. State University's 1,192-acre Centennial Campus.

The Centennial Campus offers a model of the UNC-CH park. It houses a mix of corporate and government entities attracted

to the research and development opportunities offered by the campus.

Those attractions include the technical expertise of the faculty, a crop of graduate students and faculty members to conduct research, and state-of-the-art facilities and equipment.

## Long on the Drawing Board

The park has been in the planning stages since the early 1990s, when Paul Hardin was chancellor of UNC-CH. It began with cooperation between town and campus committees.

They worked with consultants from Johnson, Johnson and Roy in Ann Arbor, Mich. to create "the JJR plan" of development guidelines.

The latest version of the plan was designed with the help of Ayers Saint Gross, an architectural firm in Baltimore, which

has received \$280,700 for its help, according to *The News & Observer*. The town, however, had no input in the plan nor even the knowledge that one was currently being developed. "I'm in the dark," Chapel Hill Mayor Rosemary Waldorf told the paper.

A short way down I-40 from UNC-CH, in Raleigh lies N.C. State's Carter-Finley Stadium, itself slated for a \$102 million overhaul, complete with giant whirlpool.

The stadium improvements had been hinted at for years, but little was heard about them during the bond campaign, as if N.C. State officials purposely avoided the topic of stadium improvements for fear that the news of the planned stadium upgrades might cast doubt upon the advertised necessity of the bonds.

Ironically, bond proponents were allowed to make their case before the crowds at Carter-Finley during all the home game this season for N.C. State. CJ



## . . . And Big Football, Basketball Programs

By JON SANDERS  
Assistant Editor

RALEIGH  
The University of North Carolina at Chapel Hill's search for a million-dollar head football coach and North Carolina State University's plans of multi-million-dollar upgrades to Carter-Finley Stadium have prompted a new round of questions about the prominence of athletics at those schools.

In November, UNC-CH fired football coach Carl Torbush after a 6-5 season. The university was paying Torbush a base annual salary of \$152,000 (his total compensation package was nearly \$500,000).

UNC-CH offered more than double that amount to the head coach of Virginia Tech, Frank Beamer, who had coached the team to the national championship game last season. Nevertheless, Beamer turned down UNC's \$1.2 million-to-\$1.4-million offer.

Had UNC-CH acquired Beamer, the school would have also been responsible for covering the \$750,000 buyout provision in his contract with Virginia Tech.

(UNC-CH ended up hiring New Orleans Saints linebackers coach John Bunting. Bunting's annual base salary is \$160,000, and his total compensation package is worth more than \$500,000.)

N.C. State, meanwhile, already has one of the highest-paid football coaching staffs in the country. After firing head football coach Mike O'Cain last year, university officials increased the university's commitment to pay high salaries to bring in more successful coaches.

The total compensation package of new N.C. State head football coach Chuck Amato is double that of O'Cain's, and Amato's staff is one of the few "million-dollar" football staffs in the country, meaning that their combined salaries are more than a million dollars. O'Cain's staff earned about \$770,000.

Before Torbush's firing, UNC-CH was already paying hundreds of thousands of dollars in contracts guaranteed to several basketball coaches currently not coaching: Dean Smith (retained as a "consultant to the athletics director"), Bill Guthridge (who receives half his contract salary as a "part-time" employee), and Guthridge's three assistants.

The new basketball staff, under new head coach Matt Doherty, also earns 79 percent more than Guthridge's, in part because Doherty has four assistants.

The university is responsible also for paying the contracts of five fired football assistant coaches, whose contracts expire in June 2001, and Torbush, whose contract doesn't expire until June 2003.

The school is responsible for paying each fired coach his entire salary during his contract period; however, if any coach finds another job during that period, the school is responsible to pay only the difference, if there is any, between his new salary and his salary at UNC-CH.

Ticket sales were a key factor in the decision to fire Torbush, according to UNC-CH officials, although the average attendance this season was the third-best in school history. The university had just completed

a \$50 million upgrade of Kenan Stadium in 1997 when then-coach Mack Brown abruptly left the program for a million-dollar position as head football coach at the University of Texas.

Torbush's lack of wins wasn't filling the new seats. Unsold tickets put a larger and larger hole in the athletics department's budget, and the losses potentially hurt the university's fund-raising.

At N.C. State, the completion of the upgrades to Carter-Finley Stadium, projected to cost \$102 million, will also mark the completion of an athletics complex for the university. Part of that complex is the Raleigh Entertainment and Sports Arena, which was completed in 1999 and was a money-loser in 2000.

The ESA housed N.C. State basketball as well as the Carolina Hurricanes hockey and several other events, including arena football, the circus, and ice shows.

How much money the ESA lost isn't publicly known, but Peter Karmanos, owner of the Hurricanes, told *The News & Observer* that the team and the arena lost a combined total of \$15 million.

Worse, the ESA pulled outside events from UNC-CH's Dean Smith Center, which primarily houses UNC-CH basketball, turning that money-loser into an even greater money-loser.

The Smith Center has been in the red for 13 straight years, but this year — the ESA's first year of operation — it had nearly two-thirds fewer outside events than the previous year, and the operations shortfall was nearly \$400,000. CJ





### Class Rank Becoming Key Factor

## Universities Are Dropping SAT, ACT Scores To Admit Minorities

By MELISSA SUAREZ  
Senior Writer

**L**arge public university systems in California, Texas and Florida may have increased minority enrollment in the face of an end to affirmative action. But the change may not be the result of increased minority test performance.

In fact, many colleges and universities are dropping the SAT and ACT academic achievement exams as admissions requirements altogether, according to a recent *USA Today* report, automatically admitting students who are in the top 10 or 20 percent in their high schools.

The trend has opponents of "race preferences" hopping mad, but some advocates for "affirmative action" are elated. It's a strange "twist of events," according to the report, especially considering that the new policies were prompted not by concern from opponents of standardized testing, who argue that such tests discriminate against minorities, but by opponents of race preferences who say that minorities get special preferences in college admissions despite lower scores.

"I'm not sure we would have liked it to have happened (this way)," FairTest Spokesman Bob Schaeffer told *USA Today*, "but when you're given lemons, you make lemonade."

### **Strange Bedfellows**

The case of "strange bedfellows," as Schaeffer call it, gets even more complicated. FairTest, based in Cambridge, Mass., has for 15 years advocated for the abolishment of standardized college admissions tests, maintaining that the abuses and flaws in the tests explain the low performance of minorities and subsequent low minority representation on the nation's most competitive campuses.

But other leaders on both sides of the affirmative action debate complain that it's not the test but how it is used.

Opponents of race preferences, while supporting the tests as the best evidence of a student's merit, complain that the testing standards do not apply equally to all students.

Many stand against policies that admit

the top students from each high schools graduating class, saying that the practice substitutes subjectivity for objectivity and presents unfair disadvantages to students from rigorous high schools.

Other opponents of preferences, including Florida Governor Jeb Bush, support and use such plans on the grounds that they

reflect a color-blind way of ensuring diversity on campus and the opportunity to receive a higher education.

In Florida, for example, Bush helped draft a new policy to supplant the state university system's prior use of racial preferences. The top 20 percent of each gradu-

ating class automatically gain admission to one of the 10 schools in the University of Florida system, regardless of the comparative quality of the high schools from which they graduated.

### **The New Affirmative Action**

Class rank is the new tool "not because (policymakers) suddenly decided that's a more reliable predictor," Roger Clegg of the Washington-based Center for Equal Opportunity told *USA Today*. "The criteria are chosen because of the racial and ethnic impact they will have."

George Leef, director of the Pope Center for Higher Education Policy, said the standards may backfire and hurt minority applicants' chances for admission.

"The obvious problem with admission policies based on high-school ranking is that academic standards are much higher at some schools than others," Leef said. "A sharp student in the 11th percentile at a school with rigorous standards loses out to a student who makes the top 10 at a school where standards are low."

"That not only seems unfair, but also it might just as well work against a minority student as for him."

### **Reducing Incentives to Achieve**

While some proponents of affirmative action support such policies, others offer a different complaint.

A U.S. Commission on Civil Rights statement defending affirmative action opposed percentage plans, saying that they offered no incentive to fix inequities in el-

## Report Gets UNC All Wrong

**A** new report, "Measuring Up 2000," published by the National Center for Public Policy and Higher Education, makes North Carolina look good in some respects and bad in others. But before rushing to praise state policymakers where the grades are high or criticize them where the grades are low, we need to examine several questionable assumptions that undermine the validity of those grades.

Consider "Affordability," where North Carolina receives its highest grade. High grades are awarded to states that heavily subsidize their higher education systems; low grades are awarded to states that don't. There is an obvious value judgment here. It is assumed to be good policy to keep tuition and fees for students low, thus transferring much of the cost away from the students who directly use and benefit from the state colleges and universities. But is that indisputably true?

The morality of compelling taxpayers to pay for most of the cost of educational investments that benefit students, most of whose families can afford to pay for or finance the cost, is questionable to say the least. Affordability for students means more taxes for others.

Furthermore, high affordability doesn't even appear to lead to high rates of college attendance. In the very affordable North Carolina, the "High School to College rate" is comparatively low (only 62 percent of the rate in the highest state). But in New Hampshire, which received an "F" for affordability, the High School to College rate is 79 percent, and in high-tuition Pennsylvania (which received a "C"), the rate is 80 percent.

At the other end of the grading scale, North Carolina did poorly in Participation. The reason for the low grade is the very point made above — that a relatively low percentage of students choose to attend college. But it does not follow that a low percentage here is a bad thing.

North Carolina has many rural, agricultural areas where a college degree is simply not a productive investment. States are not identical in their economic profiles, and there is no reason to assume that a higher college-going rate is necessarily better than a lower one. Low college participation, therefore, is not a sign of failure.

ementary and secondary schools and that they depended on the continued segregation of public high schools.

The result: "Now, as more state institutions feel pressure to abandon affirmative action, a host of research is being conducted that is aimed at putting test scores into perspective," according to *USA Today*.

The "Strivers" formula, for example, developed by The Educational Testing Service last year, aims to identify students who score significantly higher on the SAT than socioeconomic and environmental factors would predict. The Strivers formula was withdrawn after being bombarded with negative comments.

Another method, developed by profes-

North Carolina also received a low grade for "Benefits," suggesting that, despite the state's huge expenditure on its university and community college systems (our per capita spending on higher education is the second-highest in the U.S.), we ought to do more. A look at the criteria used to assign the Benefits grade, however, leads to the conclusion that this grade is meaningless.

One of the criteria is the percentage of adults who have a bachelor's degree or higher. North Carolina scores rather low on this measure. As argued above, however, a higher percentage is not necessarily better than a lower one.

The report offers the unsubstantiated idea that the low degree-holding percentage "substantially impairs the state's economy," but the truth is that North Carolina's economic growth has far outpaced many states where a higher percentage of adults hold college degrees.

New Jersey, for example, has one of the highest percentages but lags behind the national average for growth in Gross State Product, whereas North Carolina is well above the national average. Here the report again makes the mistake of assuming that more years of formal education automatically lead to higher productivity.

That assumption is made explicit in the next criterion, namely Increased Income from Education. The report here gives states demerits for having low percentages of college-educated people by assuming that such states are "losing" income compared to the amounts they would have if more residents held college degrees.

While it is true on average that people with college degrees earn higher incomes than do those without them, it does not follow that people who haven't attained a college degree would be earning higher incomes if only they had.

Instead of congratulating ourselves on a high grade in Affordability or hastening to enact some new program to deal with the supposed problem shown by our low grades in Participation and Benefits, North Carolinians should forget about the low grades and worry about the high one. *CI*

*Leef is director of the Pope Center for Higher Education Policy.*



**George Leef**

**"A student in the 11th percentile at a rigorous school loses out to a top-10 student at a school where standards are low."**

sors at Indiana University, would identify "any student whose score on the SAT is higher than the average score of test takers at his or her high school," *USA Today* reported. Yet another is designed to measure motivation and persistence.

Yet, as Clegg asked, "Is it really in anyone's interest to admit kids who are not going to be able to compete with the other kids — even if it's not their fault?" *CI*

*For more information about standardized testing and affirmative action policy in higher education, visit the web site for the Center for Equal Opportunity at [www.ceousa.org](http://www.ceousa.org) and the Center for Individual Rights at [www.cir-usa.org](http://www.cir-usa.org).*

## Bats in the Belltower

## Sex Sells On Campus

One of the dubious benefits of attending a university is the many opportunities to attend guest lectures. Many lecturers open a portal to students and faculty to a new understanding of their subject. For some, however, a more apt metaphor would be that of opening the porcelain.

For amid the luminaries and scholars invited to campus are a new breed of academics, those for whom the life of the mind isn't

nearly as satisfying as the life of the loins. And they have set about dressing up the sexually bizarre in the robes of academe and, in both senses of the phrase, playing doctor.

Like the character General Jack D. Ripper in the movie "Dr. Strangelove," these folks have a deeply ingrained obsession about bodily fluids and a system for imposing it upon others.

The University of North Carolina at Chapel Hill has served more than sufficiently as the enabling Plan R for these monomaniacs. The university hosted a few of these aberrant presenters just this fall. Following are a few examples of how UNC-CH learned to stop worrying and love, for example, "Semen, Irony, and the Atom Bomb" (the quoted material is the actual title of an article by one of the lecturers brought on campus at UNC-CH this fall, Dr. Lawrence Cohen of UC-Berkeley).

• "Fear of and Desire for a Mandingo Sexual Encounter: On Pornography and Racial Difference"

Linda Williams, UC-Berkeley  
Friday, Nov. 17, 2000

Linda Williams is a professor of film studies and rhetoric and director of film studies. Williams specializes in film history and genre, melodrama and pornography, feminist theory, and visual culture. Her books include *Viewing Positions: Ways of Seeing Film*; *Hard Core: Power, Pleasure and the Frenzy of the Visible*; and *Figures of Desire: A Theory and Analysis of Surrealist Film*. She is completing a new book on melodrama.

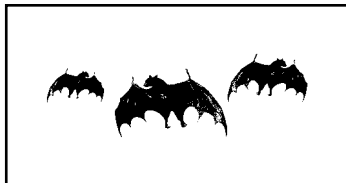
Williams was featured in the July/August 2000 issue of *Clarion*, the journal of the Pope Center for Higher Education Policy. In an article entitled "The Smutty Professors," Jon Sanders wrote: "The [sexual] proselytization also extends to seemingly nonsexual courses. For example, students in 'Rhetoric 241' at the University of California at Berkeley study hard-core porn films under the tutelage of Prof. Linda Williams."

• "Hum Homo Saat Saat Hain: Nostalgia, AIDS, Capital & the Opposite of Homosex"

Lawrence Cohen, UC-Berkeley  
Thursday, Oct. 26, 2000

Cohen is a professor of medical anthropology at UC-Berkeley. His publication, "No Aging in India: Alzheimer's, the Bad Family, and Other Modern Things," won the 1998 Victor Turner Prize. He has published articles including, "The Pleasures of Castra-

tion: The Post-Operative Status of Hijras, Jankhas, and Academics" and "Semen, Irony, and the Atom Bomb," which appeared in the anthology *Sexual Nature, Sexual Culture*, edited by P. and S. Pinkerton, and in the journal *Medical Anthropology Quarterly* respectively. His current book project is provisionally titled *India Tonight: Homosex and the Political Secret*.



• "Feminist Fascism?? [sic] Challenging the feminist movement to

incorporate butch and transgender identities"

Workshop leaders: Zabrina Alegruere & River Allan  
Saturday, Sept. 23, 2000

Brief description of workshop: "There is pervasive exclusion of gender-queer identity in feminist writing and activism, as well as feminist events like the Michigan Womyn's Festival. Yet, understanding transgender/gender-queer identity deepens the understanding of how gender is constructed, how sexism operates and what the "liberation of women" really means.

Led by a femme queer woman and a punk [expletive deleted]-butch queer gender-[expletive deleted], this workshop will provide an opportunity for us to envision a feminism that challenges sexism, homophobia and a binary gender system."

This workshop was part of a host of events that day sponsored by UNC-CH's Women's Issues Network and a feminist student group at UNC-CH called Fighting Legitimized Oppression of Women (the "oppression" is tampons, and the group's acronym is deliberate chosen). More information on the group and the events of that day can be found online here: <http://www.gurlpages.com/flowin/workshops.html#zabrina> (Readers take caution: some of the links on the site point to explicit sites that might offend some readers, but then they would also find out what two expletives a person used in describing s/h/itself).

Here is another of that day's events that, although it doesn't quite fit in with the rest of the events featured in this article, still provides some insight into what gets sponsored on college campuses these days and also a parody of them, too.

• Body Image & Self Image

Workshop leader: Elizabeth Bridges  
Saturday, Sept. 23, 2000

Brief description of workshop: "Despite the fact that you're a kick-ass radical feminist, do you still have those "bad body" days? Wanna know what you can do about it? After a brief presentation on body image, self-image, and ways of fighting fat oppression — both in ourselves and others —, we will introduce ourselves and share where we're at with our feelings on our own body image and self-image.

"If there's time, we will also engage in some activities that are guaranteed to improve your relationship with your body (Hey, not that! Get your mind out of the gutter!...!)"

New National Study Calls  
Elon College A Hidden Jewel

By MELISSA SUAREZ  
Senior Writer

RALEIGH

A new survey designed to assess institutional quality of over 250 four-year colleges and universities has identified North Carolina's Elon College as a school demonstrating high student engagement.

The National Survey of Student Engagement, sponsored by the Indiana University-based Pew Charitable Trusts, examines the level of student engagement by assessing students' responses to 40 questions. The questions are clustered into five categories: level of academic challenge, the amount of active and collaborative learning, student interaction with faculty members, access to outside learning opportunities like internships and study-broad programs, and level of campus support. Elon College, Beloit College, Centre College, and Sweet Briar College were the only four schools that scored in the top 20 percent in all five benchmark categories for both freshmen and seniors.

In a Nov. 17 article about the survey, ^ spotlights Elon's success. The college features a variety of programs that helped it score well in the five categories. Students in the school's general studies program are

required to participate in one of five outside learning programs.

In 1994, the college restructured its curriculum to make more time for collaborative learning. Elon's success is in keeping with the survey's results from other small, liberal arts colleges. On a whole, students at small colleges and liberal-arts colleges come out ahead in the five categories.

In general, a higher level of student engagement and collaborative learning exists at small liberal-arts colleges. Such colleges tend also to be more demanding, requiring more writing and analytical thinking.

Linking Students and Faculty

The study contained other interesting results that may be used to assess the effectiveness of higher education across institutions.

Most colleges struggled with low levels of student interaction with faculty members. Such interaction was least common at doctorate-granting institutions, where 53 percent of freshmen and 35 percent of seniors "never" discussed ideas outside the classroom and 79 percent of freshmen reported never working with a faculty member in a non-academic setting. CJ

## Online Education En Route

By MELISSA SUAREZ  
Senior Writer

RALEIGH

Investors are pouring millions, "soon to be billions," into online education, according to a Sept. 11 report in *Forbes* magazine. Conservative figures from analysts at Thomas Weisel Partners, a merchant bank in San Francisco, estimate a \$10 billion virtual higher-ed market by 2003 and an \$11 billion corporate-learning market by the same year.

"That's \$21 million from almost nothing and it's the kind of market that makes venturesome investors drool," reporter Danielle Svetcov wrote. Svetcov cited several big players in online education, including Knowledge Universe, run by Michael Milken, Lowell Milken and Larry Ellison of Oracle; KaplanCollege.com, run by the Washington Post Co.; and Global Education Network, run by Allen & Co.

According to *Forbes*, the one segment of the online education market moving the most confidently is corporate training pro-

grams: "For the average company, use of e-learning is 50 percent to 90 percent cheaper than bringing in real-life teachers and holding formal classes."

Two Firms Win Accreditation

Also, *The Chronicle of Higher Education* announced the formation of two major online initiatives involving major commercial providers of higher education.

DeVry Institutes has won accreditation from the North Central Association of Colleges and Schools for online versions of its bachelor's-degree programs in business and information technology. About 43,000 students study at one the 18 campuses of the Illinois-based company.

And Harcourt General publishing company has received approval from the Massachusetts Board of Higher Education to operate a virtual university that will offer five degree programs.

More than 600 people have applied for adjunct slots. CJ

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Putting the "student" in student athlete

# A High Graduation Rate For Athletes At Duke; Not So At UNC

By MELISSA SUAREZ  
Senior Writer

**D**uke University athletes post high graduation rates, while graduation rates for UNC athletes were mediocre, according to a report from the National Collegiate Athletic Association (NCAA). The report looks at six and four-year graduation rates for NCAA Division I colleges.

Duke University ranked second, behind only Northwestern University, in the percentage of scholarship athletes who earned their degrees within six years. Of the 184 male athletes who enrolled at Duke from 1990-91 to 1993-94, 90 percent graduated within six years. Of the 69 female athletes entering during that period, 93 percent graduated, making the overall graduation rate for Duke athletes 91 percent.

Duke University football players posted the highest graduation rates of all Division I schools. Overall, 91 percent graduated from Duke within six years. The rate was only slightly lower for black players (87 percent) than for white players (95 percent). Duke ranked eighth out of 10 institutions that graduated more than 80 percent of black male athletes. Of the 46 black male athletes who enrolled at Duke from 1990-91 to 1993-94, 85 percent graduated within six years. The four-year graduation rate for Duke athletes was 89 percent.

UNC schools, meanwhile, ranked neither among those Division I schools with the highest or lowest graduation rates. UNC-Chapel Hill posted the highest four-year graduation rate (78 percent) among UNC-system schools, while N.C. A&T State University posted the lowest (45 percent).

Sixty-two percent of male basketball players at UNC-Chapel Hill who entered college in 1993-94 graduated within four years. However, the four-year graduation rate of black basketball players at UNC-CH lags behind the graduation rate for white players (44 percent vs. 66 percent). Meanwhile, only 22 percent of all male basketball players at N.C. A&T State University graduated within four years.

Overall, 58 percent of football players who entered UNC-CH from 1990-91 to 1993-94 graduated within four years. The percentage was 45 percent for black players and 66 percent for white players.

The findings from UNC tend to reflect the trend nationwide. While overall graduation rates for athletes held steady from last year's report, male basketball and football players continue to have trouble in the classroom. Forty-two percent of Division I

basketball players and 48 percent of Division I football players who started college in 1993-94 earned their degrees within six years.

By comparison, 54 percent of male students and 51 percent of all male athletes graduated within the same period. Male basketball players posted the lowest graduation rates. Only 34 percent of black male basketball players earned their degrees, compared with 56 percent of white players. Only seven colleges graduated all of the black players who enrolled from 1990-91 to 1993-94, while 47 institutions, including the University of Michigan at Ann Arbor, failed to graduate a single black player who entered school during that time.

### Not The Whole Story

Steve Kirschner, director of Sports Information at UNC-CH, said the report didn't tell the whole story. Kirschner said the report did not "make adjustments to reflect cases in which student-athletes transfer or choose to leave school early for personal reasons or to compete as professionals."

Kirschner pointed out that UNC-CH's athlete graduation rates "nearly mirror" that of the overall student body, and that they also compare favorably with those of UNC-CH's "traditional peers," the University of Virginia, the University of Michigan at Ann Arbor, the University of California at Berkeley, the University of California at Los Angeles and the University of Texas at Austin.

"Carolina football trailed [in athletes' graduation rates] Virginia and UCLA, but led Texas, California and Michigan," Kirschner said. "Carolina men's basketball led all six major universities, including three who had rates more than 40 percent below UNC."

Kirschner credits UNC-CH's high athlete graduation rates to its student-athlete academic-support programs and the John Pope Academic Center.

On the whole, female and international athletes posted higher graduation rates than their non-athletic peers. Of the 1993-94 entering class, 68 percent of female athletes graduated compared with 59 percent of all female students. A full 91 percent of non-resident alien athletes on scholarship at NCAA schools graduated. *CI*

For more information, go to <http://www.chronicle.com/stats/ncaa>.

## Graduation Rates for Athletes and Other Students Who Entered College in 1993-94

Public Institutions	All students	All athletes
Appalachian State U.	62%	65%
East Carolina U.	50	62
Elizabeth City State U.	44	73
Fayetteville State U.	35	13
North Carolina A&T State U.	42	45
North Carolina Central U.	49	42
North Carolina State U.	65	62
UNC-Asheville	55	69
UNC-Charlotte	49	43
UNC-Chapel Hill	80	78
UNC-Greensboro	47	42
UNC-Pembroke	40	61
UNC-Wilmington	56	75
Western Carolina U.	47	54
Winston-Salem State U.	37	69
Selected Private Institutions	All students	All athletes
Davidson College	89%	86%
Duke University	92	89
Elon College	63	5
Wake Forest University	86	75

Source: The Chronicle of Higher Education, using NCAA data

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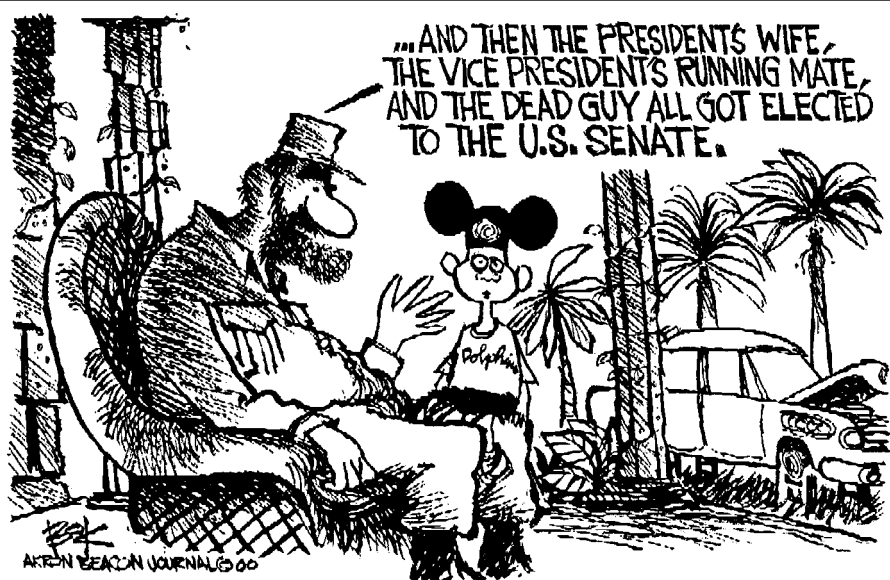
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FILLING LITTLE ELIAN'S HEAD WITH CRAZY NOTIONS ABOUT AMERICA

## Town and Country

• Cary in December instituted the state's first public financing of elections. The town will pay part of the campaign expenses of candidates who finish in the top two in their races, set and adhere to spending caps, and raise some money on their own. The move came in response to developers who financed the campaigns of pro-growth candidates, including the opponent of the mayor in his last election. Despite being vastly outspent, Mayor Glenn Lang still won his race. Reported by the Associated Press.

• The Terry Sanford Performing Arts Center, a regional arts center conceived and promoted by the late former Governor and U.S. Senator Terry Sanford, will almost certainly be built in Raleigh instead of Durham, where Sanford served as president of Duke University.

That decision came after intense lobbying by Gov. Jim Hunt, who has long wanted the center located along heavily congested Blue Ridge Road near the N.C. Museum of Art and down the street from the State Fairgrounds, N.C. State University's football stadium basketball arena, and the Carolina Hurricanes' home ice.

Blue Ridge Road, on which each of these venues is either directly situated or has a parking lot entrance, already is one of the more congested streets in Raleigh during peak hours. Not far from the proposed Arts Center site are two shopping centers with large grocery stores. A bit farther away is a movie theater and a K-Mart.

One wonders what traffic will be like with an event at the fair grounds, the arts center, and the stadium going on simultaneously.

Nevertheless, effects on traffic congestion have not been widely discussed, nor does it appear that the state has a plan to relieve the congestion that will assuredly occur with the development of the 50 acre site.

On a positive note, Sanford Performing Arts Institute spokesman Tom Drew says that the institute will never seek state dollars. The institute can raise all the money it needs privately in about three years, he said.

• A Thomasville developer has proposed an apartment complex for low-to-moderate income seniors, but the idea is getting resistance from city council members.

Associated Land Group of Greensboro wants to build a 62 unit complex with monthly rents ranging from \$350-500. The developer says the city lacks affordable housing and he wishes to fill that need.

Some council members are not buying into the project and challenge the definition of "affordable."

Councilman Dwight Cornelison said that "the seniors I have talked to would be hard pressed to pay \$400 or \$450 rent."

To make matters worse, the developer says he needs help via a federal Community Development Block Grant for the project to work. The grant is supported by the local government. Without government support, the rents could range in upwards of \$650.

## Voters Put New Faces on County Boards

Anti-tax sentiment helps give GOP gains, but Democrats maintain supremacy

By ERIK ROOT

Assistant Editor

RALEIGH

While the North Carolina Association of County Commissioners has yet to post its 2000 election results, a preliminary scan of all counties suggests a majority of Democrats kept their seats in various local county commissioner races. However, the results of some key county contests on November 7 indicate a modest trend in favor of the GOP.

Overall, Republicans picked up approximately 16 seats. While most counties tended to keep the status quo, others, like Iredell, tended to solidify their conservative leanings. Iredell Commissioner Ray Bowles identified the group as unified philosophically and generally very conservative.

Probably the most dramatic gain for the GOP came from Onslow County, where three Republicans were swept in, thus gaining a 4-1 majority over their counterparts. Democrats previously held a 3-2 advantage. Central to the Republican victory were issues of rising taxes and poor spending decisions by the Democratic board.

Among the poor decisions cited in news accounts was the Democratic board's decision to spend taxpayer money on a new county office complex, but locate it on contaminated land that will cost a lot to clean up.

Some believed that the board was so set on building a new county office next to the water that they picked a poor piece of land.

One voter, Eddie C. Quinn of Jacksonville, wrote that as a taxpayer, he hopes that the next commissioners will seek to keep taxes low, while also providing essential services efficiently. Those services include road repair, sewer maintenance, and emergency services. Quinn finally asserted that taxpayers need these services, not "fancy" public buildings.

## Growth and Zoning

While tax and spending issues drove the Onslow election, growth and zoning issues came to the fore in Buncombe County. In what the *Asheville Citizen-Times* termed a "major upset," Republican newcomer Nathan Ramsey defeated a longtime Democrat incumbent commission chairman Tom Sobol.

Ramsey objected to the decision by the commissioners to introduce zoning in the county. Buncombe County has no zoning. According to the *Citizen-Times* an analysis of the precinct returns showed that Ramsey won in those precincts where voters rejected zoning last year.

Ramsey said that his victory came from a concerted effort at getting out to meet the voters and engage them on the issues that most interested them. This is confirmed by UNC-Asheville political science professor Bill Sabo who said that Ramsey's popularity came from anti-zoning sentiment and his ability to successfully run one-on-one against Sobol.

In Mecklenburg County, Republicans picked up two seats to yield a 5-4 majority for the Democrats. Even though *The Charlotte Observer* claimed that his candidacy ought to be "shunned" Jim Puckett's victory returned District 1 to the Republicans.

In the other Mecklenburg race Republican Tom Cox defeated former four-term

state senator and longtime commissioner Jim Richardson in an "at large" race. *The Charlotte Observer* noted that his skills among Democrats will be missed for he brought to the table experience and "parity." However, Cox disagrees. Along with the fiscal conservative approach of Puckett, Cox stated that the board will actually be more equal. Still, he hopes that the board will be less partisan.

However, there will most likely be great disagreement on issues of taxing and spending. Both Cox and Puckett believe that the board should primarily focus on budgeting issues.

They, along with fellow conservative Republican Bill James, will most likely seek to lower overhead and increase efficiency in county government services.

In Wake County, two Democratic incumbents were reelected by small margins, but fellow incumbent Yvonne Brannon was defeated by Re-

publican challenger Ken Gardner, thus increasing Republican representation on the state's second largest county from one to two.

Again, tax and spending issues seemed to dominate the contest. Brannon, an outspokenly liberal member of the board, supported a 10 cent tax increase per \$100 valuation in 1999 for more education spending. The controversy stemmed from a failed \$650 million school bond referendum (see page 8 for more information on the bond defeat). According to *The News & Observer*, her "enthusiastic" support for higher taxes and spending probably contributed to her defeat. Gardner stated that the commissioners acted irresponsibly in the past by "raising taxes as a first option instead of a last."

## Johnston County Surge

Republicans increased their majority in the Johnston County Board of Commissioners. After a 100-year dry spell that was broken two years ago when they first gained control, the Republicans gained two seats to increase their majority to 5-2.

Once again the issue of taxes was front and center. Fred J. Smith, who garnered 54 percent of the vote in District 1, pledged that he would not raise taxes.

As in other metropolitan-area counties, Johnston faces growing concerns over schools, growth, and property taxes as the county continues to grow at a rapid pace.

Finally, in Gaston County Republicans defeated a Democrat incumbent thus securing all the seats on that county's commission board. Rezoning issues and increases in property tax revaluation were the predominant forces in a continuing trend in turning out incumbents. Including the primaries, two Democrats were defeated as was one Republican. This year Democrat incumbent Neill Carson faced defeat in the November election. Republican Floyd Wright, a winner with 56 percent of the vote, was the only candidate pledging not to raise taxes.

Wright argued that the voters spoke up loud and clear on tax issues. "We've got to find ways to live within our means," he added. "I look forward to doing what they expect me to do — to not raise taxes and to live within our means."

In addition to the counties reporting gains above, Republicans also picked up seats in Harnett, Mitchell, Rowan, Stanly, Watauga, and Yadkin. While party identification is one way to look at the election results on the local level, the Cleveland County suggests party labels are not always a good barometer.

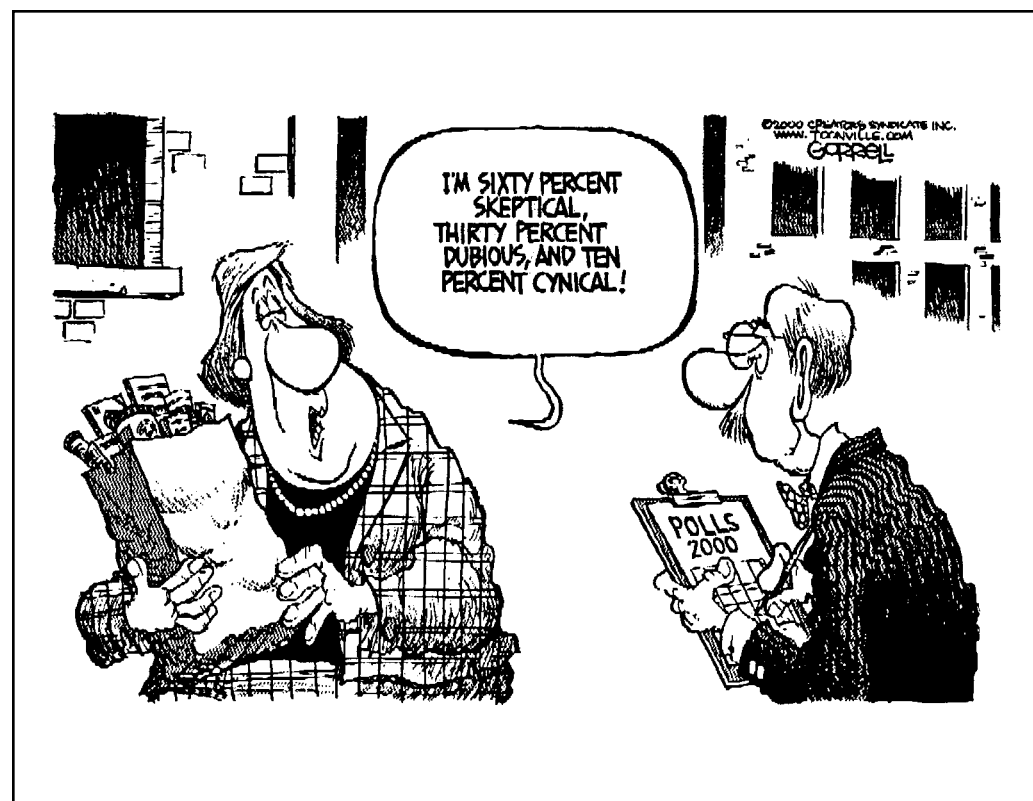
In that county's school board race some individual Democrats were actually more conservative than their Republican challengers. With a conservative decentralization message Democrats picked up seats over Republicans who generally favored centralization.

## Tax Increases Draw Fire

The trend this election cycle on the local level points to a slight trend in favor of the GOP. Local officials who seemed to opt to raise taxes first and increase government bloat without trying to reign in spending found themselves in this election fighting to keep their seats.

The issues of taxes, spending, and growth will likely continue to dominate local elections in North Carolina. This is especially important for the new Republican majority in Onslow. It was not too long ago that the Republican majority was swept out in favor of their Democratic challengers. Now they have another chance to prove to the citizens that lower taxes and improved services can be brought to the county. CJ

The issues of taxes, spending, and growth will likely continue to dominate local elections in North Carolina.





*Taxing Authority for School Boards?***Voters Pass Wide Array of Local Bonds, Mostly For Schools**

By **ERIK ROOT**  
Assistant Editor

**B**ack in June, Cumberland County Commissioners wanted to be honest with the taxpayers in pointing out that tax increases are likely when a government entity takes on more debt in the form of bonds. Commissioner Breedon Blackwell said that "when debt mounts up the way it has, I don't want the public to be misled that the bills don't have to be paid."

In the November election, while most of the attention was given to the higher education bond, voters in almost every county went to the polls and approved many local bonds as well.

In Wake County, voters agreed to borrow \$535 million for schools, roads, housing, and parks: \$500 million for schools, \$20 million for jails, \$15 million for open space, to name the three biggest bonds on the ballot. By a 3-1 margin voters approved of the school bond which will pay for 14 new schools and the repair and renovation of dozens of others.

As *The News & Observer* noted, the real challenge for Wake will be in keeping their commitment to not raise taxes. Still, a big reason the bonds passed was the promise from community leaders and supporters that the bonds would not affect property taxes.

Residents in the Wake County town of Garner approved a \$25 million bond for roads, sidewalks and parks. According to wire reports, the bonds passed because they were not controversial and because officials promised they would not lead to more than a 1-cent tax increase in the future.

The problems with traffic and growth fueled the desire for the roads and park improvements. The money also will go to building a community center, for renovating the senior center, and for the expansion of the Garner Historic Auditorium. One Garner voter lamented, "I'm going to get taxed one way or another, at least this way I know where it's going."

Union County approved a \$55 million school bond of their own with 66 percent of the vote. The majority of the money will be devoted to building new elementary schools, and the remainder will go to older schools that need renovation. Local officials say that the bond will prepare the county for an expected influx of residents.

Voters in Winston-Salem also approved bonds worth \$71 million for city improvements. A similar bond issue failed in 1997. Again, local officials, including Mayor Jack Cavanagh, said the bond would not result in a tax increase.

The bonds were opposed actively by a local group called Taxpayers United. The group seemed to get a late start in the contest, and the public did not see too much by way of public opposition until late in the election cycle.

The bonds provide \$40.6 million for streets and sidewalks, \$12.5 million for economic development, \$11.5 million for a communications system, and \$6.4 million for housing. Larry Weston, a member of the bonds committee, credited the victory to the ability of voters of all political stripes to cross traditional lines.

Mecklenburg County also overwhelm-

RALEIGH



Charlotte students do a reading assignment.

ingly supported a \$275 million school bond. The money will largely go toward renovations and equalizing the "media centers" between the newer and older schools. The Mecklenburg bonds provide an interesting case study in why local bonds pass.

It is interesting that the money from this bond, combined with the money coming in from previous bonds, has given the county more money than they know what to do with. *The Charlotte Observer* reports that "because of money from earlier bond issues and county money, many of the projects included in the school bond package are already underway."

Still, according to state law, school districts have up to seven years to spend the bond money.

Why did the voters of Mecklenburg approve a bond when the district has ample funds to pay for projects? Again, according to the *Observer* it was because the voters perceived "the schools need the money."

For those parents who face having their children bused 45 minutes to an hour away to meet racial standards, they thought the money was needed so schools could be built closer to their homes. However, that problem will only be solved, according to newly elected commissioner, Jim Puckett, if the county adopts a neighborhood schools program where kids are allowed to attend the schools in the community they live.

Other voters simply perceived the schools as needing the money to rebuild, retool, and repair existing schools.

Not everything met with voter approval, however, as the citizens in Greensboro rejected a downtown park, 61 percent to 39 percent. A proposed swim center lost 56-44 and a civil rights museum bond went down to defeat by a 51-49 margin.

Mayor Keith Holliday said that the "citizens have spoken loud and clear as to how much debt they're willing to get into. I always said I would take what the citizens give us for direction."

The direction they gave on the three bonds above was denial, but they did approve \$136 million in bonds for roads, fire station, public libraries, and new zoo bonds. In all, the citizens passed 8 of the 11 bond issues.

Councilman Robbie Perkins credited the passage of the eight bonds as evidence that Greensboro citizens have confidence in their city government.

Those who backed a museum have vowed they will get their building financed

**Time for Competition**

**C**ompetition is the fundamental dynamic of American life. It was competition between warring nations and potentially warring nations for supremacy in the air and, later, space that propelled us from Kill Devil Hills to the Sea of Tranquility in a breathtakingly brief time.

Similarly, it was competition for customers between American and international companies that moved us from mainframes so large and expensive that only a corporation could own one to laptops that have hundreds of times the computing power of their predecessors at a fraction of the size and cost.

Can you think of similar examples of dramatic increases in technology or productivity and accompanying decreases in costs in the public sector?

To quote Simon & Garfunkel, that's the "sound of silence" you're hearing.

Government at all levels has been lagging behind, stuck in a time-warp purgatory. Allow me to offer just a few examples.

It took more than a quarter century to get any meaningful welfare reform enacted in this country, despite substantial empirical evidence to suggest that it was badly needed.

How about public education? We're spending more per pupil than ever (more than almost every other country in the world, most of whose children are outperforming ours), and our students are not getting as good an education as their predecessors were in 1948, when more than half of America's schools were in one-room buildings.

Social Security? Still operating on a 1930's model. Solid-waste collection? In many instances, still medieval.

What's the reason for the great disparity in progress between the private and public sectors in the 20th century? Competition.

Every day in America, business people ask themselves three basic questions:

- 1) Who are my customers?
- 2) What do they want and need?
- 3) How do I deliver that as efficiently and economically as possible?

If you're not asking and answering those questions, someone who is will eat your lunch, and your market share, and take your customers.

Government doesn't have customers; it has captives. People have no place

else to go for the services they need (police, fire protection, clean water, and national defense), and the government doesn't have natural competitors.

Thankfully, there are efforts under way to alter that dreary reality by forcing governments into a metamorphosis driven by an infusion of competition.

Interestingly, this is not happening in our nation's capital or in most state capitals.

To find the most dynamic, innovative laboratories for creating competitive change in the art of governance, look to America's cities.

Those are the best places for this phenomenon, because the services that local jurisdictions deliver make the most dramatic difference in our daily lives.

Think for a moment about the impact on your life if your congressman doesn't show up at work for a week. Now consider the consequences if your garbage man, policeman, or fireman doesn't show up for a week.

That's why, in cities across America, mayors of differing political affiliations, occupying points all across the ideological spectrum, have been embracing a remarkably similar agenda: cutting taxes, reducing crime, and forcing city workers to compete with the private sector for the business of their customers/constituents.

Cities across America are radically revolutionizing heretofore sacrosanct approaches to essential services like education, water quality, parks, and pothole patching. Invariably, the results are the same: the quality of the service delivered to the customer (taxpayer) goes up, while the cost comes down.

All this is happening at the local level because it's the layer of government closest to the people and therefore most responsive to their desires. It's very difficult for most Americans to know whether their congressman is doing a good job. (Which is why so many of them get re-elected.) But if there is trash on the sidewalk and criminals are running loose on pothole-infested streets, folks know where to go: City Hall. And they will demand change.

Change will come at the state and federal levels, too. But not before the public demands it there as well. *CI*

*Fetzer is director of the Center for Local Innovation.*



Tom Fetzer

somehow in the next 18 months to two years, said Guilford County Commissioner and museum chairman Skip Alston. He did not mention where those other sources of money might come from.

According to the *Greensboro News & Record*, "Bonds are a kind of debt. In this case, because the city is pledging to use its taxing power to repay the debt, bonds require voters' approval. If the council chose to issue all of the bonds approved by [the] voters...the owner of a \$100,000 house can expect to incur a property tax increase of \$44.10 within three years."

If bonds are a "kind of debt" then debt is a "kind of tax increase" according to Professor Roy Cordato, Lundy Professor of Business Philosophy at Campbell University. The simple fact that the public takes on more debt means that taxes are higher than

they "otherwise would be," he said.

In other words, because the public will have to pay off more debt, even though taxes may not increase, they certainly will not decrease to a level they would, or could, had the public not taken on the debt in the first place. Hence, in effect, bonds are a kind of tax increase.

While some local officials are forthright in their acknowledgment that more bond debt may mean an increase in taxes, others this year have gone out of their way to deny taxes will go up.

According to Cordato, even though officials may promise taxes will not rise, they may raise taxes but blame the increase on something other than the amount of debt their local government carries. It will be up to the voters to pay attention to this should their local officials do such a thing. *CI*



## Local Innovation Bulletin Board

## Making Competition Work

Governments implementing managed competition strategies ought to consider including a protective provision against price-fixing schemes so that private businesses cannot collude without fear of going to court, according to a recent opinion published by Irwin Setzer, senior fellow and director of Regulatory Studies at the Hudson Institute.

In his November 16 article, "Time to Get Vigorous with Competition," Setzer praises

competition for lowering the cost of government while encouraging economic growth. However, unless private businesses are truly competing for a contract, taxpayers will not reap the benefits of competition, Setzer argues.

"A policy that makes it difficult for businessmen to collude to fix prices guarantees consumers that the prices they pay for goods and services will reflect only the costs of producing the goods and services they buy, including a reasonable return on the capital committed to the production of those goods and services," he wrote.

"A concomitant result of an effective competition policy is that competing businesses will be under pressure to produce in the most efficient manner — minimizing costs so that they are in a position to meet or beat the prices of competitors."

The full text of Setzer's column may be viewed at the Hudson Institute web site at [www.hudson.org](http://www.hudson.org).

## Convention Center Duds

A recent white paper released by the Pioneer Institute challenges the economic wisdom of constructing publicly funded convention centers. In "Flawed Forecasts: A Critical Look at Convention Center Feasibility," Heywood T. Sanders argues that despite the recent rash of cities building convention centers after supposedly determining that they are good for economic growth and development, the data suggest otherwise.

"Close examination of data from *Meetings and Conventions, Tradeshow Week*, and the Center for Exhibition Industry Research (CEIR) refutes the assumption of regular annual growth, yet these sources are commonly cited as evidence for a positive trend," Sanders wrote.

Declaring that "overall growth is expected to be strong," a 1997 study for Boston cited CEIR data that predicted a total of 4,683 shows nationally by 1999. The actual 1999 figure was 4,503 shows.

The 514 million square feet of exhibit space used in 1999 was below the predicted 522 million. Tradeshow attendance for 1999 proved a miss, with the actual figure of 102 million well below the predicted 129 million attendees.

The report examines closely 30 studies that give a positive conclusion in favor of building convention centers. It concludes that "in an era in which both politicians and the public follow carefully gathered statistics on urban crime, student performances on standardized tests, and local property tax rates and values, they have access to little or no real data on what convention centers deliver for the public investment."

The recommendations include:

1. If the analytical marketplace held feasibility studies to a high standard, with regard to both methodology and forecasting, this would inform the public debate. Establishing a public record of predictions and actual convention center performance would bring their true economic value to light but would take years to inform the decision-making process.

2. A long-term alternative is to oblige convention centers or sports facilities to finance capital costs out of their true fiscal impact. That would provide market discipline and create more accountability for officials.

3. Issuing legal debt restrictions, as many states did in the wake of localities' overabundant issuance of speculative debt for railroad construction in the nineteenth century, could force capital investments to compete among themselves for political support.

4. In combination with the previous recommendations, a fixed cap on debt and capital spending, such as the one already in place in Massachusetts, would impose a kind of fiscal and analytical discipline often lacking in public investment decisions.

The full text of the paper may be viewed at [www.pioneerinstitute.org](http://www.pioneerinstitute.org).

## Rubber-Tire Transit Best

An analysis released in October by the Texas Public Policy Foundation (TPPF) has concluded that Austin's traffic congestion problems could be eliminated by investing in bus alternatives rather than light rail.

The report, "Options Ignored, Opportunities Lost: An Analysis of Affordable Transportation Options for Austin," points out the trend that local transit authorities frequently downplay rubber-tire alternatives to rail in the planning process.

According to TPPF, if funding dedicated to light rail were instead dedicated to building 52 miles of busway/High Occupancy Toll lanes, sufficient funds would remain with which to build general purpose freeway lanes when combined with toll revenues.

This would reduce traffic congestion in 2025 by 39.4 percent compared to only 0.6 percent if spent on light rail.

Under this scenario, Austin traffic would be at 99 percent of road capacity rather than at 64 percent above capacity as is projected. The busway/HOT option would also dramatically reduce peak-hour travel delays throughout the Austin area 58 percent.

Several other factors argue against rail. The lowest possible cost for the light rail line, \$46 million per mile, is 15 percent above the worst-case freeway lane cost of \$40 million per mile. Densifying and centralizing, so-called "smart growth," will, if successful, worsen congestion and air pollution. And construction of rubber tire transit retains a far higher percentage of local tax dollars in the local community.

Authorities ought to undertake an independent, comprehensive study of all options for improving traffic congestion so they can come to a non-biased solution of the problem, the report concluded. *CJ*

One on One With Jim Puckett,  
New Mecklenburg Commissioner

By ERIK ROOT

Assistant Editor

CHARLOTTE

Under a sign in his office that reads "noli permittere illegitimi carborundum" (Don't Let the Bastards Get you Down) Jim Puckett sat down with *Carolina Journal* and spoke candidly about a whole host of subjects facing local government today.

Jim Puckett is the newly elected District 1 Mecklenburg County Commissioner. He served on the school board before running for the commission last fall. He is one of two freshmen Republicans elected to the board in November.

He spoke with *Carolina Journal* recently about the issues likely to arise during his tenure on the Mecklenburg County Commission.

**Q: Why did you decide to run for county commissioner?**

A: I had finished most everything that I set out to do on the board of education. I am a neighborhood school proponent. Neighborhood schools means students should be assigned to schools based on where they live rather than busing kids to schools based on their race.

Though Mecklenburg leaders have prided themselves on their progressive approach to busing, I think that it is not practical to bus students long distances, far away from their homes, to schools just to achieve some racial expectation.

As the community has grown, we have had to bus farther and farther out. It has gotten to the point that we are doing more harm than good. I thought it best to keep students in their neighborhoods, close to home.

I was willing to take some heat to make a philosophical point. We hadn't really had anyone argue that position before, and I believe I carried it as far as I could. I believed I had accomplished what I set out to do in that area.

Currently, the commissioners are split 7-2 in favor of the Democrats. After the new commissioners are sworn in, the split will be 5-4 in their favor. So, one of the reasons I thought I needed to run was to help achieve more balance on the board.

District 1 is about 42 percent Republican, so I thought the chances at winning the seat were pretty good. I also thought I had a good chance at winning the district based on my school board service.

**Q: What are the most significant issues you think the board ought to address?**

A: Education will still be a large issue. The county's education budget has been out of control for the last five years. The school system operating budget alone has grown by 125 percent.

We are going to have to force the school board to set up priorities to bring this under control. We do have needs, given that the county is growing, but we can't raise taxes indefinitely.

**Q: How would you solve that problem?**

A: One of the main issues is how to maintain a low tax rate and a livable community. If we are not careful, we will drive people into Cabarrus County.

If we do not watch out, we will tax people too much and they will move. And

those coming into the area will look at Cabarrus more closely than Mecklenburg if we are not careful in how we manage our county.

I would like to let growth just fund itself. I tend to agree with Barry Goldwater that property taxes ought to pay for the infrastructure that directly relates to property. We might never get to that point again, but I would like to get closer to what Goldwater wanted.

**Q: Are there other issues you see that need the board's attention?**

A: There are going to be land use issues we will have to address. We are looking at mass transit in Mecklenburg County, but I hope we can have a more serious debate this time around.

We need to know what the real numbers are. We need to look at some realistic alternatives. Transit is nice, and having 5 light-rail lines might be nice, but since we can't afford something like that, the question needs to be answered: is there is still a commitment to do something?

**Q: Has there been enough talk about rubber tire transit, or buses?**

A: No there hasn't. That's a dilemma. There was a 1/2 cent tax increase that everyone thought would fund light rail, but that's not the case and further rail won't decrease congestion along the 77 and 85.

I personally think we should be looking at other alternatives, like HOV lanes. We need to look at what we will do with buses as well.

**Q: What about growth issues?**

A: The Mecklenburg County Commission has very little to do with zoning now because most of the area has been annexed by either of the six small towns in the county or by Charlotte. We have very little area that falls under our control now.

I hope that I will be able act as a liaison between Hunter, Cornelius, and Davidson (to bring all three of those towns together) and the county at large.

These towns do have different views from Charlotte. While we might appreciate all that Charlotte is, it is not everything. While it could be stated that usually what is good for Charlotte is good for everyone else, that is not always the case.

It can be difficult at times to take the concerns [of smaller towns] to Charlotte because there is a sense that what Charlotte thinks is good for them must be good for everyone else.

**Q: Do you expect the county to get involved with the issue of a new arena for the Charlotte Hornets?**

A: Bill James put forth a resolution stating they would not fund the arena. But that proposal was defeated. I attended that meeting and said publicly that we should be honest and state the county will not fund the arena. We should not be investing county dollars on the arena.

We have jails to fund, schools to fund, parks to fund, courts to fund. We have a lot of other priorities. If the city of Charlotte wants to do it, great. I tend to be against government investment in private industry. I think the county should have just said no they would not find any money for their project here. *CJ*



Mecklenburg County's Jim Puckett



From Cherokee to Currituck

# Taxes, Privatization Top Agenda In Many N.C. Cities and Counties

By ERIK ROOT  
Assistant Editor

RALEIGH  
Forsyth County has decided to hire an Asheville marketing company (Delafield Marketing) to develop a campaign to help its department of social services recruit more foster and adoptive parents. According to wire reports, Forsyth claims that people have to hear about adoption at least eight times before seriously considering taking that first step.

Most importantly, the campaign is expected to help speed up the foster-care and adoption processes. Through the marketing firm, a number of other avenues can be used instead of going to fairs and setting up booths to recruit families.

The same campaign strategy has been successful in Yadkin County, which contracted with Delafield earlier in 2000. Yadkin has seen an increase in adoptive parents and mentors to foster children as a result.

### Garbage In, Garbage Out

The town of Valdese is getting out of the garbage business. Town manager Jeff Morse estimated the move could save the city \$178,000.

"Our costs are getting to the point it would be less expensive for customers to contract the services out," Morse said.

He added that if Valdese remained in the trash business, costs would increase to such an extent that the town would lose all its customers anyway. The town is also looking at upgrading its wastewater treatment plant. The town voted to take on a debt of \$3.5 million for the project.

In Marshville, an Illinois company, Sheaffer International, is close to an agreement with the town and the owner of WLR Foods Inc., a chicken processing plant, to build an \$11 million wastewater treatment plant. Sheaffer will not only build the plant, but the company will finance, own, and operate it. The project is nothing new for Sheaffer International, as the company operates approximately 60 plants nationwide.

### New Way to Pay

In another effort to decrease the cost of government, the Davidson County Commissioners voted to allow Thomasville residents to pay their county property taxes at a Thomasville office 5 days a week.

Griffin Management Corp. will be allowed to collect taxes, which Commissioner Rick Lanier estimates will save the county about \$90,000. Griffin collects payments for

Duke Power and Time Warner Cable.

The city of Thomasville is also considering allowing Griffon to collect their water bills.

Under the Davidson County agreement, the company expects to collect between 400-450 payments each month. The county will in turn pay Griffin \$1.11 for each payment processed by the company as well as \$5 for each trip to the bank to deposit those payments.

Citizens will still have to contact the county to resolve any problems.

Not all commissioners are supportive of Griffin, however. According to *The Dispatch*, Commissioner Billy Joe Kepley voted against the proposal: "Kepley said he was concerned that citizens would not get the same amount of service they had gotten when the county staffed tax offices in the two towns" *The Dispatch* reported.

### Next to the Center

The Cabarrus County Commissioners created a new tax in November as they voted to spend \$1.45 million for 17 acres at Kings Grant. They delayed, however, a unified development ordinance until after January.

"I feel we should wait until all the municipalities involved have had time to understand the ordinance, make any changes and approve it for their citizens," Commissioner Coy Privette said.

According to the *Independent Tribune*, the land purchased is adjacent to the site of a convention center approved last week by the commissioners, Concord City Council, and the Cabarrus County Tourism entity.

The funding for the building will come from a receipts tax on leased or rented vehicles in the county. This new tax would add 1.5 percent to the rental contract and would be added before other taxes and additional charges like insurance.

### Political Parking Perk

Winston-Salem Mayor, Jack Cavanagh asked that city's aldermen to exempt themselves from paying parking meters while they are conducting city business.

The *Winston-Salem Journal* reported that under Cavanagh's proposal, the mayor and aldermen would be provided with identification plates for the front of their vehicles. In lieu of plates, they could be issued a small

sign to be put on their dashboard to prevent them from receiving the same parking tickets that anyone else would get.

Cavanagh argued that the proposal would be a small price to pay to allow public servants to be more efficient — especially in traveling to and from meetings. Two aldermen, Steve Whiton and Vernon Robinson voted against the parking ordinance.

"I understand from a practical standpoint here, but I do have a concern with exempting ourselves from paying for parking meters that all the citizens" have to pay for, Whiton said.

According to the *Journal*, the mayor eventually withdrew his request in the face of growing opposition.

### The Cost of Cleanup

The city council of High Point voted in November to recommend that landlords be fined \$100 a day if they do not fix up their rental homes when ordered by the city. If they fail to comply, they will be forced to stop renting their homes and their property will be condemned.

Councilman Al Campbell said he was tired of seeing run-down properties throughout the downtown. He believes that visitors might not think highly of High Point if they see run-down houses.

But some rental property owners are balking stating that the city's standards are too high. If the city gets its way it may drive several out of business between the repairs they would have to make and the fines that could be imposed.

### Affordable Regulation

According to *The News and Observer*, if the Chapel Hill town council has its way, it will possess as many regulatory tools as possible to force developers to build low to moderately priced homes. The issue has arisen over rezoning 30 tracts of land that are three acres and larger. Officials thought they could gain more control over developers if they rezoned areas to a low-density residential zone and insisted on more "affordable" housing.

Council member Pat Evans is not so enthusiastic: "I can envision that when we try to do the rezoning, we will get a fair amount of neighborhood resistance." Others are more optimistic, however. The pros and cons of the issue will be taken up at a later council meeting. Presumably at that meeting the council will define what is meant by "affordable" housing.

### On the Transit Front

On the transportation front, Raleigh has developed a new voluntary plan to encourage public transportation. The Raleigh plan differs from the Durham "ordinance" that requires companies with more than 100 employees to draw up plans encouraging ridesharing and other forms of alternative transportation.

The Triangle Transit Authority (TTA) plans to survey downtown workers to develop the best bus routes. TTA officials also want to gather data from commuters who live near each other to promote van pools.

Despite a preponderance of the evidence that suggests otherwise, the TTA believes that people will abandon their vehicles, thus removing 400 vehicles from congested Triangle highways. *CT*

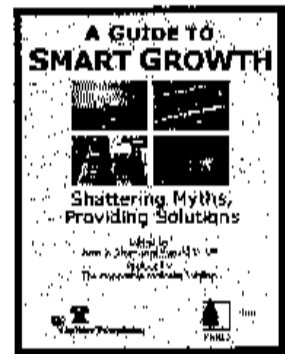
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Edited by Jane S. Shaw and Ronald D. Utt

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## From the Liberty Library

• The Cato Institute has published a new book by Stephen Moore and the late Julian Simon that chronicles the giant leaps in human progress that were made in the 20th century.

In *It's Getting Better All The Time: 100 Greatest Trends of the Last 100 Years*, Moore and Simon show that "no matter what the variable — life expectancy, wealth, leisure time, education, safety, gender and racial equality, freedom — the world is a vastly better place today than it was a century ago."

Some sample stats from the book: The average life expectancy rose from 47 years in 1900 to 77 years in 2000. The infant mortality rate dropped from one in 10 to one in 150. Farm production has increased 100-fold in the past 100 years.

To order a copy of *It's Getting Better All The Time*, call Cato at 1-800-767-1241 or visit [www.cato.org](http://www.cato.org).

• Former Radio Free Europe writer and current professor John Danford has published a new book titled *Roots of Freedom: A Primer on Modern Liberty*.

Danford highlights the progress of freedom from ancient Greece to modern times and discusses both the events — such as the English and American revolutions — and the thinkers — such as Locke, Montesquieu, Smith, and Mill — that shaped the way we think about and the way we experience freedom.

*Roots of Freedom* is published by ISI books and can be ordered online from Laissez Faire Books at [www.laissezfairebooks.com](http://www.laissezfairebooks.com).

• Education expert Myron Lieberman has just published an examination of America's teacher's unions titled *The Teacher Unions: How They Sabotage Reform and Why*.

Reviewer Jim Powell wrote, "Lieberman estimates that teacher union bosses have more political operatives than the Republican and Democratic parties combined.... They control union and school board elections across the country and determine how contracts are negotiated and the textbooks used to brainwash children."

Milton Friedman called *The Teacher Unions* "must reading for supporters of radical education reform."

*The Teacher Unions* is published by Encounter Books and can be ordered from Laissez Faire Books at [www.laissezfairebooks.com](http://www.laissezfairebooks.com).

• *The Industrial Revolution and Free Trade*, edited by historian Burton Fulsom, is a collection of essays on the title subject by free-market economists such as Ludwig von Mises, Friederich Hayek, Murray Rothbard, Mark Skousen, Thomas J. DiLorenzo, Lawrence W. Reed, Donald B. Billings, Stephen Gold, and Henry Hazlitt.

The book's 22 essays attempt to tell the true story of how the Industrial Revolution slowly allowed feudal peasants to free themselves from the influence of their landlords and to eventually become independent landowners themselves.

The book currently is on sale for half the suggested retail price at [www.laissezfairebooks.com](http://www.laissezfairebooks.com).

## Book Review

## The Pleasures of Listening to (Leo) Strauss

By ERIK ROOT

Assistant Editor

RALEIGH

• Kenneth L. Deutsch and John A. Murley: *Leo Strauss, the Straussians, and the American Regime*; Rowman & Littlefield, 2000, 451 pp., \$29.95.

Most Americans probably think the study of political philosophy is a waste of time. Were they to realize the impact Leo Strauss has had on them, they may change their minds.

Kenneth L. Deutsch and John A. Murley have compiled a long overdue volume on the significance of Leo Strauss (1899-1973), arguably the most important professor of political philosophy, and his influence on thoughts of America.

The Jewish Strauss left Nazi Germany in 1932 and eventually settled in the United States, becoming a citizen in 1944.

In America, while teaching at the University of Chicago, St. Johns, and Claremont among others, he single-handedly resurrected serious study in the classics, and he affected more than a generation of political philosophy students by raising the most serious questions "between ancient and modern republicanism, between reason and revelation, and between poetry and philosophy, as well as by the understanding of the theological-political problem and by the importance of the non-historicist reading of texts."

Contributors to the book were either

students of Strauss or their students. Broken into five parts, the book addresses Strauss' career, his thought, his "first generation" students, American political institutions, and the more practical considerations of those "Straussians" who have served in government.

The volume sports essays by George Anastaplo, Laurence Berns, Joseph Cropsey, Harry V. Jaffa, Charles Kesler, Hadley Arkes, Mark Blitz, and Ralph Rossum. Some contributions even address Strauss' students: most notably Jaffa, Martin Diamond, and Allan Bloom.

Disagreement among Strauss' students has raged for years, to the extent that Straussians are divided between two camps known as Eastern v. Western Straussians.

This divide is noted often in the heavily footnoted Deutsch/Murley volume. The controversy centers around Westerner Harry V. Jaffa and his students, who contend that the American republic was founded on natural rights, that the Founders believed in their revealed religion, and that they did not read Locke in a Machiavellian light.

Jaffa also argues persuasively that Strauss was not a closet nihilist but an actual believer in the moral law.

Meanwhile, Easterners believe that Strauss rejected natural right while privately being a Nietzschean. They also assert that the American Founding was "solid, but low" and Hobbesian.

In other words, the Founding is a poeti-

cal myth, or an untrue concoction, according to Easterners.

Against both those camps (and ignoring criticism of Strauss from the right—and from paleo-conservatives in particular), the more leftist outsiders to this debate paint Strauss and his students as either right-wing, elitist, cultic advocates of the philosopher-king and/or, in true modern speak, "phaleocrats." In light of the criticisms from the left, it is no wonder why Straussians in large part have been blocked from the academy.

All these personal things aside, the question is whether the "Bible and Socratic philosophy (that is Athens and Jerusalem) provide a firm basis for moral choices." Strauss would ask whether the American people still believed in the truth "all men are created equal." Whether Americans believed in this truth (in any truth) was, and is, the central question.

Anyone reading Strauss honestly will find that his project was to recover nature, the foundation for all morality, from post-modern nihilism and historicism. This argument is far more persuasive than finding any "writing between the lines" in Strauss' works that "God is dead."

This book would have been improved with the additional contributions of Thomas West, Harry Neumann, and Ken Masugi. Still, for anyone looking for a serious philosophic discussion of the American Founding, the Deutsch/Murley volume will not disappoint. *CR*

## Book Review

## Is America's Gun Culture Founded On A Myth?

By IAN DRAKE

Contributing Editor

CHAPEL HILL

• Michael A. Bellesiles: *Arming America: The Origins of a National Gun Culture*; Alfred A. Knopf, 2000, 640 pp., \$30.

In *Arming America, The Origins of a National Gun Culture*, Emory University historian Michael Bellesiles presents the thesis that guns were rare in America from the first colonists until the demands of the civil war and 19th century production methods allowed mass production of firearms.

Firearms were a luxury few could afford; they were difficult to maintain (because they were made mostly of iron), ammunition was expensive and easily ruined by moisture, and mass-production did not exist even in Europe, much less in the U.S.A. In short, guns were aristocratic luxury items.

However, the expense of owning firearms was only one reason for their scarcity. According to Bellesiles, firearms were so inefficient as weapons of war (allowing one shot at a time and taking a minute or more to reload for another single shot) that their best usage was psychological: a single volley from a line of shooters, then an outright charge of the line, with little use of the gun for the remainder of the battle.

The sound was intimidating, especially for Indians who had never heard such noise. Eventually, though, Indians became avid gun owners and were the primary beneficiaries of overseas gun production: colonists would often trade guns and powder in return for valued Indian-made goods.

Because production was limited to military consumption, Bellesiles has deduced

that most colonists (who were rarely trained in the military) had little experience with guns or their upkeep.

Gun production in the colonies was virtually nonexistent; nearly all guns in America came from England. As a result, very limited availability of firearms produced little enthusiasm for ownership. So few people owned guns, in fact, that when citizens mustered for militia duty, the state had to provide firearms, else the militiamen would be forced to practice with broomsticks.

Bellesiles' book is both a history of the prevalence of guns and the militias. Militias were unorganized groups of men who mustered sometimes only once a year. Their lack of discipline was often fatal to themselves and others on the battlefield.

During the Battle of New Orleans in 1815, the Louisiana militia abandoned every post in the face of the intimidating British advance. During the American Revolution, the militias' lack of discipline was dangerous to the organization and effectiveness of the Continental Army. When militiamen broke ranks in the heat of battle, inevitably they would drag a few Continentals with them.

Bellesiles' sources are estate records, which reveal few, if any, guns passing through colonial and pre-Civil War families. Also, militia records reveal that militiamen who appeared for musters were rarely well-equipped, if at all.

The author uses a third and somewhat controversial source: diary entries and memoirs of Europeans who toured colonial and pre-Civil War America. Bellesiles noted many who saw few or no guns and some

who commented that American gun users were poor shots.

In an article by historian Clayton Cramer, published in response to an article by Bellesiles which put forth the thesis that was developed in *Arming America*, Cramer noted that Bellesiles either missed, dismissed, or ignored other Europeans who noted widespread gun ownership and very competent abilities on the part of Americans with firearms.

Also, in a review published in the January issue of Reason magazine, historian Joyce Lee Malcom dismantles Bellesiles' argument that guns were not prevalent in American homes before the Civil War.

Bellesiles notes sources of a culture of affinity for guns (e.g., advertising of gunmakers, mass production, and the romanticization of the Wild West). But the permutations of gun availability and a democratic regard for ownership are never fully contemplated.

The book ends with the Battle of Little Bighorn in 1876 and nothing is said about the culture of guns in the Twentieth Century. The expansion of the gun culture in this century because of television, movies and music, and the fungibility of parts, contributed greatly to our modern regard for firearms and whether they should be widely available. Unfortunately, this is beyond the scope of Bellesiles' book.

As history, this book is well-written. As sociology, it is a failure. Nevertheless, it is a valuable scholarly contribution to our understanding of militias and the first three centuries of American gun ownership. *CR*

Drake is a Chapel Hill attorney.



## Book Review

## George Orwell: The Socialist Who Helped Save Democracy

By ANDREW CLINE

Managing Editor

RALEIGH

• Jeffrey Meyers: *Orwell: Wintry Conscience of a Generation*; W.W. Norton, 2000, 380 pp., \$29.95

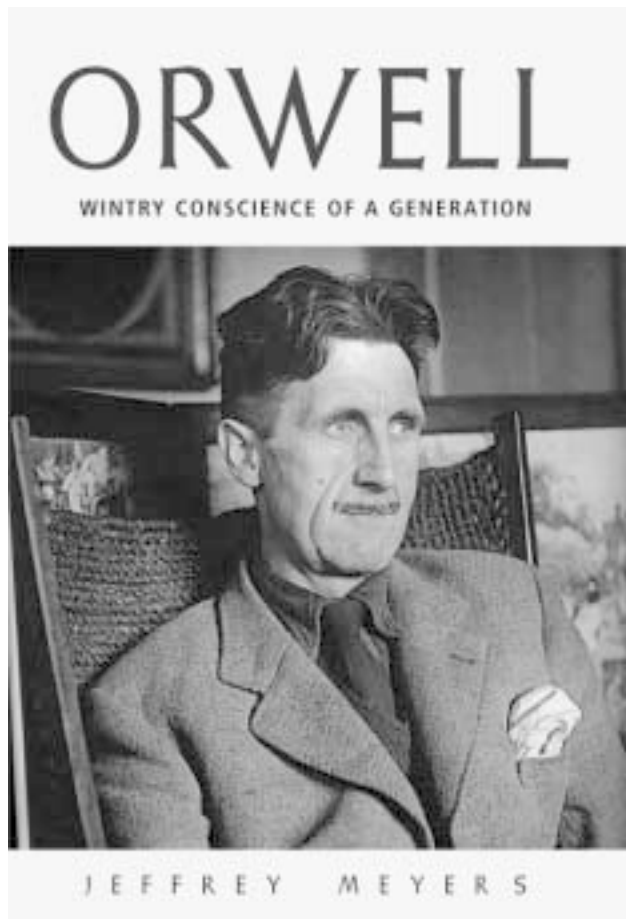
It is impossible to calculate the value of George Orwell's work to the citizens of those nations that, as of 1949, had not trodden fully down the totalitarian trail. Who knows how much further the West's flirtation with socialism would have progressed had it not been for this brilliantly perceptive moralist who had a compulsion to alert the world to the dangers of aggregated government power.

Now, 51 years after Orwell's death, a new biography of the English literary giant makes him accessible to a new generation who owes no small debt of thanks for the freedom he helped secure for them.

It is not uncommon for readers familiar only with Orwell's last two novels, *Animal Farm* and *Nineteen Eighty-Four*, to have an image of the writer as an anti-socialist who could be counted in the conservative camp politically.

Jeffrey Meyers' insightful new biography, *Orwell: Wintry Conscience of a Generation*, dispels this image, showing Orwell as a guilt-ridden, committed socialist whose intellectual honesty compelled him to fight totalitarianism in the hope of keeping socialism true to what he saw as its pure, democratic ideal.

Unlike most of his literary contemporaries who shared his socialist views, Orwell



never even flirted with the idea that the masses should have their lives directed by experts. His controversial and steadfast commitment to individual self-rule, both in the British colonies and at home, stemmed from his great, Dostoevsky-like compassion.

Orwell was, as another writer at the

time noted, a "sympathetic socialist." His political instinct originated in his desire to help others rather than his reasoning faculties. Yet his sharp mind and intellectual integrity prevented him from indulging in the utopian fantasies that dominated socialist circles during his unfortunately short life.

Though now known almost solely as an anti-Communist, Orwell was in fact an opponent of all kinds of tyranny. He opposed laissez-faire capitalism because he thought it allowed the economic elite to impose its will on the lower classes, and he was as ardently antifascist as he was anticommunist.

In short, he viewed himself as a champion of democracy, and socialism as he understood it meant a middle ground between capitalism and communism. He believed it was the only system under which the common man could control his own destiny.

Meyers' adoring treatment of Orwell brings the reader both emotionally and intellectually close to the subject and produces a touching and enlightening work that is happily satisfying. Meyers is an ardent Orwell partisan, defending his hero against contemporary and modern critics with the zeal of a devoted descendant (which he is not).

But Meyers is also honest about Orwell's shortcomings, and the image he produces is one of a complex and contradictory man who is at once compassionate and cruel, giving and selfish, devoted and disloyal, thoughtful and reactionary. Like Orwell himself, Meyers seems uncompromising in his commitment to telling the truth as he sees it.

Meyers' biography, the first of Orwell in a quarter century, is comprehensive without bogging down in detail and brief without skimming over important facts.

A reader may want longer quotes from Orwell's diaries and letters, and shorter descriptions of the bit players in Orwell's life (are the birth years of all of his friends really important?), but Meyers' stylistic failures are small and his substantive successes large.

Meyers' great contribution comes in his binding of Orwell's literature to his life. Repeatedly quoting long passages from Orwell's letters, novels, and essays, Meyers shows how deeply entwined were the writer's personal experiences and his work. One pities Orwell's self-inflicted hardship and his lifelong struggle against tuberculosis.

Nonetheless, one can't help but feel a pang of guilt at being thankful for Orwell's constant suffering, without which he may never have written.

In all, Meyers has created a quickly readable and digestible popular biography that succeeds in illuminating the connections between Orwell's personal experiences and his literary achievements in a deeply personal and insightful way. *CJ*

## Book Review

Friedmans' *Free To Choose* Still Relevant 20 Years After Publication

By GEORGE C. LEEF

Assistant Editor

RALEIGH

• Milton and Rose Friedman: *Free To Choose: A Personal Statement*; Harcourt, Brace, 1980, 338 pp., \$14.

The twentieth anniversary of the publication of *Free To Choose* by Milton Friedman, recipient of the 1976 Nobel Prize in Economics, and his wife, Rose, is a fitting occasion to write about this enduring classic in the literature of liberty. First published in 1980, theirs is a book that does more than almost any other to promote an understanding of the enormous benefits we derive from freedom and to disabuse readers of the idea that government meddling in the economy is necessary. It's worth reading — or rereading — at the end of the 20th century for a cogent analysis of the reasons why we should "turn the clock back" to the days when government was confined to its constitutional dimensions.

The Friedmans endeavor to explain two big points: First, why the spontaneous order of the free market economy works so well to provide the greatest amount of the variety of goods and services that people want at the lowest possible prices. Second, why the expansion of government power to "stimulate" the economy, "protect" the worker, give us "fair" trade, and so forth, inevitably backfires to produce undesirable consequences. They succeed magnificently on both.

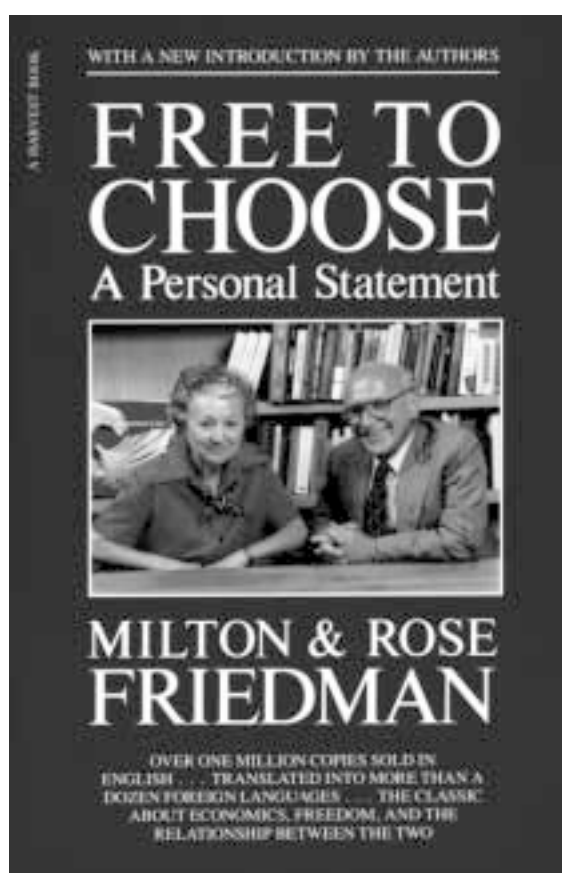
The first point takes the authors back to Adam Smith's famous "invisible hand"

metaphor. When every individual is free to pursue his self-interest, but is constrained to respect the rights of others, he is naturally led to find and do whatever work will most profit him — which happens to be whatever other people want the most. Thus, self-interest promotes cooperation and useful labor. Free individuals are constantly on the lookout for ways to better serve their fellow men through new products and improved efficiency and the result is ever-widening prosperity.

The second point takes up the greater part of the book. One after another, statist shibboleths are subjected to careful analysis and are left in tatters.

For example, the Friedmans correctly observe that the Great Depression was not caused by some failure of capitalism, as many history books say, but was purely the result of mistaken government policies, starting with bad monetary policy and greatly exacerbated by subsequent efforts by Hoover and Roosevelt to reverse the downward trend of the economy. Far from restoring prosperity, the New Deal obstructed the "invisible hand" from working and prolonged and deepened the Depression.

Similarly, the authors challenge the conventional wisdom that consumers are helpless targets in the free market who desperately need government protection. "There will always be shoddy products, quacks, con artists. But on the whole, market competition, when it is permitted to work, protects the consumer better than do the alter-



native government mechanisms that have been increasingly superimposed on the market." One piece of evidence the authors cite is the fact that FDA regulations have prevented the sale of drugs in the US that are widely used in Europe and could save thousands of lives annually.

The big controversies of twenty years ago are still with us, and *Free To Choose*

provides clear, understandable commentary on free trade, income redistribution, and our educational system. While we arguably have made some small steps toward free trade, and have done away with some of our welfare system, our educational malaise is worse than ever. The Friedmans argue that government-run, centrally directed school systems are inimical to competition, choice and quality. Again, by obstructing the invisible hand of the market, we have created a system that's bad for consumers but wonderful for producers.

Milton Friedman is an intellectual warrior. His great *Capitalism and Freedom* was written in 1962, in a time when the belief in the efficacy of government economic planning was at its apogee. It helped rally people to the standard of liberty and slow the advancing anti-market tide. By 1980, the intellectual climate had changed considerably, enabling him to write of New Deal liberalism, "Its intellectual basis has been eroded as experience has repeatedly contradicted expectations. Its supporters are on the defensive. They have no solutions to offer except more of the same."

That wholesome trend has continued these last twenty years. Leftism hangs on due to political might rather than because its ideas hold up under scrutiny. In part, we have this excellent book to thank. *CJ*

Leef is director of the Pope Center for Higher Education Policy.

## Editorials

## LEADERSHIP TEST

## Budget Deficit Poses Big Challenge

As Mike Easley's eyes pan the fiscal landscape that lies before him, one can only wonder what is going through his mind as he thinks of the mess left to him by his mentor Jim Hunt.

This year alone North Carolina faces at least a \$486 million shortfall due to lagging revenues, yet another court judgement for illegally collected taxes, profligate spending, and the cleanup of Hurricane Floyd. As Jim Hunt gallops into the sunset, Easley may end up hoping, just hoping, that another cow kicks Hunt in the kiester for the mess he left behind.

The situation will get worse before it gets better. Updated figures for the nation's economy show economic growth dipped to 2.4 percent in the third quarter. Fourth-quarter growth could dip further. Indeed, the continuing Federal Reserve fight against comparatively negligible, if commonly misunderstood, inflation indices suggest a recession may not be far off.

The state's rainy day fund is gone. Billions of dollars in new bonds, with their attendant hundreds of millions in annual servicing costs, and a large shortfall in Medicaid costs, are all colliding like a train wreck at the steps of the General Assembly. And we haven't even made it to the next fiscal year. The picture only darkens then.

For the 2001-2002 fiscal year, the budget deficit is already estimated at \$490 million. Thus, aside from fixing the \$486 million mess left over from this year, the first new budget Mike Easley must shape will surely be a challenge. Throw in the slowing economy, rising Medicaid expenses, a gaping and growing hole in the health plan for state employees, and the above mentioned escalating debt service expenses and that \$490 million figure is likely to rise. But we're just getting started.

Wake County Superior Court Judge Howard Manning ruled in the fall that "at-risk" children in North Carolina are constitutionally entitled to state-financed preschool services. Funding this judicial mandate will cost the taxpayers anywhere from \$300 million to \$600 million according to early estimates.

In the wake of that ruling, the big enchilada is coming down the pike. Manning will soon rule on whether the current level of state spending for local school districts is constitutionally adequate.

This is the swamp into which Mike Easley must wade. With a precarious political and economic situation in the General Assembly, the budget fiasco Easley faces could end up being the swamp creature that eats the incoming governor's rather ambitious dreams.

Easley's proposed prescription drug plan for seniors might need to be put on life support in the waiting room while he focuses on more immediate priorities.

Funding for smaller class sizes in our public schools, if it happens at all, appears years away. Given the fact that Easley plans to finance this education proposal with state

lottery funds only makes the situation more problematic. Wishing to put the issue to a referendum, it is far from a given the proposal will even make it out of the legislature. And even if it does, and voters approve it, the money won't flow until 2003 at the earliest.

It is hard to see how the new governor and the politicians on Jones Street will climb out of this slippery slope of sliding finances without serious budget cuts. There are no easy choices, so there will surely be a lot of pain on Jones Street during the coming legislative session. Medicaid cuts, reducing corporate welfare, scaling back university funding, competitive contracting, privatization, and many other politically incorrect options will be simmering on the plate. But will the honorables bite?

Leadership often requires the courage of a gladiator and the political agility of a Machiavellian prince. Sometimes it also means compromising on your most cherished crusades and warming up to the least of your desires.

With North Carolina's latest budget crisis, there is little room left for shell games, and the clock is ticking. Easley and legislators have a heroic challenge before them. We'll soon see if they have what it takes to become heroes or if they'll chose the easy way out and resort to old-style political gamesmanship.

## PRE(MATURE)SCHOOL

## Leandro Shows Risk of Judicial Activism

As the presidential election was fought over in the courts, we saw an altogether disturbing attempt to have judicial activism overcome the rule of law. Judicial activism of the *Dred Scott* sort has corrupted not only the courts of Florida but of North Carolina as well. No better recent evidence of this can be found than in the October *Leandro V. State of North Carolina* ruling by Wake County Superior Court Judge Howard Manning.

In *Leandro*, Manning ruled that the N.C. Constitution requires the state to fund preschool programs for "at-risk" children so they can catch up academically to children who come from wealthier or more stable families.

One must suppose that Manning has been sniffing the fumes of those "penumbras" and "emanations" the U.S. Supreme Court has so glibly used to find an unmentioned right to privacy in our national constitution.

Aside from the blatant unconstitutionality of Manning's ruling, the real question is: How will the state fund the preschool programs that Manning has taken upon himself to mandate?

Already, there is talk of taking another look at Jim Hunt's Smart Start program and its generous funding as a means of at least partially funding the court-ordered preschool programs. But Hunt will doubtless scream bloody murder from the grassy furrows of his Wilson farm to protect Smart Start from any diminution.

With a massive and growing budget shortfall complicating the situation, the estimated cost of funding Manning's mandate ranges from \$300 million to \$600 million. That ain't peanuts. One way to lessen the funding impact of this effort would be through vouchers. At least if you introduce

some measure of competition and both parental and institutional accountability in the task, then the costs would not be so high and parents would be able to make their own decisions regarding their children's care. A state-operated preschool effort is not only out of the state's financial grasp, but it would generate bureaucratic inertia and is more prone to a less accountable regime.

Article 1, Section 5 and Article IX, Section 2 of the N.C. Constitution very clearly obligate the state to a responsibility for the education of its citizens. Those sections also very clearly leave the particulars of that policy to elected officials and in no way suggest that judges have the power to dictate how the state must execute its constitutional duty.

Right now, we are faced with expensive judicial activism, both in its impact on our concept of how we view the law and on our state's budget.

## TAXING CREDITS

## New Incentives Lack a Public Purpose

For many years, North Carolina officials have touted the glories of "economic development" as a means to encourage both job growth and prosperity. Nevermind that state government has no constitutional authority to spend money for such a purpose or that there is no evidence that such programs even remotely fulfill their stated purpose.

It's an easy bumper sticker for politicians to sell to voters to pretend they are doing something useful. And that pretending continues in the Capital Tourism Tax Incentives proposed by the N.C. Commerce Department.

The idea is to create jobs in areas of high unemployment by instituting a tax incentive program to stimulate the development of tourism in those areas. Such zones would have to meet six criteria, including creating or expanding tourism-related capital infrastructure, drawing for at least one day tourists who visit from at least 100 miles away, protecting the environment, and adhering to certain employment stipulations.

However, to qualify for the program's tax credits companies do not even have to create new jobs within the designated zones. The incentives also would be offered only to new businesses but not to already established firms within the zones.

This is absurdity carried to an extreme. Offering the incentives only to new businesses and ignoring established enterprises is in and of itself an unjust subsidy for interlopers. While no subsidy should be offered to anyone at all to begin with, to selectively discriminate against those who have already made substantial investments in their own communities means favoring rich corporate investors over established entrepreneurs.

When Andrew Jackson vetoed the national bank bill in July 1832 he said that "every man is equally entitled to protection by law; but when the laws undertake to add . . . artificial distinctions to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society . . . have a right to complain of the injustice of their government."

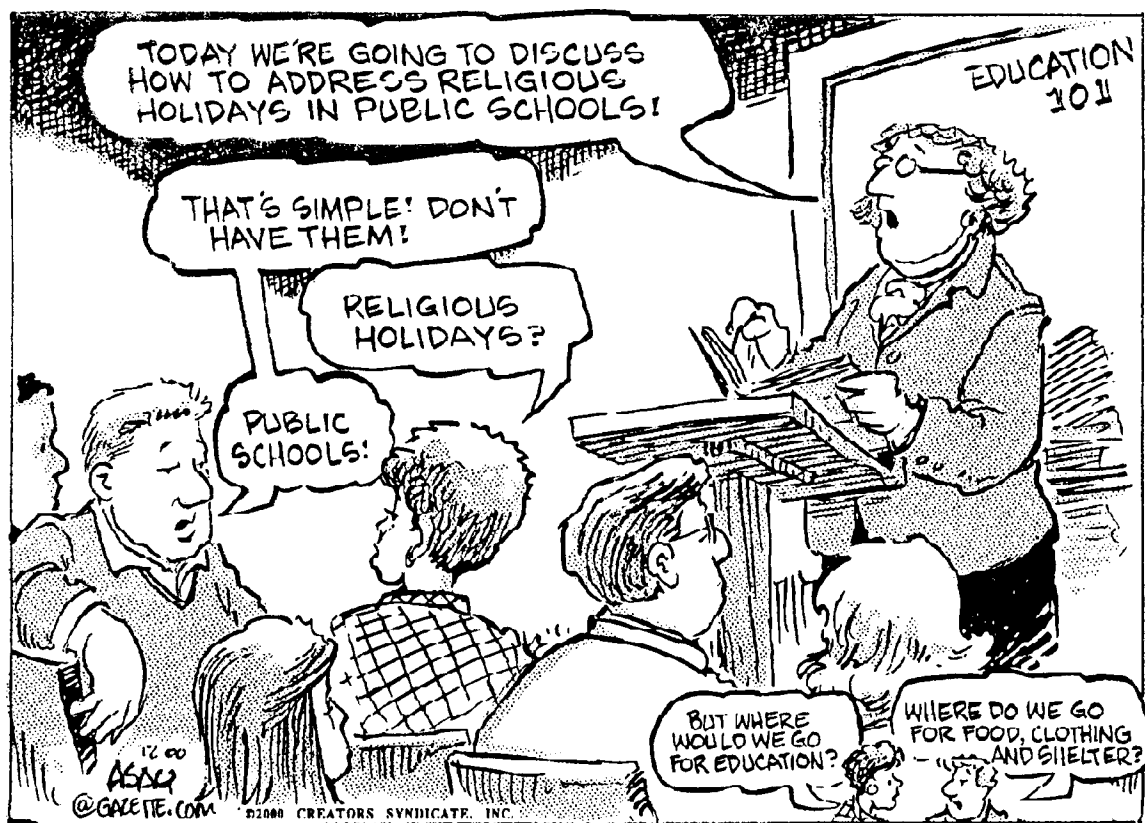
This program will create no net new jobs, it will provide undue advantage for new companies to compete against established enterprises, and it will be a drain on a state treasury already in distress. If a community has something worth a tourist's time, it should invest its own resources to market itself and promote its own interests. There is no legal, economic, or moral justification for what is essentially just more corporate welfare at the expense of North Carolina's taxpayers.

As our state sinks deeper into a budgetary canyon, we are poised to increase corporate welfare. No wonder citizens are disillusioned with their government. Properly handled, tourist attractions can sell themselves. Unfortunately, politicians improperly handled tend to do the same thing, but with our money.

## A GOLDEN RULE

## The Benefits of Taxpayer Protection

Whenever a new governor comes into office it is incumbent on all state citizens to be optimistic and wish the man our best. And so we do to Gov. Mike Easley. In that spirit, we offer the new gover-





nor some advice to make his administration more fruitful.

There is much in the political winds to which Easley should pay heed. One must first stipulate that the North Carolina electorate is a rather conservative one. The people like their state government to do things so long as it does them in a limited fashion. In broad, theoretical terms, they want less government to do more and to do it better.

An Agenda 2000 poll conducted for the John Locke Foundation just before the November election found that fully 69 percent of likely North Carolina voters favored the Taxpayer Protection Act, which would limit state spending growth to a combination of inflation and population growth. They also favored, by 55 percent to 31 percent, across-the-board tax cuts rather than targeted tax breaks used as incentives to attract companies to the state. Finally, likely voters in the 2000 election favored, by 54 percent to 41 percent, the idea that government should do less rather than more.

Given the state's fiscal problems, the Taxpayer Protection Act looks more appealing than ever. With a current fiscal-year deficit surpassing \$500 million, and the next fiscal year's deficit already projected at \$490 million, legislators will be inclined to play their usual shell games by shuffling money rather than actually cutting spending.

They will be further tempted to find some tricky way to raise taxes to avoid "punishing" their particular constituencies. Keeping in mind that widespread tax increases are easily defused, while specific spending restrictions are focused and vulnerable to particular attack by organized interests, the temptation is for the General Assembly to raise taxes rather than cut spending.

Gov. Easley could show some real statesmanship by offering an agenda of fiscal discipline and accountability. Knowing that he must tend to his own constituency, his balancing act will be difficult because of the extensive and expensive promises he made during the campaign.

The question is whether the new governor has the political agility to balance the desires of the interests to whom he is indebted against those of the general population of the state.

Playing into this whole scenario is that it is long past time for state government to stop relying on illegally collected taxes. Whether it's intangible taxes, retiree taxes, or taxation of auto sales loans North Carolina, under Easley's leadership, has had more than its share of costly mistakes in this regard.

Between lawsuit surprises and the new spending Easley is dreaming of, it is not easy to see how we can restrain a voracious appetite for enlarging government without a statutory guideline such as the Taxpayer Protection Act. Easley has the opportunity to bring a measure of sanity and control to North Carolina's fiscal profile. We hope he is successful in doing so.

## NOT SMART

### State Commission Oversteps Its Bounds

Somebody should offer North Carolina's Smart Growth Commission a primer in the proper authority of government in a free society. As it is, this commission offers up rhetorical sophistry eerily reminiscent of Washington tyrants and Marxist planners.

Statesville Mayor John Marshall, cochairman of the Smart Growth Commission's Regional Partnerships Work Group, opined that "planning at the local level should be required."

He went on to say that the most likely way to do this would be for the state "to coerce through incentives" rather than simply force localities to adopt particular growth plans.

What that means is that local governments would not receive certain state services or benefits unless they conformed to the state's wishes regarding growth. For example, a town would be ineligible for some state road monies unless it created a plan to direct growth toward its downtown or it created high-density, multi-use zoning to encourage walkable communities.

Like so many state government adventures in coercion, this one is not bad because of its goals. If a community wants to make its downtown more appealing to suburban residents, fine. The problem is in how the state wants to go about getting there. It's one thing to suggestion your neighbor live a certain way. It's quite another to twist his arm so that he will have to say "uncle" to make the pain (that you caused) go away.

Rep. Drew Saunders, D-Mecklenburg, chairman of the Commission's Transportation Work Group, suggested that

"we could encourage them to have smart growth in their planning, or we could require them to....If you do certain things, you get preferential treatment."

Whether they wish to "coerce through incentives" or force particular development plans on communities across the state, the presumption is that only those we elect to govern for us in Raleigh can properly manage our cities and towns because we can't — and neither can the local officials we elect. Perhaps they should simply abolish municipalities and declare North Carolina one big city with a rabble of peasants who had better do what they're told — or else.

Article I, Section 35 of the N.C. Constitution stipulates: "A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty."

Based on the comments of members of the Smart Growth Commission, now is the time for such a recurrence.

To shift local governing power to Raleigh would be an unconscionable breach of faith with the people. There are

many reasons a local community may be made up of a cluster cul-de-sacs instead of a network of densely populated high-rise apartments sitting above coffee shops and clothing boutiques. The No. 1 reason may be that the people in that community prefer cul-de-sacs to condos.

What right does the state have to force or coerce them to change their behavior regardless of their preferences?

The answer is, it has no right. The state exists to serve the wishes of the people, not vice versa. Once the state begins dictating lifestyle choices, we're all in trouble. Furthermore, there's the matter of a proper balance of powers.

In Thomas Jefferson's words, "The enlightened statesman, therefore, will endeavor to preserve the weight and influence of every part, as too much given to any member of it would destroy the general equilibrium." To preserve North Carolina in peace and prosperity, we must refuse to surrender our liberty to social engineers who think they know better than we do how to run our own lives. *cr*

To preserve North Carolina in peace and prosperity, we must refuse to surrender our liberty to social engineers.

## Bush Could Be a Polk, Not a Pyrrhus

Is George W. Bush a modern-day Pyrrhus? Quite a few media commentators and partisan Democrats — plus a generous helping of Republicans and conservatives — have been suggesting just that. Pyrrhus, the ancient Greek general who won two costly battles in Italy that depleted his army and led to his defeat by Rome, gave us the term "Pyrrhic victory." Bush is said to have won a nasty battle for the presidency that may well have cost him and his party the war.

Certainly there are signs of trouble ahead. A 50-50 split in the U.S. Senate will create major challenges for Bush and GOP leaders to pass legislation. African-American voters are angry and bitter. The 2002 elections will put more Senate Republicans than Democrats up for reelection. A dismayed media and academic elite will spent the next couple of years denigrating Bush and delegitimizing the Supreme Court and the Republican Congress.

Furthermore, if Bush reacts to this challenge by embracing the worst kind of "bipartisanship," as his father did, conservatives will abandon him.

But I remain optimistic about the next couple of years. While historians have trotted out the usual suspects — John Quincy Adams, Rutherford B. Hayes, and Benjamin Harrison — to prove that presidents with controversial beginnings are destined for failure, I prefer to look for inspiration to my favorite U.S. president, North Carolinian James K. Polk, who turned a frighteningly narrow win in 1844 into the most successful presidential term in American history.

Polk was born a few miles from my own birthplace in Mecklenburg County, North Carolina. Like so many other notable North Carolinians (Jackson and Andrew Johnson among them), Polk came to prominence after moving to Tennessee. A Jacksonian Democrat who believed in limited but ethical government and American expansion, he was a state legislator, congressman, Speaker of the House, and Tennessee governor before receiving the Democratic presidential nod as the original "dark horse" candidate in 1844 after nine nomination votes.

Polk went on to challenge the spendthrift and ethically challenged Whig Henry Clay in a rousing campaign that stressed four core principles: lower taxes, less federal involvement in the nation's financial and transportation infrastructure, the annexation of Texas, and the reoccupation of Oregon (the boundaries of which were in dispute with Great Britain).

Polk and Clay fought each other to a standstill. The final popular vote margin was less than 40,000 votes. But Polk eked out his electoral victory by clinching New York, where enough Whigs voted for Liberty Party candidate James Birney — the election's Ralph Nader — over Clay to make the difference.

Polk could have listened to those who counseled centrism and caution rather than principled action. He didn't. Yes, he did use his Cabinet picks to knit together a coalition of Northern Democrats, Southern Democrats, and Westerners. But his agenda remained ambitious. Because Texas had already been annexed, Polk announced that his fourth priority would be changed to

the acquisition of California. The stubborn president also insisted on the southern-most boundary for the new state of Texas, possibly a deliberate provocation to Mexico to attack. It did, and the resulting Mexican War was one of the most successfully prosecuted in history. Despite being outnumbered and lacking solid domestic support (Whigs, including a young Abe Lincoln, strongly opposed the war), Polk and his generals outmaneuvered and destroyed the Mexican Army.

Together with his successful resolution of border conflicts with Britain, Polk's victories created the continental U.S. as we know it today. During his administration, the country gained all or part of the states of California, Nevada, Arizona, New Mexico, Colorado, Utah, Wyoming, and the disputed sections of Texas and Oregon. He also vetoed "internal improvement" bills that he thought would commit federal funds to projects best left to states or private companies. And he enacted a significant federal tax cut.

It is true that Polk served only one term, but that was by choice. He believed in rotation in office and had promised in 1844 that he would achieve his major priorities in four years and retire. He did, and died seven months later.

To me, Bush seems more like a Polk than a John Quincy Adams, although the political wags can't help comparing him to Adams as another son succeeding a father. Adams never had much of an agenda, and seemed wrong for the job from the start. Bush, however, has been a governor and has a demeanor more suited to the presidency. Like Polk, he ran on a few bold and principled ideas and has already restated his commitment to them. His Cabinet will likely reassure the nation, as Polk's did, and his difficulties in Congress, although very real, are hardly insurmountable.

In 1844, Polk was willing to risk great loss, both political and military, because he believed passionately that America should expand across a continent. He was right. In 2000, Bush took a great risk during his campaign to promote a programmatic equivalent to westward expansion: the reform of Social Security, Medicare, education, and health care through personal savings and consumer choice. He is also right. To succeed would be to transform government monopolies and transfer programs into opportunities for families to control their own finances and make their own decisions. It would be a partial reversal of more than 100 years of drift towards dependency and rule by bureaucrat. Both the nation's economy and the nation's freedom would prosper.

Polk's administration demonstrated that a narrow electoral win need not result in a do-nothing presidency. The office is as large as the man who inhabits it. A president who interprets a close election as a mandate to exhibit caution and callowness will inevitably be judged a failure. He who sees the presidency as an opportunity to attempt something grand, particularly when much of the rest of the political class expects so little, has the potential for greatness. As does Bush. *cr*

Hood is editor and publisher of Carolina Journal.



John Hood

Editorial Briefs

- In December, the Town of Cary instituted the state's first public financing of elections. The town will pay part of the campaign expenses of candidates who finish in the top two in their races, set and adhere to spending caps, and raise some money on their own, according to a report by the Associated Press. The question is, why?

There appears to be no pressing need for such drastic attempts at reform. Mayor Glenn Lang won reelection in November despite being vastly outspent by his opponent. Many observers believe that Lang and other anti-growth proponents are afraid that wealthy developers will pool their resources behind a pro-growth candidate.

That was the fear for this past election, and it didn't happen. The pro-growth mayoral candidate lost despite strong backing from developers. This measure seems not only ill-advised and morally wrong, but self-serving. Such restrictions on fundraising aid incumbents, not challengers. The Cary Town Council's attempt to insulate itself from the blows of the developers it is trying to strangle is shameful.

- The Golden Leaf Foundation, established to give away the money awarded in the national tobacco settlement, last week made its first grants, totaling \$5.1 million, to 39 organizations in the state. The foundation has so far received \$94.7 million from the settlement. To see the list of awards, go to <http://www.goldenleaf.org/award.htm>.

- Davidson County is the only locale in the Triad area to have more than one cable television provider. As a result, cable rates are lower in Davidson than in surrounding counties, the *News & Record* of Greensboro reported in December. Time Warner Cable's rates in surrounding counties are significantly higher than in Davidson, the paper reported. And they rose this year by more than twice the rate of inflation.

Cable TV is not, as was once thought, a "natural monopoly" comparable to electric power generation. There is a need for minor local government regulation of cable companies, mostly regarding the laying of cables. But there is no justification whatsoever for granting a legal monopoly to a single company. For that matter, there's no justification for granting an oligopoly either.

As with every other industry, cable television should be deregulated and customers freed to make their own choices. Why force citizens to get "The Man Show" and "Xena: Warrior Princess" from just one particular provider when another may offer programming more suited to an individual's taste — or at least offer "Xena: Warrior Princess" at a discount.

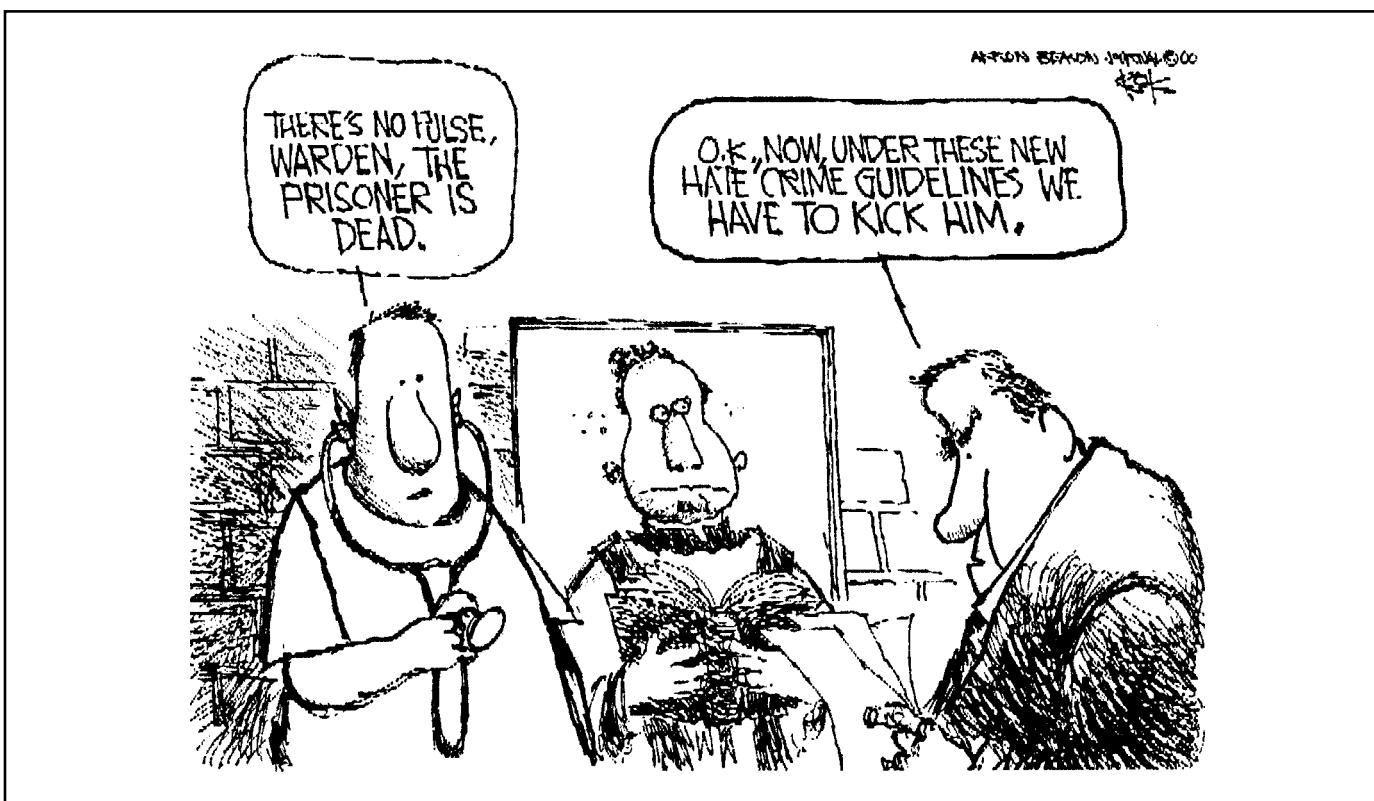
- The No. 1 financial obstacle for charter schools is their inability to access the same sources of facility funding that traditional public schools use, according to a new report from the General Accounting Office.

"Charter schools generally do not have access to the most common source of facility financing for public schools — municipal bonds," the GAO found. "State charter laws vary, and few of them address facility financing or provide funding for constructing, renovating, purchasing, or leasing buildings for use by charter schools."

A good example of exactly what the GAO report found came in Cumberland County in December. The county's first charter school shut down because it could not generate enough revenue to cover its \$347,000 debt.

The school's largest expense was \$179,000 to renovate the building it rented after having moved out of a motel. The school's revenue from state per-pupil expenditures was not enough to cover the costs of rent, renovation, textbooks, salaries, bus service, and attorneys' fees, *The Fayetteville Observer* reported.

North Carolina has 90 charter schools but can legally have only 100. The cap and other restrictions are harming children who would benefit from charter innovation. Charters have proved themselves. It's time to let them work.



## Changes Are Needed In The GOP

By MARC ROTTERMAN  
Contributing Editor

RALEIGH

The Democrats have once again captured the Governor's Mansion, both houses of the General Assembly, and all but one of the Council of State races. It's now been three elections since a Republican won the top spot, with 2000 being the biggest lost opportunity.

Republicans have an obligation to examine why they have had this recent string of statewide defeats. If they don't, they will be relegated to permanent minority status for the foreseeable future.

I believe that first and foremost, the Republican Party needs generational change. The Democrats have already accomplished this with the successful elections of Mike Easley, Roy Cooper as attorney general, Richard Moore as state treasurer, and Beverly Perdue as lieutenant governor.

Republicans must adapt to the changing demographics of the state and maneuver according to the circumstances they face. Secondly, to be successful in statewide campaigns, they must run candidates who are not dominated by polls or political consultants.

Republicans cannot continue to run moderates who, for the sake of political expediency and to obtain the Republican nomination, pretend to be conservatives. It doesn't work, and the public sees through the facade.

In essence Republicans need to support candidates that will stand by their convictions and who are not poll-driven. In tactical terms, they have an obligation to make sure that the Democrats do not get to the right of them in statewide elections.

In the race for governor, Mike Easley turned out the liberal base of the Democratic Party but also got *far too many* votes from conservatives. To a good number of North Carolina voters, Easley appeared at least as conservative as Richard Vinroot, if not more so.

### How did this happen?

It seems that the Republican nominee's campaign didn't clearly outline or articulate what he stood for, and therefore Easley appeared to be to the right of Vinroot on taxes, crime, and other issues.

Also, it has become abundantly clear that campaign advertising cannot be just about tearing down your opponent.

That strategy no longer works, particularly in a governor's race. The people want to know how you are going to solve the problems that confront their families and communities, not how nasty you think the other guy is.

Advertising needs to be done in a crisp manner that projects what the candidate stands for and defines the other side's agenda. Republicans need to do a better job marketing their message. Themes that work in

Charlotte don't necessarily work in the Piedmont or the East.

The GOP needs to pinpoint its message. Easley's consultant placed particular themes or messages on TV and radio in specific time slots designed to appeal to targeted audiences. To compete, Republicans must do the same.

### Yield No Issues

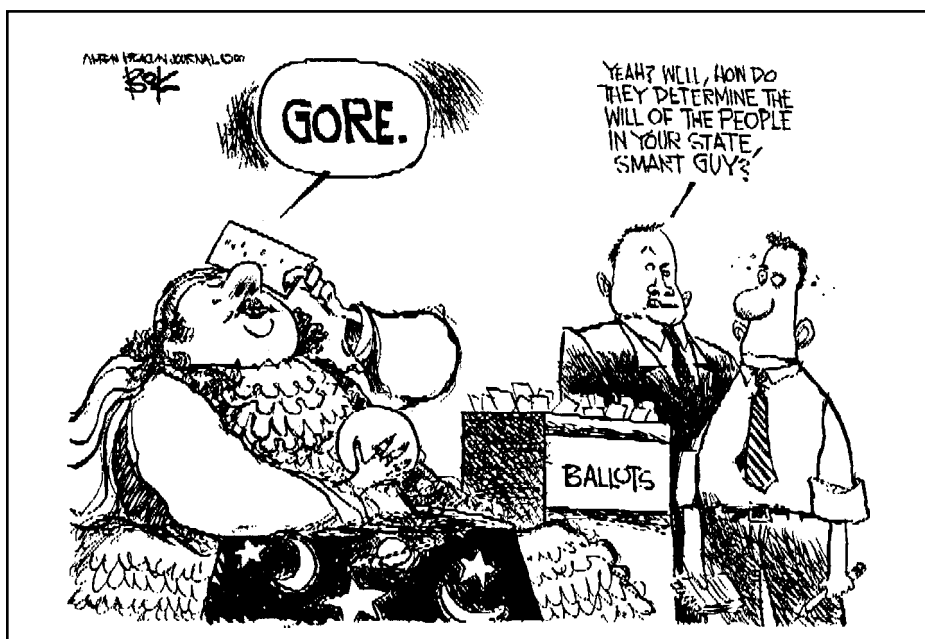
Also, Republicans should not concede any issue — be it education, taxes, the environment, or growth. In fact, they should be out front on those very issues. They must remind the citizens that the liberal establishment has a vested interest in maintaining the status quo. Frankly, many in the liberal coalition demand the status quo. That is how they maintain and acquire power.

A case in point is Gov. Jim Hunt's dominance on the education issue. Many people in the media, across North Carolina, and even throughout America see Hunt as the "education governor." His education initiatives have been hailed as bold and innovative, yet the performance of N.C. public school children remains mediocre. In reality, nothing much has changed for our children under Hunt's tenure. Conservatives have a strong educational message, but they have been ineffective in articulating it to voters.

The next year will tell a lot about the future of the Republican Party and the conservative movement in North Carolina. When Republicans agree with the governor-elect, they should say so. When they disagree, they should have a well-thought-out solution, and they must speak out.

By not contrasting their ideas, they will relegate themselves to permanent minority status. Better marketing of the message, generational change, and running more effective campaigns will make conservatives and Republicans more competitive in North Carolina. Anything else will keep them out of power for a long time.

Rotterman is a Republican political consultant in Raleigh and a board member of the American Conservative Union.





*Economic Outlook***Should America Pay Down Its National Debt?**

By MICHAEL WALDEN

Contributing Editor

Much of the presidential campaign was fought over what should be done with the next decade's projected \$4 trillion (plus or minus a few hundred billion) federal budget surplus. Some people don't think the surplus will materialize. But if it does, many think it should be used for one purpose only — to pay-down the national debt.

The debt-eliminators make a compelling argument. The national debt ballooned in the 1980s when federal expenditures exceeded federal revenues.

(There were many reasons for this, but in this economist's opinion, three of the most important were the military buildup that effectively ended the Cold War, the liquidation of the savings and loan debts, and the recession that ended the decade).

Now, the reasoning goes, when federal revenues are expected to exceed federal spending, the surplus should be used to pay down the debt.

It's the same idea that a household might follow. In tight financial times, a household may amass debt to meet its obligations. Then, when financial times are better, the smart household will pay off some of the debt.

Debt-eliminators cite three major advantages for using the surplus to pay down the national debt. First, paying down the debt is a gesture of generosity to future generations because it means the debt won't be around for them to pay. Second, paying down the debt will reduce annual interest payments on the debt. This year, these interest payments are \$364 billion. Third, it's often argued that less government debt means lower interest rates.

**All Debt Payments Aren't Created Equal**

Unfortunately, some politicians have confused the issue of paying down the national debt by claiming some spending is debt repayment when it really isn't.

To understand this, a little background is needed. There are really two components to the national debt. One part of the debt is owed to private investors (curiously, this is called the "public" debt) and the other part is owed to federal government agencies, the most important of which is Social Security. Of the total national debt of \$5.6 trillion in 2000, \$3.4 trillion is owed to private investors and \$2.2 trillion is owed to Social Security and other government agencies.

Some politicians want to claim the national debt is reduced when part of the debt owed to private investors is bought by Social Security. This can happen when Social Security has surplus funds or when new funds are transferred to Social Security. By law, Social Security is limited to investing any surplus funds in federal government debt securities — that is, by investing in the national debt. But is the national debt really reduced when some of it is simply transferred from private investors to Social Security? I don't think so. The debt still exists and is still a claim on future federal resources.

Real retirement of the national debt means the federal government buying existing debt securities from private investors and burning them, much like a household who pays off its home mortgage is able to burn the mortgage note. In this case the debt is off the books and no further interest is owed.

**So Why Not Pay Off The Debt?**

So why not pay off the national debt in a real way with the projected budget surpluses? What possible logical arguments could be presented for not doing this?

Economics teaches that every use of resources involves benefits and costs. The benefits of paying down the debt were outlined above. But often overlooked are the costs of this action. The cost of using money from the surplus to pay down the national debt is that the money can't be used for other purposes.

There are several potential opportunity costs to paying down the debt. The money used to pay down the debt could be spent by the federal government on various programs, so one possible opportunity cost is the public benefits from these programs. Or, the money could be sent to taxpayers via a tax cut, and taxpayers could spend or invest the funds. In this case, the opportunity cost is the return from private investing or spending.

But what about the alleged benefit of lower interest

rates from paying down the debt? The problem with this benefit is that economists have not been able to prove it exists. Much time and effort have been spent by economists studying the relationship between government debt and the level of interest rates. The result: no consistent relationship has been found between the two, and specifically, there's no evidence that increases in government debt cause interest rates to rise.

Indeed, during the 1980s, when the national debt was rising, interest rates (both observed and inflation-adjusted) were falling.

**What To Do With Surpluses and Debt**

How, then, can we decide how to use the projected surpluses if buying down the national debt is not an automatic choice? Again, we can borrow a decision-rule from household finances.

Say the Doe family has \$1,000 it can use in one of three ways: pay off credit card debt costing 18 percent, invest in a mutual fund paying 10 percent, or pay for training that will increase the Doe's annual salary by \$500 (comparable to an annual return of 50 percent). In this case the answer is easy. The Doe family should spend the \$1,000 on the training because it has the highest rate of return.

The same decision model can be applied to the federal government. If the federal government has surplus funds, the funds should be put where they will earn the highest rate of return.

Currently, the interest rate paid on the national debt averages 6.5 percent. So, if taxpayers could earn a rate of return higher than 6.5 percent, or if the implicit rate of return from federal program spending is higher than 6.5 percent, then the surplus funds should be put in one of these two uses rather than being used to reduce the national debt.

What about the proposition that we shouldn't allow government to use debt again, so that the federal govern-

ment never again runs up debt of trillions of dollars? Shouldn't government, like households, strive to always operate on a "pay as you go" basis?

No! (How's that for a concise answer?) Debt financing can serve a useful purpose for both households and government. Debt financing makes sense when used to purchase a durable product that provides benefits over a long period of time.

In this case, the user pays for the product over a time period that's comparable to the benefits received. For example, households purchase homes with mortgages and then pay off the mortgage while living in the home and enjoying its benefits.

Likewise, government can legitimately use debt financing for long-lasting projects that provide benefits over time, perhaps spanning many generations. Debt financing thus allows current and future beneficiaries of the project to pay for it.

If the project were paid for all at once, then only current taxpayers would foot the bill, and future taxpayers would pay nothing while still benefiting from the project. Roads, bridges, public buildings, and military hardware come to mind as examples meeting this requirement for debt financing.

Perhaps the best way to institutionalize such an idea for the federal govern-

ment would be to establish two federal budgets, a current budget and a capital budget. The capital budget would be for long-lasting projects and would be debt-financed. The current budget would only be financed by current resources. Most state and local governments and businesses maintain these two kinds of budgets.

Financial questions often don't have easy answers. Although paying-off the national debt makes for a good sound bite, it may not be the best use of our money. *Walden is an economics professor at N.C. State University and an adjunct scholar at the Locke Foundation.*

**The cost of using money from the surplus to pay down debt is that the money can't be used for other purposes.**

**Road Funding A Low Priority In Raleigh**

By ANDREW CLINE

Managing Editor

State highway maintenance funding has not kept pace with inflation in the past decade, resulting in a \$290 million backlog of road and bridge repairs, according to a State Department of Transportation report released in December. The DOT needs an additional \$122 million over what's already been budgeted for next year just to move the state's roads to a minimal level of quality.

"If we don't get that extra \$122 million, we'll have to scale back our activities," DOT engineer David Allsbrook told legislators in December. Will legislators give the DOT the money? Not likely. And that means continued highway headaches for the rest of us.

In absolute terms, road maintenance funding in 2000 was more than \$100 million greater than in 1990. But adjusted for inflation, the "total dollar amount devoted to maintenance and resurfacing in [fiscal year] 2001 is essentially the same as that in FY 1990," the DOT report notes.

During that same period, the amount of traffic on N.C. roads has greatly outstripped road capacity, the report shows. In 1990, vehicle miles traveled were equal to the amount of paved lane miles. This year, vehicle miles traveled are 40 percent higher than in 1990, while the mileage of paved roads has increased by just 16.9 percent.

"A lot of our roads are taking more cars than they need to take," Allsbrook said.

The solution to this problem is very simple. The state should build more roads and devote more money to maintenance and repairs of existing roads. But thanks to politics, that's not likely to happen.

The main reason for this backlog in highway funding is that state legislators have spent scarce state tax revenues on other things. For example, the governor's day-care subsidy program (Smart Start) consumes more than \$300 million a year — almost the exact amount of the backlog in road maintenance and repair funding.

State lawmakers have spent the past decade creating

new social programs of undoubted popular appeal but questionable necessity. And they've spent a good deal of public money dishing out goodies to their friends and political allies. A few years ago they raided a state fund reserved for repairing and renovating public buildings. Legislators took \$21 million out of that fund and spent it on pork-barrel projects.

**Declining Quality**

All the while, transportation projects have suffered. North Carolina has gone from the "good roads state" to the "pothole state." DOT officials grade state roads the same way teachers grade pupils, with letter grades ranging from "A" to "F." North Carolina's Interstate highways rate a C while the rest of the state's roads rate a D, according to the latest DOT report.

DOT wants to spend \$500 million in the 2001-2002 fiscal year to bring the Interstate highways up to an A and the rest of the state's roads to a C. But legislators have budgeted just \$378 million for road maintenance for the next fiscal year, leaving a \$122 million shortfall.

Thanks to unconstrained new spending, massive hurricane damage, and several lost lawsuits, the state budget already is projected to be more than \$486 million short of balancing in this fiscal year, which ends in July. And the 2001-2001 budget is already about \$490 million in the hole.

State courts are desperately in need of new staff and equipment, prisons and public schools are teeming, and legislators have to find a way to fund a new court-ordered preschool program. So it's not likely the state's roads will be fixed anytime soon.

But there is hope. Politicians always respond to a crisis. It won't be long before North Carolina's roads are in a crisis state. Some would say they already are. When the roads become so bad that the public perceives a transportation crisis, legislators will be forced to act out of sheer political expediency. Until that happens, better hold on extra tight to that coffee cup, 'cause you're in for a bumpy ride. *CJ*

# New Carolina Journal Takes Public Policy Back to the Future

By JOHN HOOD  
Editor

As we have now really entered a new millenium, and the John Locke Foundation its second decade, I thought it would be appropriate to take a fresh look at our programs — including our flagship publication, *Carolina Journal*.

It began, actually, as a monthly newsletter in early 1990, just a couple of months after the Locke Foundation was founded as a nonprofit, nonpartisan think tank devoted to state and local policy issues in North Carolina. Its name was *Carolina Issues*, and its circulation . . . well, let's call it "modest" and leave it at that.

About a year later, the small but growing staff of JLF decided that we were up to putting out a bimonthly magazine that covered politics and public policy in the Tar Heel State. In September 1991, the debut issue of *Carolina Journal* found its way into the mailboxes of JLF patrons, public officials, reporters, and other North Carolinians involved in the public policy process.

Nine years, and a couple of redesigns later, *Carolina Journal* had established itself as an important source of news, analysis, and commentary about North Carolina issues — from taxes to education, transportation, health care, and more — for more than 5,000 readers across the state. It has broken major stories, analyzed news events and legislative shenanigans, and served up liberal (excuse the term) portions of both praise

and blame for the actions of public officials.

About three months ago, however, the editorial staff and contributors of *Carolina Journal* began to discuss changing the publication again. Why? Well, for one thing, there's this new thing called the Internet. It didn't exist when *Carolina Journal* was created, and based on the escalating amount of traffic at our web site [CarolinaJournal.com](http://CarolinaJournal.com), we knew that many of our readers had an interest in more immediacy as well as more content.

Furthermore, over the years, we had created other publications providing news and commentary about specific areas of public policy, including the higher education magazine *Clarion* and the local government newsletter *Prism*. These publications were generating such good material that it seemed like a waste not to expose our broader audience to them.

Finally, as certain former presidents might say, it was "time for a change." Every so often, it's just a good idea to come at things from a new angle. *Carolina Journal*, as a bimonthly magazine, was a somewhat limiting medium for communication. Its style limited the length and type of news articles we could print. Its per-unit cost limited our potential circulation. Its layout limited our ability to include advertising

that would likely interest our readers. And its ready mix of analysis and opinion limited our appeal to readers who appreciated the information we were imparting but who didn't necessarily agree with our free-market, limited government philosophy.

So here we are, at the start of a new year, with a new *Carolina Journal*. Each month, you'll be receiving a 24-page (or more) newspaper chock-full of information and ideas. Our reporters will provide you with a unique view of the goings-on in the North Carolina legislature, state government, and politics. Special sections on elementary and secondary education, higher education, and local government will contain articles, news briefs, and commentaries to keep you informed about these critical issues.

The Learning Curve, our books and culture section, will publish reviews and features by our contributors on works of special interest. And our new Opinion section will group our editorials, regular columnists, and guest columns in a handy place for readers to peruse — or skip, if they like.

It might seem a bit retro to replace a magazine with a newspaper. After all, people have been forecasting the demise of the newspaper for some time now. But the new *Carolina Journal* is designed specifically to complement our growing web presence, which is also in the process of being redesigned. With the Internet serving as a handy way to archive articles and information, the magazine format has lost one of its advantages: permanence. Readers have told us that they no longer save each magazine for reference. They just go to [CarolinaJournal.com](http://CarolinaJournal.com) and look up what they need.

As readers will soon discover, our writers will be making a special effort to provide web links and other Internet resources for the stories they write. They will also be filing shorter versions of some of their articles for publication at [CarolinaJournal.com](http://CarolinaJournal.com) or in *Carolina Journal Weekly Report*, our fax and e-mail update.

## Reviewing the Masthead

Let me say a word about the staff of *Carolina Journal*. Drew Cline will continue his critical role as managing editor. Another longtime staffer, Don Carrington, will assume a new role of executive editor, helping to plan each issue and doing his own investigative and analytical pieces.

Tom De Witt, our resident columnist and philosophical scold, will serve as opinion editor. He'll write editorials, help edit op-eds, and most importantly, remove unnecessary punctuation. Melissa Suarez, as senior writer, will cover the legislature and other governmental bodies.

Jon Sanders, former editor of *Clarion*, will be an assistant editor and put together our higher education section. Similarly, assistant editors Erik Root, formerly of *Prism*, and Sherri Joyner will help construct our local government and education sections, respectively. Regular columns by Paige Holland, George Leef, Tom Fetzer, Mike Walden, Marc Rotterman, and others will round out the monthly potpourri that is the new *Carolina Journal*.

I hope you find the new format useful and enlightening. And I apologize in advance if the change feels too jarring. In either case, we'd like to hear from you. Just send a letter, fax, or email to Drew or Don and we'll try to print your comments. Naturally, send all bouquets and personal checks to me. CJ

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Why redesign *Carolina Journal*? As certain former presidents might say, it was just "time for a change."

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