

Terrorism and Taxes: Dark Days for N.C. Economy

Severity and Depth of Recession Unknown, Economists Report

By RICHARD WAGNER
Editor

RALEIGH
A \$685 million tax increase voted by the General Assembly and signed Sept. 26 by Gov. Mike Easley will serve only to exacerbate and prolong a recession in North Carolina, economists say.

"Going into a recession we've already had high taxes. Now we've just instituted this massive tax increase, which is going to make it worse," said Dr. Roy Cordato, an economist with the John Locke Foundation.

Although the nation's economy has not yet "officially" entered a recession, North Carolina's economy is "certainly" in one, Cordato said. "We've had a huge increase in unemployment in this state. We went from a little over three percent a year ago to well over five percent now."

"We have the highest unemployment rate in the Southeast," Cordato said. "And we've had the biggest jump in unemployment in the Southeast in the last year."

Dr. Michael L. Walden, an economics professor at North Carolina State University, confirmed that North Carolina has been in a recession and that the terrorist strikes of Sept. 11 and the state's tax increase will make North Carolina's recession "deeper and longer."

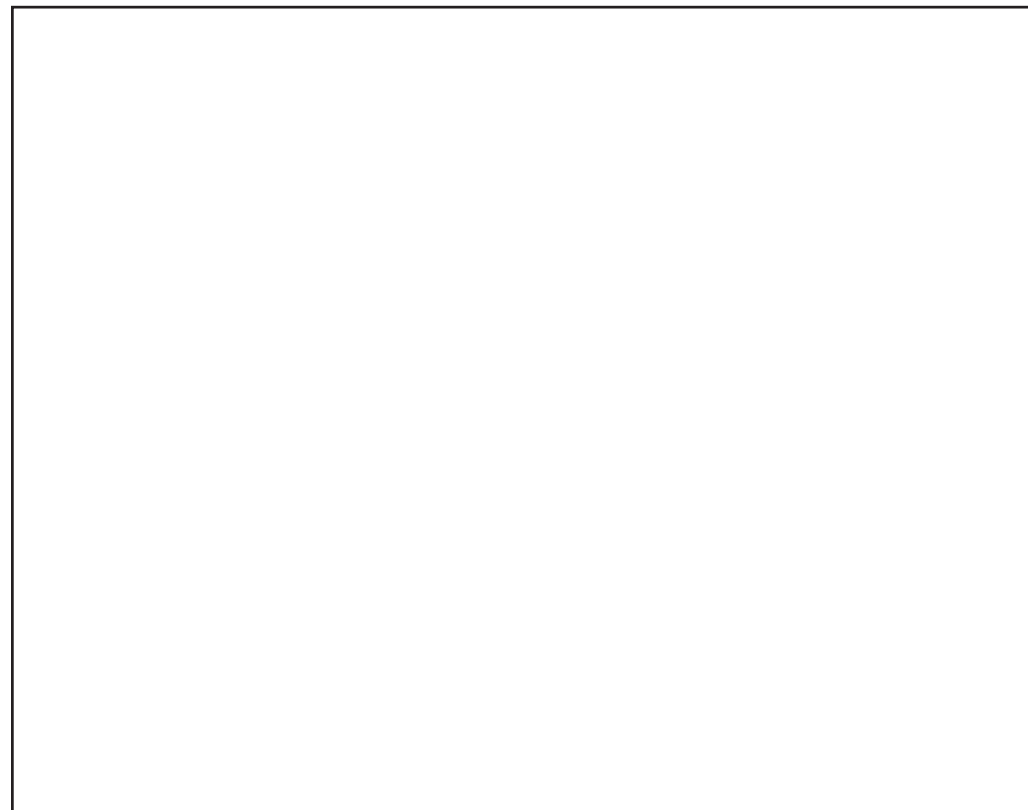
"Stupid" in North Carolina

"The direct effect of tax increases will be negative," Walden said. "That is, economic growth in the state will be slower with the tax hikes than without them."

A report issued Oct. 8 by the governor's office showed that revenue in the first quarter of the current fiscal year fell 3 percent compared with the same period last year and was \$700 million less than expected.

The state's budget, approved by the legislature only a few weeks ago, was based upon an anticipated growth rate of 4 percent for the entire year. Economists had predicted 2 percent growth in the first quarter and 6 percent in the fourth quarter for an average of 4 percent.

Because of the downturn, Easley di-



Enforcing a crackdown, Raleigh-Durham Airport security workers examine passengers' luggage.

rected state agencies to cut spending across the board by 4 percent.

Many analysts of the Blue Chip Economic Indicators expect the nation's Gross Domestic Product to shrink by 0.5 percent in the July-September quarter and decline by 0.7 percent in the final three months of the year. A recession is commonly defined as two consecutive quarters of declining GDP.

While administrative and legislative leaders in Washington are fashioning a bipartisan approach—looking for various ways to cut taxes—to stimulate the economy, North Carolina officials took the opposite approach by raising taxes.

James Smith, business professor and economic guru at UNC-Chapel Hill, said in a *News & Observer* of Raleigh news story that "It's one of the all-time stupidest things done by a legislature anywhere. It's a ridiculous budget... You don't raise taxes in a recession, or even in a dismal economic environment."

Cordato agreed. "I think it's interesting to note right now the big talk in Washington is opposite from the talk in North Carolina," he said. Thinking in the nation's capital now is, "Gosh, the economy is going in the tank, we need more tax cuts," such as a capital-gains tax cut.

Dr. Stephen E. Margolis, head of the Department of Economics at N.C. State University, said tax increases, in general, put a damper on spending. Taxes tend to cause decreased output and lower business and consumer spending, he said.

A High-Tax State

North Carolina already had comparatively high income taxes on upper-income earners before the recent tax increase.

"We are now eligible to be regarded as a high-tax state for the highest-income earners. That is not desirable," Margolis said. Low-income earners especially will be hard-hit by the half-cent increase in the state sales tax, he said.

People will be more cautious, both in terms of their personal safety and their spending, after the attacks, Margolis said. Widespread uncertainty about the war on terrorism and the nation's economy will inhibit consumer spending and business investments.

North Carolina's economy was anemic for several months before Sept. 11, and the attacks that day will exaggerate the state's economic downturn, Margolis said.

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Easley Touts Budget Despite Weak Economy, Split in House, Senate

By PAUL CHESSER
Associate Editor

RALEIGH
Extended two and a half months beyond the start of the new fiscal year and almost eight months to the day since convening, the General Assembly adopted a state budget Sept. 21, which Gov. Mike Easley signed the following week.

The plan elevates state spending by 5.2 percent for fiscal 2001-02 — more than \$700 million. Tax increases will raise revenue by \$435 million in 2001-2002 and \$620 million the following year. Combined with tax increases passed earlier in the legislative session, lawmakers heaped \$1 billion on taxpayers.

"North Carolina is moving forward," Easley said in a statement. "We will not sit idle waiting for better economic days. Our state has come together like never before to ensure that our children get the education they deserve and our most vulnerable citizens get the care they need."

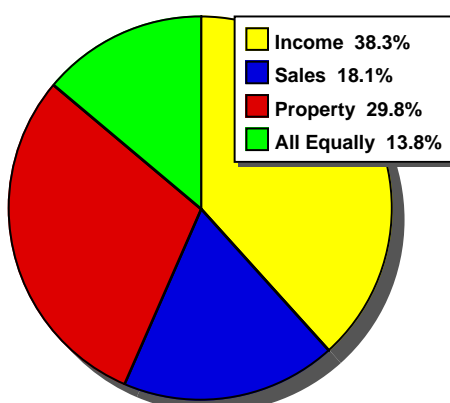
While the governor may believe the state came together, the legislature was clearly divided over the tax and budget plan. Both the House and Senate voted along party lines, with Democrats in favor and Republicans against, except for Rep. Monroe Buchanan, R-Mitchell, who voted for the package.

The state's, and the nation's, economic downturn was the primary reason Republicans gave for opposing the budget. They claimed raising income taxes on individuals earning more than \$200,000 annually, in addition to a half-percent sales tax increase and various additional taxes on goods and services, would place a further drag on the economy in a time of crisis.

"This is absolutely the worst time you can take to raise taxes on the people of North Carolina," said House Minority leader Leo Daughtry, R-Johnston. An accompanying elimination of the marriage tax penalty and increase of the child tax credit failed to mute Republican outcries against the plan.

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Which Kind of Tax Do You Dislike Most?



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Calendar

M. Stanton Evans To Speak At Locke Luncheon Forum

M. Stanton Evans started the Na-
tional Journalism Center in
Washington, D.C. and has been
its director for almost 24 years. He will
speak at a John Locke Foundation Head-
liner luncheon at the Brownstone Hotel in
Raleigh at noon on Nov. 13.

The NJC trains journalists in the skills
of press work and assigns them internships
at cooperating media locations. NJC gradu-
ates have worked at major television and
radio networks, as well as the major leading
news publications across the country. Alumni include *Wall Street Journal* colum-
nist John Fund, syndicated columnists Ann
Coulter, Maggie Gallagher, Debbie
Schlussel, ABC News correspondent Terry
Moran, and Locke President John Hood.

As a journalist, Evans became editor of
the *Indianapolis News* at age 26. He was also
publisher of *Consumers' Research Magazine*,
a columnist for *Human Events*, a commenta-
tor for both CBS Radio and Television, and
a syndicated columnist. He is also the au-
thor of several books, including *The Theme
is Freedom: Religion, Politics, and the Ameri-
can Tradition*.

• John Locke Foundation Chairman
and President John Hood will continue to
tour throughout the fall promoting his new
book, *Investor Politics: The New Force That
Will Transform American Business, Govern-
ment, & Politics in the Twenty-First Century*.

See the Locke Foundation website
(www.johnlocke.org) for dates and loca-
tions and visit TempletonPress.org to order
a copy of *Investor Politics*.

Shaftesbury Society

Each Monday at noon, the John Locke
Foundation plays host to the Shaftesbury

M. Stanton Evans

Society, a group of civic-minded individu-
als who meet over lunch to discuss the
issues of the day.

Featured speakers for the fall include
Don van Vaart and John Evans, who serve
in the Air Quality Division at the North
Carolina Department of Environment and
Natural Resources (Oct. 29). Van Vaart and
Evans are scheduled to address the scien-
tific data used as the basis for discussing the
state's proposed "Clean Smokestacks" leg-
islation.

On Nov. 5 Dr. Don Tomaskovic-Devey,
a sociology professor at North Carolina State
University, will speak at Shaftesbury.
Tomaskovic-Devey has researched the ef-
fects of stratification regarding race, the
workplace, and the political economy.

Following him Nov. 12 will be Dr. Paul
Jones, associate journalism professor at
UNC-Chapel Hill. Jones is also the director
of UNC's information archive project *Ibiblio*,
described as "the future of Internet

librarianship." Jones says he is "often mis-
taken for other unreconstructed relics of the
failed social policies of the Sixties." If his
website photos are current, he has very long
hair.

Asa Spaulding, chairman of the Durham
County Republican Party, will speak Nov.
19.

WRAL-TV chief meteorologist Greg
Fishel will be Shaftesbury's first December
speaker, on Dec. 3. He has been with the
station since 1981, and holds a degree in
meteorology from Penn State University.
Fishel will offer his expertise on weather
trends and wind patterns, and should have
an interesting perspective regarding the
Smokestacks bill.

J. Russell Allen, Raleigh's recently ap-
pointed city manager, will speak on Dec. 10.
Allen came to the city from Rock Hill, S.C.,
in April, replacing longtime manager
Dempsey Benton.

The Shaftesbury meetings are held at
the Locke Foundation offices in downtown
Raleigh at 200 W. Morgan Street, Suite 200.
Plenty of parking is available in nearby lots
and decks.

If you would like to suggest a speaker
for Shaftesbury, or if you would like to join
us, call Kory Swanson for details or email
events@JohnLocke.org.

"Locke Lines"

The John Locke Foundation publishes
a monthly audio magazine called
"LockeLines" that features speeches made
at Locke events that month. "LockeLines"
includes Headliner speeches as well as
Shaftesbury Society speeches and commen-
tary by Locke staff.

To subscribe, call Kory Swanson at (919)
828-3876. *CJ*

Terrorism and Taxes Push North Carolina Deeper Into Recession

Continued From Page 1

Travel, in particular, will be affected, he said, because people are concerned about terrorism. "Until people feel safe then, the war will have a fairly dramatic effect on the economy," Margolis said. The longer people are uncertain about the war, the longer the economy will remain sluggish.

U.S. airline traffic has declined by 40 percent to 45 percent from year-earlier levels since the attacks, according to an estimate by Dave Swierenga, chief economist for the Air Transport Association. Airlines have reduced flight schedules by about 20 percent because of the decline in demand.

Dr. G. Donald Jud, an economics professor at the University of North Carolina at Greensboro, said that the state was "skating on the edge of a recession" at the end of August and that the terrorism "shoved the state over the edge into recession."

Because the attacks were the first ever on the continental United States in almost two centuries, fear among the public is greater, the damage to consumer confidence is worse, and the impact on the economy could be greater and long-lasting, Jud said.

"We're in a period we haven't seen before," Jud said. "We don't have any parallels," on which to base any forecasts for the economy.

"If this recession is average," he said, "we won't come out of it until July or August of next year. If it's an extended recession—if the fear persists—the length of the recession will be difficult to predict."

North Carolina's recent increase in taxes "can't help" the situation, Jud said. Higher taxes will have a negative impact on retail sales, especially passenger-vehicle sales. Retail sales dropped by 0.8 percent and car and light-truck sales fell 15 percent in the past 12 months. Lower-income buyers in particular will be hurt by the higher sales tax, he said.

Miserable Economic Indicators

Unemployment in North Carolina soared from 3.6 percent in July 2000 to 5.3 percent in July 2001. North Carolina not only has the highest unemployment rate of any Southeastern state, over the last 12 months it has had the largest increase in unemployment in the Southeast.

"Huge" losses in North Carolina's manufacturing sector in the past year, 49,000 jobs — the highest in the nation — will contribute to economic instability, Jud said.

The nation's manufacturing sector continued to decline in September for the 14th consecutive month. The Association of Purchasing Management index fell to 47.0 from 47.9 in August. An index of 50 signifies growth in manufacturing.

The NAPM index is closely tracked by economists because it offers an early reading on the health of the manufacturing sector. Its index is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies.

In another report, the Commerce Department said consumer spending managed to edge a little higher for the second month in a row, rising 0.2 percent in August, but falling short of expectations. Lower federal tax rates and tax rebate checks also pushed disposable income up for the second consecutive month. September's reports—the first to reflect the impact of the terrorist attacks—are expected to plummet.

Construction spending fell for the fourth straight month in August despite lower interest rates. Construction activity fell by 1.1 percent—the biggest drop in 13 months, led by a decline in spending on commercial projects, including industrial complexes, office buildings and hotels.

Spending on durables—costly manufactured goods expected to last at least three years, such as cars and washing machines—fell by 0.8 percent, on top of a 0.3 percent drop in July.

Spending on nondurables, such as clothes and foods rose by 0.2 percent in August, after being flat in July. Spending on services increased by 0.4 percent for the second month in a row.

In another effort to stimulate the economy, the Federal Reserve Board on Oct. 2 cut the target for the federal funds rate by a half-point—driving it down to 2.5 percent, a level not seen since 1962. The rate is the interest banks charge each other on

overnight loans. In response, commercial banks are expected to reduce their prime lending rates, the benchmark for millions of consumer and business loans, by a half-point to 5.50 percent, the lowest since Oct. 3, 1962, when the prime reached that level.

In light of decreased consumer spending, Walden said he thinks the war on terrorism will necessitate a reorganization of priorities in Washington. Issues such as Social Security reform, tax reform, and education reform will take secondary roles in the national debate.

"I think the only debate will be about the size of the federal fiscal stimulus; for example, whether \$50 billion or \$100 billion or more," Walden said.

"In North Carolina, there will likely be more talk about government ideas, efforts, subsidies, for example, to stimulate the economy, particularly in lagging regions," he

said. "But the tightness of money will contain these ideas to the discussion level."

North Carolina's tax increase will have a widespread impact, Cordato said. "Talk about wrong-headed. It's absolutely absurd. It goes against every principle of economics — no matter what school of economics you're looking at.

"Every school of thought says you cut taxes when you're going into a recession. You certainly don't increase them. And going into a wartime economy, especially in this state, individual businesses are going to be hurt because of our strong military presence," Cordato said.

Cities that rely on military bases to drive their economies will be hard-hit as troops depart for the Middle East, Cordato said. Among those are Fort Bragg and Pope Air Force Base in Fayetteville, Seymour Johnson Air Force Base in Goldsboro, and Camp Lejeune in Jacksonville.

War, in general, damages an economy, Margolis said. And, because of its reliance on international trade, North Carolina's economy is prone to damage.

Economists such as Larry Kudlow who say the attacks will boost the economy are "not only ignorant of economic theory but

also ignorant of economic terminology," Cordato said. "The effect that Kudlow describes is known as the 'broken window fallacy'—from the destruction of wealth comes prosperity. It is the same ignorance of economics that leads some to conclude that wars are good for economies."

Breaking a Fallacy

The broken-window fallacy stems from the observation that when wealth is destroyed, through war, natural disaster, or, as told by 19th century French economist Frederick Bastiat, a hoodlum throwing a brick through a show window, it is usually replaced. As the story goes, in replacing this destroyed wealth, jobs are created. In turn employment and economic activity is stimulated in all the industries that these people do business with, in the industries that those people do business with, and so on.

The problem with this argument, Cordato said, is that it ignores opportunity costs. Kudlow assumes that all the resources that must go into rebuilding the World Trade Center and the Pentagon would lie idle. This is a "ridiculous" assumption, Cordato said, because the resources would have gone elsewhere in the economy.

Massive sums such as those insurers must now pay for claims would have been invested in the insurers' portfolios of stocks and bonds, Cordato said. The money would have been used in more-productive ways, such as building homes and businesses or inventing new lifesaving drugs. "The resulting improvements in our lives are now lost as a result of the attacks," Cordato said.

The same is true with any money that is spent by FEMA or other government agencies. Taxpayers, if allowed to keep this money, would be spending it on themselves or their families, or saving or investing it, Cordato said.

"It is truly goofy economics to assume that if the government doesn't make use of the money, the people who they must first take it from would simply be doing nothing with it," Cordato said. "The true absurdity of the broken-window fallacy is that if it were true then we could simply make the entire economy wealthy by constructing buildings, blowing them up, and then rebuilding them." *CF*

There will be more talk about government subsidies. But the tightness of money will contain these to the discussion level.

Now Is the Right Time to Raise Taxes, North Carolina's Democrats Say

Continued From Page 1

Democrats said now was just the right time to raise taxes to make sure essential state services such as education and mental health care remain fully funded.

"With this budget, North Carolina gives our children — all of our children — every opportunity to succeed," Easley said at a signing ceremony at Wiley Elementary School in Raleigh. "North Carolina sent a clear message to the nation that our state will take care of its people, in good times and bad."

Taxpayers with incomes over \$120,000 who are single, or \$200,000 who are married, will see their earnings taxed an additional half-percent. Doing the math, the increase could cost such individuals \$6,000 yearly and couples \$10,000. The increase is scheduled to end after two years, unless lawmakers extend it. An increase in the standard deduction for married taxpayers and an increase in child credits would lessen the hit for those who fit those categories.

Purchasing power for North Carolinians will diminish also, via a half-percent sales tax increase. For example, individuals who spend \$10,000 on taxable items in a

given year will pay an additional \$500.

New taxes on satellite television would cost subscribers of a 100-channel package on Dish Network an additional \$18.60 per year. North Carolinians who averaged \$50 in out-of-state phone calls per month would pay \$36 more annually as a result of new 6 percent telecommunications taxes (in-state tax rates would fall by a half-percent).

Alcohol drinkers face a 6 percent increase on liquor. Purchasers of vehicles greater than \$50,000 in value would also face new taxes.

Starting in 2002-2003, HMOs would be required to pay a 1-percent gross premiums tax to the state, which would likely be passed to customers. In addition, the state will repeal a children's health insurance tax credit for middle-income wage earners.

Supporters in the legislature defended their actions. "Ask yourself, am I willing to pay \$1.10 a week to make the world a little better?" said Senate Majority Leader Tony Rand, D-Cumberland. Other lawmakers

compared the increase to the cost of a bottle of soda each week, or other seemingly non-essential items.

Yet the question of non-essentials in the state budget was what clearly divided Democrats and Republicans. Some items considered unnecessary and excessive by opponents included: \$15 million for the Governor's Industrial Recruitment Competitive Fund (called "walking around money" for Easley by many Republicans); millions for economic development (including two new "economic developer" positions) that conservatives call corporate welfare; continued funding of the Global TransPark; grants to local arts councils; research subsidies to state universities; and excessive Medicaid expenditures.

The budget allocates an additional \$126 million through 2003 to paying off debt. Locke Foundation President John Hood in an editorial referred to "those higher education bonds that supporters told you last year wouldn't raise your taxes. They lied."

The tax increases will push the state's tax burden far above that of other Southeastern states.

Fifteen legislators, by signing the bill, reneged on a pledge to not raise taxes. In the House, they were Daniel Barefoot, Nelson Cole, James Crawford Jr., Andrew Dedmon, Zeno Edwards Jr., Dewey Hill, David Redwine, Eugene Rogers, Ronnie Smith, and Alex Warner. The five senators who violated their pledges were Cal Cunningham, John Kerr, Jeanne Lucas, Tony Rand, and Scott Thomas.

Proponents voted for the package mainly to support public education, even calling the original tax package the "Education Revenue Act." Yet the final version of the bill allocated less for education than the original House proposal. The budget also added \$181 million to the rainy day fund and \$125 million to the Repair and Renovation Fund for government buildings.

Yet the personal savings and private property of North Carolinians will likely fall victim to the new taxes. According to Hood, the new levies will push the state's tax burden as a percentage of income far above that of other Southeastern states. It would also raise the tax burden significantly above those notoriously high-taxing states of Massachusetts, Maryland and California, as well as the national average. *CF*

Around the State

- On Sept. 13 the N.C. Environmental Management Commission approved a permitting system to regulate isolated wetlands and waters. Isolated wetlands are those not connected to surface waters. They typically are depressions in the woods that fill with water. "The permitting system provides a mechanism for approving activities at these sites and associated ways to replace or mitigate for lost wetlands uses," said Dr. Gregory J. Thorpe, acting director of DWQ. "It will also help protect valuable isolated wetlands from impacts associated with filling, dredging and draining activities."

- An *Insight Magazine* article highlighted how the IRS continues to single out churches with conservative beliefs for closer examination. Writer John Berlau reports that "houses of worship are threatened by the IRS with losing their tax-exempt status if their leaders engage in anything that fits the agency's increasingly loose definition of forbidden 'political activity.'"

The article focused on federal legislation introduced by U.S. Rep. Walter Jones, who represents North Carolina's 3rd District. The Houses of Worship Political Speech Protection Act would "give churches and synagogues more freedom to speak out on political issues by relaxing IRS restrictions." The legislation is cosponsored by House Majority Whip Tom DeLay, a Republican from Texas.

- Gov. Mike Easley, after signing a state budget and tax package into law Sept. 26, finally released escrowed funds belonging to county and local governments. Easley froze the intangibles tax reimbursement money while legislators debated the budget. A total of \$129 million had been due to the local governments at the end of August.

- At a time when the legislature is scrutinizing license-issuing procedures at the Division of Motor Vehicles, the Associated Press reported that the state gave licenses to three men whose names were on a list of those being sought by the FBI for questioning in relation to the Sept. 11 terrorist attacks. The names matched listed residences throughout the state, and one matched a Middle Eastern man who had received flight training at Roanoke Rapids airport. North Carolina has received national attention recently, specifically in a *New York Times* article, because of its lax standards in allowing illegal immigrants to obtain licenses without valid documentation of residency. The legislature is considering a bill that would require proof of legal residency before obtaining a license.

- Statewide motor vehicle emissions testing has now passed both houses of the legislature; now each chamber must agree on a price. Currently nine counties administer the test at a cost of \$19.40 to car owners. The House would allow a \$34 charge for the statewide test, while the Senate set the price at \$26.

GTP: Signs of a Fading Dream

Commission Dumps 'GTP,' Changes Its Name to 'North Carolina's Eastern Region'

By DON CARRINGTON
Associate Publisher

WELCOME to the region formerly known as the Global TransPark Development Zone.

On Sept. 13, the Global TransPark Development Commission, a taxpayer-funded 13-county economic development entity responsible for economic development in the Global TransPark Development Zone, voted "to pursue a long range plan to use a new marketing name, *North Carolina's Eastern Region*." At the same meeting the commission dumped its old logo, which featured the GTP letters.

Each of North Carolina's 100 counties is assigned to a publicly funded regional economic development program. The GTP Development Zone was one of seven such programs.

"The geographically oriented name change is a part of the Region's effort to increase effectiveness in recruiting good jobs to Eastern North Carolina. North Carolina's Eastern Region will market with a name that places emphasis on the region," stated a press release from Executive Director Tom Greenwood.

The organization claims the name change is for marketing purposes. A *CJ* review of the General Statutes revealed the commission would need legislative authority to make a formal legal name change.

For the past two or three years, Greenwood's organization has given hints that it was trying to distance itself from the GTP Authority, the organization that actually manages the airport industrial park in Kinston. The commission's name change can only be thought of as another blow to the struggling TransPark project.

A 1992 taxpayer-funded study claimed

the potential economic impact from the GTP in 2000 would be 59,173 jobs and \$3.8 billion in revenues. But the jobs and economic activity have not materialized.

Bad News in the Budget

The recent passage of the state budget was also not good news to the GTP Authority. The budget bill contains a special provision that starts the process of turning the state-owned GTP airport back to its previous owners—the City of Kinston and Lenoir County.

The provision specifically requires the Department of Transportation's Aviation Division to "study the transfer of the Global TransPark airport fixed assets and operations from the Global TransPark Authority to another appropriate entity."

The report must be delivered to the Joint (House and Senate) Legislative Transportation Oversight Committee by Feb. 15, 2002. If the General Assembly follows through with the process, the airport presumably will be renamed the Kinston Airport.

Aviation Division Executive Director Bill Williams told *CJ*, "We are in the process of determining the exact nature and scope of the legislatively mandated study." Williams's study will likely focus on the mechanics of such a transfer, not the politics.

Since the commission has dropped the name, and the airport itself appears headed for a new owner, the GTP Foundation may soon be the only remaining organization. The GTP Foundation is a privately funded economic development and grant-making organization.

Since the GTP Commission no longer exists—at least not for marketing purposes,

state Department of Transportation officials will have to consider the fate of some specialized highway signs. The green road signs that read "Entering the Global TransPark Development Zone" and "Leaving the Global TransPark Development Zone" have become misinformation signs, since such a zone no longer exists under the GTP name. The signs are on several major highways in the 13-county region.

DOT spokesman Bill Jones told *CJ* that his department has not received any request for the signs to be changed or removed. If the department did receive such a request it would go to the Traffic Engineering Branch for evaluation.

GTP license tags may also become a problem. Even though the GTP Commission was free to dump the GTP name, about 10,000 eastern North Carolina motorists are still required to promote it on their cars.

As part of a promotional effort for the original GTP project, state lawmakers ordered the Vehicle Registration Section of the Division of Motor Vehicles to issue GTP prefix license plates for all new registrations in the 13-county region. About 10,000 of the plates were issued.

The GTP plates were mandatory as long as the supply lasted. If a vehicle owner objected to being forced to advertise the GTP concept he would have to pay a fee of \$10 to replace his tag with a non-GTP tag.

In addition to the license plate promotion, the GTP Commission also received an annual \$5 per vehicle additional tax on every vehicle in the 13-county region. The special tax program, which has ended, lasted five years and raised about \$17 million. The funds were to be used for economic development projects in the 13-county region but were not to be used for GTP site development. *CJ*

Legislators Stick With Body-Piercing Regulations

By BRIAN GWYN
Editorial Intern

LEGISLATORS in South Carolina last year decided that the practice of body piercing was becoming unsafe. Needles were being thrown out as normal garbage and reports of infections were increasing, so the South Carolina legislature decided to pass a stringent set of laws designed to deter body piercings and create a safer environment for everyone.

However, since North Carolina had virtually no regulations on body piercing, the new law's effect on the border areas in South Carolina were minimal, because patrons and practitioners of body piercing simply went across the state line.

Recently, a New Hanover County Health Department official told Rep. Frank Mitchell (R-Iredell) that infections from the piercings were becoming a problem in North Carolina as well. At the time, there was no regulation of body piercing except that minors had to get permission from their parents. Mitchell then decided it was time North Carolina had comparable regulations to those of South Carolina, so he put together a bill that recently passed the House.

The bill requires any practitioner to obtain a permit valid for one year and to discard any utensils as medical waste. Body-piercing facilities are to then be inspected at least once a year. The practitioner would also be required to take a CPR course, on the chance that a customer is rendered unconscious by the body-piercing procedure.

Interestingly, those established in the body-piercing industry do not seem to mind. "We won't have to change a thing," said Archie Noel, a body piercer at Blue Flame Tattoo in Raleigh. Noel said body piercers already try to model themselves after the tattoo industry, which has traditionally been more strictly regulated. The only part that will apply to him, Noel said, is the CPR class, which Blue Flame currently does not require him to take.

However, he acknowledged that other practitioners in his field may not take as much care in health and safety as his company does. "There are a lot of people doing piercings that shouldn't be doing piercings," he said. Noel said customers frequently come into Blue Flame and are surprised by how clean its operation is compared to other stores.

While some say the bill was designed to dissuade young people from obtaining body piercings, Noel said the law can only help. Those who may want piercings but have traditionally been confident in the safety of the process will feel more comfortable now, he said.

Mitchell said he thinks the bill will cause a decrease in the number of people getting body piercings. "Hopefully we can stop some of the kids from looking like walking tackle boxes," he said. He reasons that once piercings become unavailable on every street corner, people who got them out of convenience before will now think twice. Early evidence shows that this could be the case, judging by the influx in pier-

ing-related infections in New Hanover County. This occurred after South Carolina passed a law requiring practitioners to register with the state. If North Carolina tightened its control on body piercing, many argue that piercing establishments would be safer, but much fewer.

The bill would provide for the Department of Environment and Natural Resources to set specific guidelines for body-piercing shops. Once the guidelines have been chosen, health departments in individual counties would enforce them. The bill sets aside \$45,000 to train local health officials on enforcement of the regulations. Counties would also select an amount for the licensing fee, provided that it covered only expenses and that no profit was made.

Possibly the most significant part of the bill is the requirement that body-piercing practitioners dispose of utensils as medical waste. Many venues such as Blue Flame Tattoo already follow such procedures, but others still eliminate byproducts by tossing them in the trash. This is particularly disturbing to health officials because of the threats of disease, particularly Hepatitis C (HCV).

Former U.S. Surgeon General C. Everett Koop has said HCV is spreading rapidly "and unless we do something about it soon, it will kill more people than AIDS."

The bill still must pass in the Senate, but there has yet to be any clear opposition. Body-piercing regulations would go into effect Dec. 1. *CJ*

'Clean Smokestacks' Bill Might Cause More Pollution

Articles in Raleigh's News & Observer Ignore Scientific Data, Oversimplify John Locke's Position on Legislation

By Dr. ROY CORDATO
and PAUL CHESSER

Associate Editors

RALEIGH

Both houses of the General Assembly, after agreeing on a state budget, neared the end of their respective sessions without passage of the controversial "Clean Smokestacks" bill. The proposed legislation passed the Senate in April, but has failed to move in the House. It may not exit the Public Utilities Committee until next year's session at the earliest.

Meanwhile, *The News & Observer* of Raleigh in a Sept. 27 article oversimplified the John Locke Foundation's position on the bill, citing a Spotlight report claim that smokestack regulation represented "a hidden tax." *News & Observer* articles on the bill have ignored scientific data disputing claims that the legislation would significantly reduce pollution in North Carolina. The legislation affects the 14 coal-fired electric power plants run by the for-profit electric utilities Duke Energy and Carolina Power & Light, ordering the companies to reduce nitrogen oxide emissions by 78 percent by 2009 and sulfur dioxide emissions by 73 percent by 2013. Costs for compliance would be passed to customers, at an estimated \$2.2 billion by 2013.

The Locke Foundation has produced voluminous information since April, disputing claims of environmentalists regarding pollution problems in North Carolina.

Various Locke Spotlight reports highlighted the misleading nature of an American Lung Association study regarding ozone levels in the state; research illustrating the offsetting positive health benefits of ozone; findings by the N.C. Department of Environment and Natural Resources that levels of sulfur dioxide in the state have dropped since the 1970s; findings that the decline in visibility in the Smoky Mountains is due to out-of-state power plants; the questionable science of reducing carbon dioxide emissions within the state; the gross misrepresentation of "fine particulate matter" pollution by a group of environmentalists called The Clean Air Task Force; and questionable statistical data on death rates related to such pollutants.

Law Could Boost Pollutants

New Spotlight research argues that because of provisions in the federal Clean Air Act, it is possible that a state Clean Smokestacks law could increase pollutants in North Carolina, because neighboring state utilities then could increase their emissions because of federal allowances.

Under the proposed Clean Smokestacks bill, coal-fired power plants in the state would be required to reduce sulfur dioxide emissions by about 75 percent by 2013. Sulfur dioxide from power plants west of North Carolina is the major contributor to poor visibility in the state's mountains, to problems of acid rain, and to formation of the

"fine particulate matter." Sulfur dioxide emissions from North Carolina plants are blown out to sea, for the most part.

Under the federal government's Clean Air Act, a tradable emissions allowance program exists for sulfur dioxide. According to the act, national levels of sulfur dioxide have been established, and power companies have been issued allowances to emit some portion of the total. If a plant reduces its emissions, that makes available some of its allowances, which it is then permitted to sell to other utilities that want to increase their emissions, either from existing plants or by building new ones. As a result, sulfur dioxide emissions are not reduced nationwide, but shifted.

If North Carolina adopts the Clean Smokestacks bill, it cannot be known which power providers will purchase those allowances resulting from Duke Power's and CP&L's reductions, but it will almost certainly be power companies located west and northwest of the Tar Heel state.

In its briefing report "Air Quality and Respiratory Problems in and Near the Great Smoky Mountains," to Congress in May, the U.S. General Accounting Office said, "[In the Great Smoky Mountains] on low-visibility days... the majority of the air masses started over the industrial Midwest, or spent considerable time there where they could have accumulated substantial quantities of sulfur dioxide from this high emissions area... Few air masses arrived

from the east and south on these low-visibility days."

All but one of the 14 power plants operated by Duke Power and CP&L are located east of North Carolina's mountains, and most of the sulfur dioxide generated by them is blown out to sea. The likely result of the passage of the Clean Smokestacks bill would be increased pollution in the Smoky Mountains because of the trade allowances in the federal Clean Air Act.

The N.C. Senate has also recognized that the Smokies' pollution problem comes from the west, in a letter to President Bush signed by each Senate member calling for stricter emission controls on power plants run by the Tennessee Valley Authority. The senators wrote, "It is very clear... that the substantial problems impacting our western areas of the state are caused in large part by the (Tennessee Valley Authority)."

According to the estimates of each power company, Duke power's costs to comply would be \$1.5 billion and CP&L's costs would be \$700 million, *The Business Journal* reported in its edition of May 25, 2001. Under a provision in the bill, such costs would be passed to their customers, resulting in a rate increase of 5 percent for residential users and 7 percent for businesses and industry.

As reported by *the News & Observer*, the Clean Smokestacks bill does represent a hidden tax placed on customers of Duke Energy and Carolina Power & Light. *cj*

Congressman J.C. Watts Headlines Locke Luncheon

By PAUL CHESSER

Associate Editor

RALEIGH

Imagine the life of Rep. J.C. Watts, Jr., who represents Oklahoma's 4th District. Busy enough as chairman of the House Republican Conference and occasional preacher on Sunday mornings as a Baptist minister, Watts also serves on the Special Oversight Panel on Terrorism on the House Armed Services Committee. The terrorist strikes Sept. 11 brought him an additional burden of responsibility.

Yet based on Watts's remarks at a Locke Foundation luncheon Sept. 27, he gives the impression that the tax burden placed on Americans is as dangerous to families as are Middle Eastern terrorist activities.

"If you want to create poverty, do this: Reward the drug dealer more than you reward the risk-taker," Watts said, commenting on taxation that encumbers hard work and business activity. "You create poverty if you weaken the link between effort and reward."

"We don't need more taxes; we need more taxpayers," he said.

Watts wove his thoughts on punitive taxes with memories of his home life growing up in Eufaula, Okla. He said he never remembered his father, Buddy, having fewer than three jobs at a time. As a result, concepts such as an allowance were foreign to him.

"If you made money in the Watts household, you worked for it," he said.

Watts said he believes that not enough politicians grasp what it means to struggle to earn and save money, and meet financial obligations.

"People in Washington need to understand the joy of making the last car pay-

ment," he said. Watts said he doesn't think America can survive if its citizens must give more than 50 percent of their income to the government. "We can't make it work," he said.

Watts said punitive government policy has contributed to the decline of the American culture by discouraging families. Watts cited the marriage tax penalty, taxes on savings interest, and lack of school choice as some of the problems.

"We literally force kids to go to schools that don't work," he said.

Watts likened work in Congress to his days as a quarterback at the University of Oklahoma, and later in the Canadian Football League.

Moving policy ideas through both houses of Congress and the executive branch is akin to moving a football team in a long drive down field, rather than striking with a quick 90-yard touchdown pass, he said. Welfare reform worked that way, Watts said—Ronald Reagan introduced the idea 27 years before it became law during the Clinton administration.

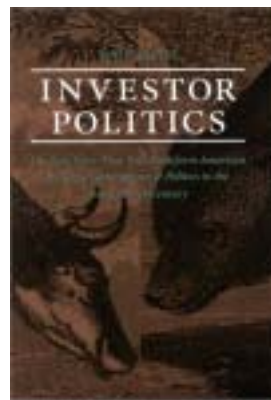
"It is a very, very difficult process," he said. "We chose to define compassion... by how few are on food stamps, not how many."

However, Congress is now forced to react to a terrorism threat that is urgent.

"We've got some difficult days ahead," Watts said. "But when I look at the Capitol dome representing freedom all over the world, I am encouraged."

Watts mentioned the racial and religious barriers that seem to have been torn down as a result of the attacks, unifying America.

"We find out we have a whole lot more in common than we ever disagreed upon," he said. *cj*



John Hood

President, John Locke Foundation
and Publisher, Carolina Journal

Is now on a statewide and national tour to read from & discuss his latest book:

Investor Politics: The New Force That Will Transform American Business, Government, and Politics in the 21st Century

Upcoming dates in the tour include:

- Oct. 15, 7:30 p.m. Quail Ridge Books, Raleigh
- Nov. 1, 12 p.m. Cato Institute, Washington, DC
- Jan. 19, 2002 Chicago Conservative Conference
- February 2002 Tour of New England think tanks

"John Hood has produced a timely and informative account of . . . the most significant demographic shift of this century — the rise of a shareholder democracy in America. Anyone who is interested in how this demographic shift will shape American politics in the 21st century should read this book."

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— Greensboro News & Record

For more information about these events or to schedule other appearances, call 919-828-3876 or visit www.JohnLocke.org. More information about *Investor Politics* can be found at www.TempletonPress.org.

School Reform Briefs

• Guilford County Schools reported losing fewer teachers in the 2000-01 school year.

The district lost 9.8 percent of its teachers this past year, down from 12.3 percent in the 1999-00 school year as reported by the *News and Record* of Greensboro.

While Guilford County saw a loss, the state reported a gain. According to the Department of Public Instruction, the state turnover rate is nearly 14 percent, a slight gain over last year's turnover rate of 13.59 percent.

However, as pointed out in the February edition of *Carolina Journal*, turnover rates can often be misinterpreted. For instance, a major portion of the turnover rate in 1999-00 included teachers who were not leaving the profession, who were not leaving the state, but who were merely moving from one district to another.

Another problem is that the turnover includes many teachers who leave for reasons other than job dissatisfaction with their careers. A full 8.6 percent of the 13.59 percent reported left for a variety of reasons unattributable to schools, including family relocation, health problems, retirement, and even death.

• The North Carolina Department of Public Instruction recently reported that the state is receiving a \$306,144 AP Incentive Program grant to help widen access to AP courses and exams for minority and rural students.

The number of public school students taking Advanced Placement examinations in North Carolina increased by 9 percent to 20,980 students from 2000 to 2001. The number of AP exams taken by students increased by 11.6 percent over the past year for all North Carolina public school students.

For comparison purposes, there are approximately 136,000 students in 11th and 12th grade — the grades when students are most likely to take AP courses and exams.

White students constituted 80 percent of the students who took AP exams in 2001. Although minority groups' participation rates are growing, the number is still small.

Black students taking the tests increased by 19 percent from last year to 1,997 and Hispanic test takers increased by 16.8 percent to 347 students. American Indian numbers are also small with only 113 American Indian students taking AP exams, but that number is 20 percent higher than in 2000.

But State Superintendent of Public Instruction Mike Ward was encouraged. "Not only do we hope that North Carolina students will perform well on the AP exams, we also want to see access to these rigorous courses and tests provided to these all qualified students. Our goal is to encourage students to take challenging coursework, and North Carolina's AP report shows that we are making progress.

"The federal grant we are receiving will help us do more to help qualified students gain access to these courses," said Ward.

A Budget for North Carolina's Children

Does the Budget Represent a Commitment to Education, as Governor Claims?

By SHERRI JOYNER

Assistant Editor

RALEIGH

With fourth- and fifth-graders in the balcony watching with eager eyes, Gov. Mike Easley signed the long-awaited budget in a ceremony at Wiley Elementary School. The symbolism was all too strong. This budget was referred to by many politicians earlier this summer as the Education Revenue Act — a budget for North Carolina's children.

Indeed, the budget does reserve funding for elementary and secondary education. During the signing ceremony, Easley announced that the budget includes teacher salary increases, teacher expense accounts, a compensation and recruitment package, and accountability report cards for parents that will identify how many students are in their child's class and whether the teacher is certified.

"With this budget, North Carolina gives its children the opportunity to succeed," Easley said. "Amid all the debate ... the goal was nothing short than protecting the education of our children."

The budget also sets aside \$6.4 million in funding to create a statewide pilot preschool program for at-risk 4-year-olds, More at Four.

"The courts will not have to mandate or order it, we will do it [4-year-old preschool] on our own," Easley said.

After touring two kindergarten classrooms before the ceremony, Easley opened the ceremony praising the success of small classes.

"The class size is getting a little smaller...and the smiles on the teachers' faces are getting a little larger," Easley said.

Details of the Budget

The final budget raised taxes and increased education spending on public schools by 3.6 percent from last year to ensure "education was protected." The final version includes a half-cent increase in the sales tax beginning Oct. 16, a half-percentage point increase in the income tax on the wealthy, and new taxes on out-of-state phone calls, liquor, satellite television, and HMOs.

With a banner behind him touting "Education First," Easley made it clear our tax dollars were going to educate North Carolina's youth.

Supt. Mike Ward spoke briefly after Easley to show his support for the budget. "The budget affirms the fact that legislators support high standards," Ward said.

The budget provides \$8.3 billion for education as follows:

- \$93.1 million for bonuses under the ABCs plan
- \$4.6 million for bonuses under an ABCs pilot project
- \$25.1 million to reduce class sizes of at-risk students and kindergartners
- \$2.5 million for teacher recruitment and scholarships for certification
- \$75 million for additional teachers, supplies, and school inflationary increases
- \$5 million to help students who are below grade level
- \$4.1 million for instructional supplies, \$100 per teacher
- \$10 million for special-needs children.

The budget also raises teachers' and principals' salaries. Teachers will see on average a 2.86 percent increase, while principals can expect an average increase of 2.93 percent. All other public school employees will each receive a \$625 annual salary increase.

While others disagree with budget and tax increases, teachers' unions say there was nothing left to cut.

Carolyn McKinney, president of North Carolina Association of Educators, said earlier this year that the Department of Public Instruction could not be trimmed.

"Since 1995, the staffing and services of the Department of Public Instruction has been slashed to the bone; this is a fact that no one disputes. And the Department of Public Instruction has been on the chopping block—yet again—throughout this budget crisis," McKinney said.

Eddie Davis, vice president of the NCAE, said the association was concerned about the increase in taxes but thought it was "the best way to keep education moving in the right direction."

Davis also pointed out that education was a priority of this budget. "Obviously since so much of the revenues go to education, this budget is clearly for education, as all budgets are for this state."

Dan Gerlach, a fiscal analyst with the North Carolina Budget and Tax Center in Raleigh, also considers the tax increases necessary as a way to maintain the standard of living. "I believe it [tax hikes] was neces-

sary to fund the budget, especially given the dramatic falloff in expected revenues for 2002-03," Gerlach said.

"Budgetmakers invested resources in children with special needs, with limited English proficiency, and children not performing well on end-of-grade tests. I think this spending will be what improves student performance, not the threat of tests" Gerlach said.

Calling the Budget into Question

While many have cited the need of additional tax dollars to pay for educating young children, others claim this is simply a falsehood.

"Not a penny of the more than \$735 million increase in our annual state tax burden will protect classroom teachers or improve education. Elementary and secondary schools are the state's highest priority, and therefore were not at risk if lawmakers had held the line on taxes. The real beneficiaries of higher income and sales taxes in North Carolina are special-interest lobbies who will prosper from surprisingly large state spending growth outside of public schools," said John Hood, president of the John Locke Foundation.

Indeed, for quite some time, the majority of the budget has funded elementary and secondary education. With the passing of this year's budget, more than 57 percent of the budget will go toward education while only 10 percent will go toward justice and public safety.

In fact, many conservatives and liberals agreed that increasing the sales tax was not the best way to balance the budget especially when the economy was already deteriorating.

The John Locke Foundation and the Common Sense Foundation agreed that legislators should look to cut wasteful spending. At the top of this list was corporate welfare—this year's budget sets aside \$15 million to attract businesses to the area.

Sen. Patrick Ballantine, R-New Hanover, also questions the idea that additional tax dollars were necessary to pay for educational needs.

"Of the money derived from the general tax increases, none of it is earmarked for education," Ballantine said. "Increasing taxes did not fund education, education was already a priority. Increasing taxes kept lawmakers from having to make unwanted spending cuts."

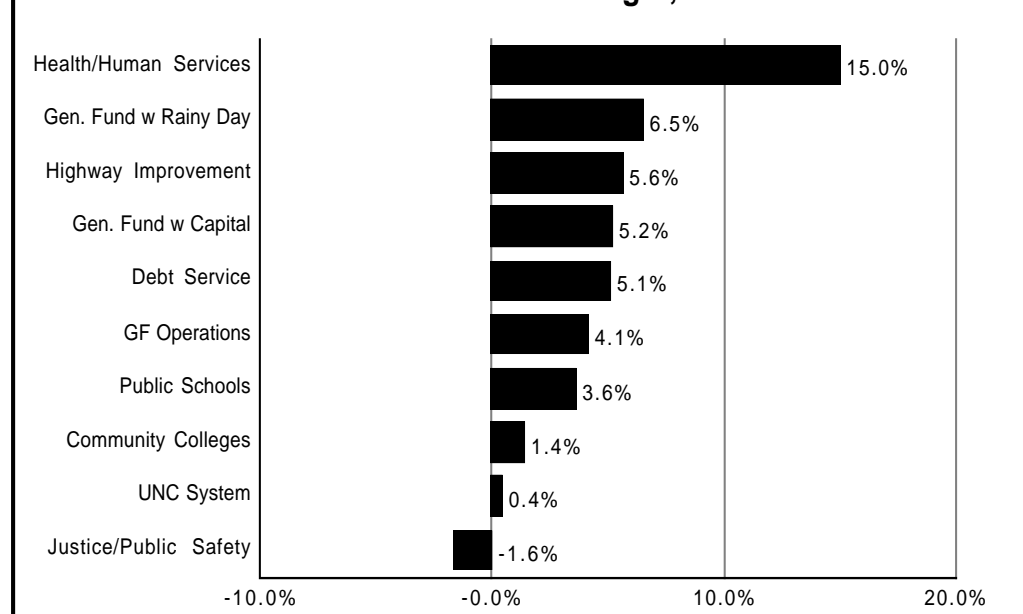
In fact, many other departments enjoyed larger increases in funding this year. Health and human services, highway improvements, debt service, general fund operations, and the rainy day fund all were earmarked for a larger annual growth.

"If the Democrats treated education as a top priority, we would have done some real reforms this year in education like raise the cap on charter schools. Instead, most of our alternatives were ignored," Ballantine said.

While the debate continues between parties, proponents of the budget hope that this year's efforts to further reduce class sizes and expand preschool programs will help boost N.C. schools to the best in the nation.

"To be the best in the nation, we must eliminate the achievement gap that has been tolerated for far too long and put in place a system of education that gives every child in every county every opportunity to succeed, regardless of geographic location or economic condition," said Easley earlier this month.

Annual Growth in Final Budget, FY 2001-02



Using a Data-Driven Plan

Mecklenburg's A+ Program Improves Academic Performance

By SHERRI JOYNER
Assistant Editor

CHARLOTTE

Improving the academic performance of low-performing students has taken a new path in the Charlotte-Mecklenburg School System. Dr. Eric Smith, superintendent of Charlotte-Mecklenburg Schools, partnered with the American Productivity and Quality Center in Houston, Texas several years ago to organize the school system effectively and focus on becoming a data-driven organization.

Results have been astounding. Of the 15 schools participating in the program in Charlotte-Mecklenburg, many have improved as much as 20 to 30 percent in reading and mathematics scores in just one year.

The program has proven to work exceptionally well with all students, including minorities and the poor.

Brazosport, a district of more than 15,000 students outside Houston, implemented the program in 1991-92 after seeing a large achievement gap between students of different socioeconomic levels. By 1998, every group of students had moved up to the 90th percentile, the dropout rate decreased from 6 percent

"A Plus contains very effective practices, that when used in schools... can close the achievement gap."—Gail Daves

to 0.1 percent, and more students were taking the AP exams.

The plan works by providing three major components:

1. **Effective School Correlates.** The "effective schools framework" has a track record spanning 25 years of helping schools improve achievement of low, middle, and high socio-economic students.

2. **Total Quality Management.** "Quality initiatives" have worked for years in the business sector and can have a direct impact on student achievement.

3. **Eight Quality Conditions for Success.** These included data disaggregation, planning, instructional focus, assessment, tutorials, enrichment, maintenance, and monitoring.

Closing the Gap

The APQC believes that all students can learn and works in partnerships with school districts to close the achievement gap.

Charlotte-Mecklenburg schools have been successful closing the gap between white students and minority students. Statesville Road Elementary, an A+ school with about 74 percent of students on free and reduced lunch, has achieved tremendous success with its low-income students. The percentage of fourth-graders performing at or above grade level in math increased from 64 percent in 1999-00 to 92.1 percent in 2000-01. Reading scores also rose from 42 percent in 1999-00 to 55.6 percent in 2000-01.

Among schools witnessing dramatic improvements in its black population is Nathaniel Alexander Elementary. Fifth-grade reading scores for black children at Nathaniel Alexander increased from 44.7 percent performing at grade level in 1998-99 to 78.7 percent in 2000-01.

"Our goal is to be an A+ school system, which means we can't do business as usual. That's what the A+ Plan is all about—meeting the needs of every student and taking

them to a higher level," Dr. Smith said.

After its first year in full implementation, CMS educators are happy with the results. Of the six elementary schools in the program, four made exemplary growth in this year's ABCs. Middle and high schools also showed progress.

"We know it was successful," said Gail Daves, academic monitor for CMS. "A+ isn't a model you can just go out and buy, though, schools have to fit the program to suit them best."

CMS changed the model slightly. The schools added professional development as a ninth component to "eight quality conditions for success."

"A+ contains very effective practices that when used in schools can be very effective. They can close the achievement gap," Daves said.

While only 15 schools in CMS fully implemented A+, an additional 10 schools were able to use portions of the plan as needed. Success isn't just about the A+ plan, Daves said, but just one of the many pieces schools use.

Statewide Plans

While Charlotte-Mecklenburg Schools has taken the initiative to sup-

port effective practices in schools, the North Carolina Department of Public Instruction was on the right track a few years back when it created a "total quality in education" strategy in 1992 to close the achievement gap.

In 1992, the state implemented a pilot program in five school districts, Bladen, Craven, Winston-Salem Forsyth, Charlotte-Mecklenburg, and Elizabeth City-Pasquotank.

"We haven't done a final analysis on it because of the delay in ABC scores," said Judy Williams, education consultant with DPI. "But the ABC report does give results on how many of the districts met expected growth."

The results are broken down by race, performance, and economic status.

Looking briefly at the results of the pilot program, poor students — those receiving free or reduced lunch — did not fare well on this year's end-of-grade tests. Of the 214 pilot schools, only 95 schools met expected growth with their free and reduced-lunch population; 113 schools didn't.

As a whole, most schools failed to meet the pilot's growth expectations in all subgroups, which included student groups divided by ethnicity, student populations divided according to whether they receive free and reduced lunch, and groups based on performance on pretests.

In Bladen County, only 8.3 percent, or one school out of 11, met growth expectations. Elizabeth City-Pasquotank Schools had the best results of the five school districts, with six of the 10 schools meeting growth expectations. On average, K-8 schools in Pasquotank improved by 5 percent on End-of-Grade tests, from 65.6 percent in 2000 to 70.6 percent in 2001.

Even though the A+ plan includes a "total quality" strategy, the programs are not closely linked. CMS went beyond what the state implemented to a more complete program. Williams was unfamiliar with the A+ plan and the results CMS is having with all students. cj

What Works Is Working

After visiting six cities in the past two days and sharing the results of the first annual *What Works* Report, I would expect to feel exhausted. Instead, I feel energized and optimistic.

I had the opportunity to meet many of the best principals and teachers in North Carolina and the United States, including Terry Chestnutt, principal of Waccamaw Elementary in Brunswick County.

Waccamaw is one of only two schools in the nation to receive recognition this year as both a "blue ribbon school" and a "Title I school of distinction."

Chestnutt shared his thoughts: "Our philosophy is that every child can be successful. There is no such thing as maintaining. You either go forward or you go backward. At Waccamaw there is no failure — just success, one student at a time."

This statement rings true. Schools can be different in a variety of ways, but their ultimate goal is to make sure students are excelling and moving toward a goal of proficiency. The teachers and principals I met had a variety of backgrounds and challenges, but they shared a belief that all children can learn. An enthusiasm for what they do is infectious.

In New Bern I met representatives from Comfort Elementary in Jones County. Dixie Whaley, the principal, captured the formula for success succinctly when she explained her school's team strategy: "We expect every child to set achievable goals and then we help them achieve these

goals. In order to accomplish this, you must have high expectations for all children and hold everyone accountable."

Comfort Elementary was one of 21 schools highlighted in the North Carolina Education Alliance's *What Works* report.

The criteria for selection were straightforward. Schools chosen had populations where at least 60 percent of the students are eligible for free or reduced lunch and where at least 75 percent of the students were at grade level, based on the combined 2000 ABC reading and math tests.

The results of the report give us much to ponder. Schools that met the criteria are found across the state from the mountains to the coast. Schools selected are from both urban and rural areas, poor and wealthy counties, small and large school districts, which shows that students can learn when efforts are focused and resources are used effectively.

There are many characteristics in common among successful schools. The *What*

Works report identified 10 key elements of success, including: leadership, a mission statement, community and parental involvement, ongoing assessment and after-school tutoring, to name a few. However, these common characteristics are not the interventions you often hear about in discussions concerning school reform.

Different Conversations

Those conversations usually include issues such as school and classroom size, equity in spending, parental choice, and teacher pay, which in many ways would be preferable to many people, but none of them represent a true solution. Too often these reforms are considered the best alternative because, while you can legislate the size of classrooms, you can't clone great leaders to ensure each school has visionary principals and effective teachers.

Feedback and conversation from these successful educators throughout the tour shed new light on the situation. Top priorities, according to educators, included the need to have flexibility in funding and planning to meet the needs of a particular school and region. Who better to identify the needs of a school than the people who are there everyday — especially those who are having great success in their efforts?

It is clear that there is not a one-size-fits-all solution that can be legislated at the General Assembly to fix the problems our schools face. We must look to our successful educators for guidance and assist them with the resources they need to achieve success. At the same time, we must also continue holding educators accountable for their success.

Instead of talking about our failures, we must begin to celebrate our successes. This tour is our opportunity to share with others what works so others can begin to emulate their success.

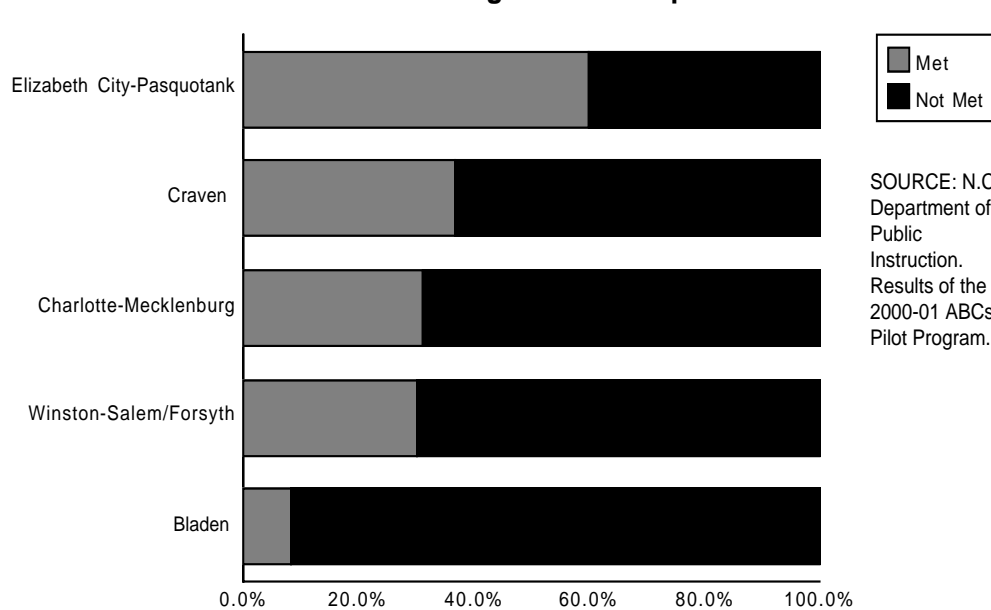
Former Education Secretary William Bennett says it best: "If we seek to build schools of excellence, then we must recognize, praise, and reward those that are excellent."

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



Paige Holland

Pilot Schools Meeting Growth Expectations



School Reform News From Across the Nation

Graduation Tests, Vouchers

Most states across the nation have implemented high school exit exams—basic skills tests students are required to pass to graduate from high school. In Utah, state officials are expected to consider a new policy that will allow students who fail the Basic Skills Competency Test three times an alternative way to prove they possess basic math, reading, and writing skills. Although the test is untimed and covers only material taught up to eighth grade, students who repeatedly fail can submit a portfolio of work with completed assignments and other test results.

"What we're interested in is whether they have basic skills, not if they can pass the test," said Barbara Lawrence, director of assessment for the Utah Office of Education.

The state has already provided accommodations for special education students and those who are learning English. The accommodations for students who are Limited English Proficiency include providing the math portion in Spanish. Students are also able to use a bilingual dictionary or vocabulary list.

While many educators think testing should be reduced, graduation tests are nothing new.

The Christian Science Monitor recently ran the excerpts from an eighth-grade graduation exam in Saline County, Kan. in 1895. Think North Carolina's testing's rough?—Read this.

Grammar:

1. Give nine rules for the use of capital letters.
2. Name the parts of speech and define those that have no modifications.
3. Define verse, stanza, and paragraph.

Geography:

1. What is climate? Upon what does climate depend?
2. Name and describe the following: Monrovia, Odessa, Denver, Manitoba, Hecla, Yukon, St. Helena, Juan, Fernandez, Aspinwall, and Orinoco.
3. Why is the Atlantic Coast colder than the Pacific in the same latitude?

Arithmetic:

1. A wagon box is 2 feet deep, 10 feet long, and 3 feet wide. How many bushels of wheat will it hold?
2. Find bank discount of \$300 for 90 days (no grace) at 10 percent.
3. What is the cost of a square farm at \$15 per acre, the distance around which is 640 rods?

U.S. History:

1. Relate the causes and results of the Revolutionary War.
2. Who were the following: Morse, Whitney, Fulton, Bell, Lincoln, Penn, and Howe?
3. Name events connected with the following dates: 1607, 1620, 1800, 1849, and 1865.

Anatomy:

1. Where are the saliva, gastric juice, and bile secreted? What is the use of each in digestion?
2. How does nutrition reach the circula-

tion?
3. How would you stop the flow of blood from an artery in case of laceration?

Orthography:

1. What are the following, and give examples of each: Trigraph, subvocate, diphthong, cognate letters, linguals?
2. Give four substitutes for caret "u."
3. Use the following correctly in sentences: Cite, site, sight, fane, fain, feign, vane, vain, vein, raze, raise, rays.

As reported by *The Salt Lake Tribune* and *The*

Christian Science Monitor.

Education Vouchers

Maine has financed thousands of students to attend private school since 1873. The state pays tuition for 35 percent of all students enrolled in Maine's private schools. The tuition program allows parents without a traditional public school to choose a school from a list of approved private and public schools. In the fall of 1999, 5,614 students from 55 communities attended private schools through the program, while 30,412 attended nearby public schools.

Data from Maine's Department of Education suggest that the tuition program costs about \$6,000 per student, or 20 percent less than Maine's average per-pupil expenditure.

Although tuition reimbursement is generally available only in communities without public schools, research suggests that the availability of the voucher has created greater competition among schools. Parents who are in "sending towns" greatly favor the tuition program. Eighty percent of voters in Arrowsic, Maine rejected an attempt to build a public school in their community. The school would have eliminated the voucher program. As reported by Frank Heller in *Cato Briefing Papers* No. 66.

Japanese Curricula Cut

Even though Japanese students score at the top of international tests on math and science, educators have concluded that schools need to reduce the amount Japanese students are taught.

The reason seems to be because surveys show the students dislike the subjects more and more each year and lack the joy needed to do research.

In a policy that has worried many parents, primary and junior high school curricula are being cut by 30 percent next spring, Saturday classes will end, and a vaguely defined "general studies" class is being added to encourage creativity and independent thinking.

Parents' fears have been fed by rumors that the value of pi would now be taught as "around 3" instead of 3.14. A weekly magazine ran the headline "In 10 Years the Japanese Will All Be Idiots!"

But educators and officials say the counterintuitive cutting of hours devoted to Japanese, math, sciences, and social studies is necessary to change Japan's basic approach to education. As reported by the *Washington Post*. CJ

What Works in 12 Cities

N.C. Education Alliance Tours State to Highlight Success

By SHERRI JOYNER

Assistant Editor

RALEIGH

The North Carolina Education Alliance hit the road this month with its first *What Works* tour. The tour highlighted the results of a statewide search for schools, programs, and businesses that are having the greatest impact educating poor children.

While the achievement gap between races is large, studies show that failure in school is more closely related to income than race.

The Alliance released its finding on a statewide tour. Members of the Alliance and John Hood, president of the John Locke Foundation, traveled from Asheville to Wilmington to release the findings of *What Works: Education Solutions for High-Risk Students*.

The Schools

Twenty-one schools across the state were chosen as success stories. These schools represent the idea that regardless of income, and in many instances, regardless of race, children will excel, given the right chances.

Essentially, schools were chosen that had a high percentage of needy students, greater than 60 percent, and scored well on end-of-grade tests, showing steady and remarkable improvement.

With close to 71 percent of students receiving free and reduced lunch, Tipton Elementary in Mitchell County had an average of 95 percent of students at grade level in reading and math. This was the highest number of students performing at grade level of any of the 21 schools.

But Tipton was not alone in success, most of the schools chosen had at least 80 percent of students performing at or above grade level in reading and mathematics. The few schools that fell below this cutoff had remarkable improvements that demonstrated exceptional growth.

Of the schools highlighted on the tour, two were charter schools—Maureen Joy in Durham, and PreEminent in Raleigh. Both have shown steady and dramatic improvements in academic performance.

Other schools highlighted include:

- Brawley Middle (Halifax)
- Williamsburg Elementary (Rockingham)
- First Ward Elementary (Mecklenburg)
- Comfort Elementary (Jones)
- Beech Mountain (Avery)
- Waccamaw Elementary (Brunswick)
- East Elementary (Kings Mountain)
- J. T. Barber Elementary (Craven)

Common to the successful schools were 10 characteristic traits. Although every school may approach a problem differently, there remained in many instances common practices among the 21 chosen schools.

Leadership was key to success. A principal had to know what the school needed and how to lead the staff and students in the right direction. In many instances, the principals of these schools devote time and energy to reshaping the internal structure of the school and aligning a common goal and mission with the staff. The principal must be a visionary.

Other key elements including community and parental involvement, planning,

on-going assessments, and creating a mission statement were critical to the schools' success.

The Programs

The Alliance also identified 12 programs in the state that are making a difference serving at-risk children.

"Many children who are served by programs like Helping Hands in Wake County Schools, and Community Learning Centers have little chance to succeed without the additional help," said Paige Holland, director of the Alliance. "These programs are capable of shaping the educational outcome of young students through mentoring and tutoring."

Many of the programs highlighted provided educational support, but a number of them also provide physical and emotional support.

School systems have repeatedly touted the success of community programs and the difference they can make in children's lives.

"Many of the schools we talked with said community outreach was imperative to their school's success," Holland said.

The Alliance identified business and community efforts to bridge the divide between students.

Programs like Wilton Connor Academy, created and organized by Wilton Connor Packaging in

Charlotte, were highlighted because of their devotion to see all children succeed. Established just a few years ago, the Academy helps at-risk students excel in academics through after-school tutoring and a summer program.

Many other programs were also highlighted, including:

- Senior Education Corps
- Communities in Schools
- Student Mentoring Program, Gaston County Chamber of Commerce
- Homework Centers
- Duke-Durham Initiative
- A+ Plan
- North Carolina's Promise
- Career Pathways, Asheville Area Chamber of Commerce
- Reinventing Education.

"These programs are to be congratulated for their role in meeting the needs of children and the community," Holland said.

Indeed, the Alliance did speak specifically and relate to the crowd that children who fail in school often lead a life of crime, and the chances of teen pregnancy rise significantly.

"Although the importance of the family is not to be mistaken, it is imperative that the community steps in to help children who have fallen behind in school and may not have the home support they so desperately need," Holland said.

What Works, Education Solutions for High-Risk Students shows that schools can reduce the educational gap among different ethnic groups by stressing solid academic fundamentals, mobilizing the school and the surrounding community to support struggling students, and by spending education dollars more effectively.

For a copy of the report please contact the N.C. Education Alliance at (919) 832-9756. CJ



School Innovation Spotlight

Mountain View Elementary Succeeds Despite the Odds

By SHERRI JOYNER
Assistant Editor

MORGANTON, N.C.

True leadership brought Mountain View Elementary success. The school produced amazing improvements in only one year under the leadership of Principal Teresa DeHart.

Reading proficiency increased from 54.2 percent in 1998-99 to 85.5 percent the following year.

"Mountain View was literally at the bottom of the elementary schools in this system," DeHart said.

In fact, most stakeholders discounted the abilities of the students, pointing to their low socio-economic status coupled with their language barriers. Thirty percent of the students at Mountain View live in public housing, an additional 20 percent live in low-income housing, and 21 percent of the students are Hispanic.

Mountain View is one of the few elementary schools in the state to be able to claim it has closed the achievement gap.

Reform for Success

When DeHart became principal she began to change things from the inside.

"Internal reform is a must when the needs of all students aren't being met," she said.

Internal reform meant changing many things, including teachers. "Truthfully, there has been a significant teacher turnover rate here over the past two years. Generally, a change in leadership brings turnover," DeHart said. DeHart had to choose teachers who "believed in and accepted the students."

DeHart initiated change at the school by taking a critical look at basic skills instruction. She decided the children must be taught to their fullest and opted not to "water down" the curriculum.

"I do not believe poverty equates with low educational achievement. The diversity here at Mountain View is not seen as an insurmountable challenge, but an advantage," DeHart said.

As principal, she plays an important role in the success of all the students. However, DeHart goes much further than most principals. She meets with each student to help him set individual goals—an activity she considers to be one of her most valuable

tools.

"We discuss strengths, weaknesses, and set personal goals," DeHart said.

If a school plans to be successful, DeHart also points to the importance of pacing and repetition to ensure teachers aren't teaching to the middle of the class. Also, since studies show that homework can be a negative factor for students living in poverty, Mountain View now offers a "homework room" for every student who wants to participate, one hour each day.

DeHart initiated a number of strategies and programs to increase student performance while noting that it is important not to follow trends. Students at Mountain View participate in research-based reading and math programs, which consist of daily direct reading lessons, multiage reading groups, and Excel Math.

Perhaps the school's most innovative initiative is KEEPBOOKS, a program developed to increase reading proficiency among young students. This parent-participation program places 20 books in the homes of preschool and kindergarten children.

The Community

DeHart also increased community involvement at the school by positioning herself to be where she was needed most.

Because many of Mountain View's students live in public housing, she became a commissioner with the Morganton Housing Authority.

By working with MHA, she was able to supply funding for a summer library program, an after-school homework club staffed by teachers, and an "English as a second language" night school.

She also visited local churches and service organizations to search for volunteers, expanding the volunteer pool threefold in one year.

A local church has adopted Mountain View and provides the school with anything it needs, such as clothing and school supplies. "Just one call and they respond," DeHart said.

Mountain View has also found support through the Big Brother/Big Sister M&M program, Freedom High Schools students, and the local Chamber of Commerce.

Leadership

While the importance of community

PHOTO

involvement should not be diminished, schools that strive to be successful must have a strong leader. DeHart provides Mountain View with this. As a leader, she envisions a plan and empowers her students, staff, and parents to act.

"I am doing what I love and loving what I do," DeHart said. "My desire is for others to see a strong work ethic coupled with enthusiasm and determination."

Mountain View has certainly outperformed the expectations of many. In 2001, the school placed second statewide as an IRA Exemplary Reading School. The North Carolina Department of Public Instruction has also named Mountain View as one of the Top 25 Most Improved K-8 Schools in the state.

DeHart is certainly leading the school

in the right direction. State ABC scores for 2001 show an increase in student proficiency for reading, math, and writing. While many schools struggle with the complications and problems of the state writing test, only 2 children failed to pass the writing test at Mountain View — producing the second best writing score in the state.

"The old adage of students rise to level of expectations has been our simple but proven success," DeHart said. "This worked for us."

In the end, DeHart holds herself and other principals responsible for the success of students.

"It's time we stop trying to change the children, and fix the schools that have failed them! I firmly believe that all students can succeed—no excuses," DeHart said.

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CAROLINA JOURNAL

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Bats in the Belltower

'Distinguished' terrorist

On the very day of the attack on the World Trade Center and the Pentagon on Sept. 11 *The New York Times* published a glowing article, "Life With the Weathermen: No Regrets for a Love of Explosives." The article's purpose was to announce the publication of *Fugitive Days*, written by Bill Ayers, a homegrown terrorist of the 1970s who "participated in the bombings of New York City police headquarters in 1970, of the Capitol building in 1971, the Pentagon in 1972."

The article, by Dinitia Smith, couches Ayers and his anticapitalist, hippie terrorism in terms bordering on veneration. The "ebullient, ingratiating" and "charismatic" Ayers committed "daring acts" (the bombings) involved in "social activism."

At this point readers may be thinking, OK, so the timing of the article is quite an awful coincidence and this Ayers fellow certainly doesn't seem worthy of the *Times'* respect, but why is he being discussed in the "Bats in the Belltower" section? The clue, gentle readers, lies in this quotation from the article:

Mr. Ayers, who in 1970 was said to have summed up the Weathermen philosophy as: "Kill all the rich people. Break up their cars and apartments. Bring the revolution home, kill your parents, that's where it's really at," is today a distinguished professor of education at the University of Illinois at Chicago.

It seems Ayers has been lovingly embraced in the folds of academe's huge, neoMarxist, class-envious, anticapitalist arms. Yesterday's bomb-throwing (literally), scruffy anarchist is today's distinguished professor of education. (Each word resounds with irony. Try it: *Distinguished. Professor. Of education.*) Makes one wonder if the next education jeremiad might be entitled *Why Johnny Can't Pull the Pin.*

Here's more on our distinguished subject, from the article:

- "I don't regret setting bombs," he said in the lead sentence. "I feel we didn't do enough."

- His girlfriend and two others were killed in a Greenwich Village townhouse while making bombs.

- His wife, fellow Weatherman Bernardine Dohrn, was put on the FBI's 10 Most Wanted List and said after the Manson family murders in 1969: "Dig it! Manson killed those pigs, then they ate dinner in the same room with them, then they shoved a fork into a victim's stomach."

- He writes, "Everything was ideal the day I bombed the Pentagon." (Although the damage was extensive, no one was killed or injured.)

- He criticized former Nebraska Democrat Sen. Bob Kerrey, who recently admitted to having led a raid in Vietnam in which women and children were killed, for having "committed an act of terrorism." As for himself, "I didn't kill innocent people." (One wants to point out that that's only because he and his fellows were incompetent terrorists.)

- "So, would Mr. Ayers do it all again, he is asked? 'I don't want to discount the possibility,' he said."

*Distinguished.
Professor.
Of education.*

Speakers at UNC-Chapel Hill 'Teach-Ins' Compare U.S. with Nazis and Terrorists

Events sponsored by
'Progressive Faculty Network'
blame U.S. for attacks

By JON SANDERS
Assistant Editor

RALEIGH

In response to the terrorist attacks on New York and Washington, members of the "Progressive Faculty Network" at UNC-Chapel Hill sponsored a series of "teach-ins" to give an alternative view of the attacks. Entitled the "Understanding" series, the teach-ins are also sponsored by the university's departments of political science and geography, the University Center for International Studies, and the Carolina Seminar on Bridging the Divide: Academics, Activists, and the Struggle for Social Justice.

Building on Chancellor James Moeser's call in his "state of the university" address that "we must be willing to take a stand on the critical issues of the day," the groups have presented a portrait of America after the attacks as a nation clearly deserving the violence inflicted on it. Not surprising, the teach-ins made national news, as such news agencies as Fox News and CNN discussed some of the speakers' comments.

The teach-ins followed closely on the heels of another event in Chapel Hill that made national headlines. The Town of Chapel Hill forced a restaurant owner to remove a banner from his store proclaiming "God Bless America, Woe to Our Enemies" because several town council members complained about the language being offensive. Some commentators speculated over whether Chapel Hill was seeking to become the "new Berkeley."

There were plenty of comparisons made to Nazis and other totalitarian regimes at the University of North Carolina's "teach-in" held Sept. 21, but the focus of the comparisons wasn't Osama bin Laden or terrorists in general, but the United States of America.

The speakers at the forum, "Understanding the Attack on America: An Alternate View," included William Blum, author of *Killing Hope: U.S. and CIA Intervention since World War II* and *Rogue State: A Guide to the World's Only Superpower*; Stan Goff, author of *Hideous Dream: A Soldier's Memoir of the U.S. Invasion of Haiti*; Rania Masri, an Arab-American activist and author of *Iraq Under Siege*; Catherine Lutz, UNC-CH anthropology professor and author of *Homefront: A Military City and the American Twentieth Century*, Rashmi Varma, UNC-CH English professor; Sarah Shields, a UNC-CH history professor; and Charles Kurzman, a UNC-CH sociology professor.

Blum, whose homepage compares the Nazi holocaust with "the American holocaust," told the audience that if he were president of the United States, "I would first apologize to all the widows and orphans, the tortured and the impoverished, and all the millions of other victims of American imperialism."

Blum also asked if President Bush planned to attack the United States for harboring terrorists and murderers, including "the anti-Castro Cubans in Miami."

Goff, who recently wrote, as a member of the International Committee to Defend Slobodan Milosevic, that the Hague War Crimes Tribunal was "about covering up the war crimes of the North American Treaty Organization and the US Government," said that it was wrong to compare

the attacks on the World Trade Center and the Pentagon to the attack on Pearl Harbor. "The de facto executive branch and the compliant press are putting the historical spotlight right now on December 7, 1941, and Pearl Harbor," he said. "I think we need to aim that spotlight at February 27 in 1933 and the Reichstag fire." (In 1933, Nazis under the direction of Chancellor Adolf Hitler reportedly torched the Reichstag to create a panic, blamed the Communists, convinced Weimar Republic President Paul von Hindenburg to suspend constitutional liberties, won a parliamentary plurality and thereby passed the "Enabling Law" giving Hitler dictatorial power.)

Lutz also disputed the Pearl Harbor parallel, saying it should be "February 1947, when a new war was declared," by which she meant the Cold War (which of course was never formally declared a war). She compared Henry Kissinger with Osama bin Laden, and suggested that we "send the international police for [bin Laden] and pick up Henry Kissinger and Augusto Pinochet on the way home."

Masri, an Iraq sympathizer with much to say provided the topic isn't Kuwait or Kurds, said that "anyone who looks different from your typical white man" was being attacked in "the xenophobic sentiment that has taken hold of this country."

Kurzman suggested the attacks owe to a conspiracy between American "militarists" and the terrorists themselves, to further the militarists' interests, which lie "in the exaggeration of threats, armed responses, and so on. In fact, I would argue that there is a tacit collusion among the militarists of all sides."

The crowd, estimated at about 700, responded favorably to the speakers' messages, nodding, applauding, even laughing in agreement. A letter-writer in *The Daily Tar Heel* reported that one attendee was moved to shout "Bulldoze the Pentagon!"

Audio clips of the first "teach-in" are available at <http://www.unc.edu/~oswell>, the website of Michelle Oswell, a doctoral student in Renaissance musicology at UNC-CH who attended the event.

Durham's Gatewood Speaks

On Oct. 1, the second teach-in, "What is War? What is Peace?" was held. Invited speakers this time included Curtis Gatewood, president of the Durham chapter of the NAACP; David Gilmartin, professor of South Asian history and peace activist at North Carolina State University; Wahneema Lubiano, professor of literature and African American Studies at Duke University; Elin O'Hara Slavick; professor of art at UNC-CH; and Scott Kirsch, professor of geography at UNC-CH.

According to the *DTH*, "the audience responded most enthusiastically to" Gatewood. He said he was "certainly opposed to any massive, violent attacks that could possibly kill thousands, if not millions, of innocent people."

Gatewood was recently disavowed by NAACP President Kweisi Mfume for his remarks following the Sept. 11 attacks. Gatewood urged that blacks should not fight for their country, because they would only return to America to "be discriminated against by people whose businesses were headquartered in the World Trade Center. This is not the time to sacrifice our fathers, sons, and brothers to a country that has not protected our rights."

In 1995 Gatewood proposed that blacks boycott Santa Claus, and in 1998 he called on Duke University to change its "Blue

Devil" mascot. He said that Christmas put black families in debt, and that Duke's mascot was "spiritually insensitive" and had connotations of European aristocracy and the "blue-eyed devils" of white racists.

Gatewood was also slated to speak at the next teach-in.

Slavick used the teach-in to present a slide-show of her artwork, entitled "Places the United States Has Bombed." According to the *DTH*, "the artwork depicted devastation and destruction that was a result of the United States bombing places such as Sudan and Afghanistan."

"I want to instill fear back into us," Slavick said, "but not fear of the peripheral world. We should be afraid of ourselves."

"Resonance" with Marxism

Lubiano last spoke at UNC-CH in a conference in April, "Black Queer Studies in the Millennium," in which she gave the closing remarks. She has previously written that "I don't care about, wouldn't talk with, and am not interested in making common cause with them"—meaning "political conservatives (or the Right)." She has also stated that it is impossible "to draw whites into" multiculturalism, that "white males are right not to feel good about [multiculturalism]." To her, multiculturalism is not "about the liberal toleration of difference, but about the contestation of differences."

Lubiano has also written that "my critical thinking finds resonance in and with Marxism as well as feminist theory, black radicalism, queer theory, various discourses about post-structuralism, and the often tension-filled spaces around and within each of those rubrics."

Her remarks were well in keeping with those sentiments. The first circumstance that she mentions that "work[s] against peace" in the United States is "the circulation of state-supported terror in the form of white supremacist vigilante terror—lynchings—that continued until the middle of the 20th century." She denounced the actions of the United States in response to the attacks, saying "this is U.S. warmongering as terror." To her, peace "requires internationalist consciousness" and "dismantling the unquestioned commonsense of capitalism," among other things.

Kirsch spoke briefly about the necessity "for progressives and liberals especially to start imagining viable alternatives to the war on terrorism."

"I agree with many here that a sustained peace movement is essential as well," Kirsch said.

The teach-in broke up into several small workshops: "U.S. Foreign Policy," "Civil Rights in Time of War," "Action Through Non-Violence," "How to Organize Actions Against War," "The Role of Armed Resistance," "Community, Networking, and Outreach," "Visual Strategies for Peace During War," and "Arguments for Peace."

On Oct. 4, the Campus Y, the Division of Student Affairs, and Sangam (a South Asian awareness group) brought Arun Ghandi to speak. Ghandi, the grandson of Mahatma Gandhi, reiterated his call for a nonviolent response to the attacks on New York and Washington that he had made earlier in an online essay. "We must acknowledge our role in helping to create monsters in the world, find ways to contain these monsters without hurting more innocent people and then redefine our role in the world," he had written. Ghandi was also invited to speak at North Carolina State University the next day.

*'State of the University' Address Ignores Teaching***Moeser: UNC-CH Needs More Money, Politically Vocal Faculty**By JON SANDERS
Assistant Editor

The University of North Carolina at Chapel Hill needs more money from taxpayers and donors and more issues advocacy from faculty and administration members, Chancellor James Moeser said in September in his first "state of the university" speech to the Chapel Hill campus. Moeser brought the concept from his days as head of the University of Nebraska at Lincoln.

With emphasis on funding and fund-raising, Moeser talked about "our long-term vision for Carolina," which he defined as "to do what Carolina has always done best: to lead" and later specified as "leading the way for America's great public universities."

Moeser never specified where exactly the university would be leading, but a word search through his speech by the Pope Center for Higher Education Policy uncovered the main destinations. For example, he used the word "research" 23 times, "fund" (including "funding" and "fund-raising") 20 times, "class" or "classroom" once, and "teach" or "teaching" not at all. Nine times he talked about "great university" or a similar variant (such as "best public university" and "great international university").

In a section at the beginning of the speech containing his only reference to the classroom, Moeser stated that "the joy of learning is overtly evident in all we do." From there he discussed the many funding needs of the university and warned against "cuts — real and proposed" even as "the state's revenue picture [has] worsened considerably."

Moeser compared the present situation with the university during the Great Depression, where even then "declining revenue was not a sufficient reason to raid our intellectual [sic] resources." He cited the example of Frank Porter Graham's leadership during that time, specifically Graham's justification for increasing university funding on the basis of "Because a child survived on two meals a day is not sound reason to

put the child on less food." (The analogy of the university as a hungry child was no doubt especially resounding during the Depression when it was more commonplace for children to go hungry.)

Moeser made the case for increasing the university's funding through all the research being made by faculty and how that "research is making its way directly to the North Carolina economy," citing the creation of spin-off companies that hire employees and pay taxes. "Our goal is to create our own venture capital fund and incubator space to further stimulate this kind of activity," Moeser said. For those reasons, Moeser urged legislators to keep away from UNC-CH's overhead receipts from federal grants, which he called "our seed corn."

Moeser also talked about UNC-CH's "master plan" for the campus's future expansion. He also carped about the Town of Chapel Hill's latest stipulations, which he said "appear to shift the costs disproportionately to the university, its students, and ultimately the state."

The chancellor then turned his focus on UNC-CH as an international university, a topic he had previously hinted at when he discussed the global ramifications of reductions in the university's budget. "Threats of seven percent cuts, even if unrealized, depict great financial instability and send shock waves that are felt not only here at home, but around the world as we seek to recruit the best and brightest faculty, staff, and students," he said.

After quoting UNC-CH Law School Dean Gene Nichol that UNC-CH "wants to be a public university; we embrace the word 'public,'" Moeser concluded his speech by saying it was the university's "moral responsibility" to "take a stand on the critical issues of the day." Moeser stated that "we must be tolerant of the opinions expressed by others" and shortly afterward wondered if it were time "we reclaimed the words 'character' and 'values' from the extreme right."

In "act[ing] on our convictions," Moeser said, UNC-CH will "be the 'light on the hill' for America and the world." *cj*

N.C. Universities React to TerrorismBy JON SANDERS
Assistant Editor

As they did throughout every facet of American life, the attacks on New York and Washington resounded through the halls of academe. Events on the campuses of North Carolina colleges and universities mirrored those at campuses nationally. Students and faculty members gathered to pray, to mourn for the victims, to reaffirm American values, to condemn the terrorists responsible, to discuss the ramifications of the attacks on American foreign policy and options for a response, to call for justice and retribution, to talk about ways they can help in the rescue effort, and in some instances, to blame the attacks on America herself.

From Davidson College to East Carolina University and points east and west and in between, the initial response on the state's campuses involved prayer services, candlelight vigils, addresses from chancellors and other faculty, and even "open-mic" times for students to discuss their feelings. Many of these events were spontaneous. At the University of North Carolina at Chapel

Hill, an "arts memorial" was erected to receive artistic feedback from everyone as one way to cope with the reality of the attacks.

Several universities also put together forums to discuss various facets of the attacks and how the United States should respond. Duke University initiated a series of public forums to address several issues related to the attacks. North Carolina State University put together a panel discussion featuring six expert faculty members to discuss "Terrorism: Options for America." UNC-CH hosted a panel of its own faculty on "Understand the Attack on America."

Some panels led to public outcry, such as the "teach-ins" at UNC-CH and the forum held at UNC-Wilmington, "The U.S. Addresses a New and Formidable Enemy." At the latter forum, Lisa Pollard, as assistant professor of history at UNCW, said that "We must ask who are the terrorists, and what do we have to do to make our presence less abrasive."

"At least 4,500 children die in Iraq every week due to American influence," Pollard said. "What is it we can do, after bringing Mr. bin Laden to trial, to be less of a terrorist?" *cj*

Moeser's Vision Lacks Vision

I commend Chancellor James Moeser for giving his "state of the university" address. I hope that he will give one every year.

He expressed general themes of "vision and courage" and "leading the way for America's great public universities." I commend him for the grandeur of his generalities. I was disappointed, however, with some of his particulars.

For example, while he deplored the threat of the state's budget problems to the university, he only touched on the need for tuition increases. And he advocated taking higher tuition from some students to aid others. He spoke only in business-as-usual terms for more state money and more cross-subsidies. He didn't speak with vision or courage about market-based tuition and budget reform.

And in his closing remarks, he spoke grandly of "moral leadership" and "moral courage." He urged the university to hold "contemporary culture up to the critical light in the context of freedom," and he invoked the university's motto, "lux, libertas," light and liberty. He spoke of free speech without fear of censorship. But his examples of "great issues" for open discussion included only the politically correct litany of commitment to "diversity," ending capital punishment, and opposing discrimination based on "sexual orientation." He spoke not a word about critically examining higher education's own "contemporary culture" of multiculturalism and its accompanying acceptance of relativism and nihilism. Yet he urged that higher

education reclaim the words "character" and "values." He spoke of "we," presumably meaning the left-leaning academic community, as opposed to an undefined "extreme right." While invoking the political spectrum in the context of free speech, he ignored the consensus of opinion outside the academy, ranging from liberals like Nat Hentoff to conservatives like David Horowitz, that the threat to free speech on our campuses comes not from the right but from the academic left itself. Again, after the grand generalities, he spoke only politically correct platitudes for a left-leaning academic community.

He didn't speak with vision or courage about free speech in the context of academia's political correctness.

In summary, I commend the chancellor, but urge him next year to apply his grand generalities to some particulars other than politically correct platitudes. Perhaps he will explain how higher education's contemporary culture, which preached the deconstructionist doctrine of indeterminacy of meaning when it was trendy and is now possessed by a postmodernist, multicultural relativism, can reclaim and give meaning to the words "character" and "values." *cj*

A former member of the board of trustees and former vice chancellor for development and university relations at UNC-Chapel Hill, Arch T. Allen has written several articles and book reviews about higher education.

Arch T. Allen

N.C. Central Head Addresses Enrollment, Tuition IncreasesBy JON SANDERS
Assistant Editor

Like his peer in neighboring Chapel Hill, Chancellor James H. Ammons Jr. of North Carolina Central University delivered his first "state of the university" address last month.

Ammons took the post of chancellor of the Durham institution a few months earlier, succeeding Julius Chambers. Ammons came to N.C. Central from Florida A&M University, where he served as provost. His address reflected his vision for the university.

Ammons' address shared some themes in common with the "state of the university" address given by Chancellor James Moeser of the University of North Carolina at Chapel Hill. Ammons discussed the university's need for the recent tuition increase and increased state appropriations. Ammons also was thankful that N.C. Central had been spared budget cuts by the General Assembly, despite a decline in enrollment at the university over the past few years.

"The state budget appropriations committee passed the state budget and it holds the university harmless," Ammons told a crowd of about 1,500. "Had they not, we would have lost \$800,000 from the base budget."

Ammons also told the crowd that the enrollment decline had been reversed over the past year, and that NCCU had admitted 530 more students this year than last.

Total enrollment, Ammons said, was 5,750, 800 of which are freshmen. There were 60 more freshmen enrolling this year than last, he announced.

In addressing the tuition increases, Ammons said that they were "something that nobody enjoys doing," but that they were necessary "in order for us to continue improving the institution."

Overall, Ammons said, the tuition "increases will mean an additional \$806,510" in revenue for N.C. Central. Apart from money, Ammons addressed other concerns in his speech. He said he was urging the Board of Governors to allow N.C. Central to engage in campus beautification programs and slated renovations to dormitories and classrooms.

Ammons also set forth his top priorities for his chancellorship. Among them are:

- building an environment conducive to learning,
- restoring a sense of pride to the school, and
- working to develop a global outlook in students.

Declaring that "NCCU is the first public liberal arts institution in the country," Ammons called on expanding the university's mission without detracting from the liberal-arts atmosphere that brings students to campus.

One way of doing that may be the suggestion Ammons made in his speech that the university form partnerships with large corporations and use N.C. Central students as interns. *cj*

Course of the Month

Another English literature/TV/movie/art/music/sex-obsessing class

This month's winner is an English literature class, so right away readers familiar with CM's previous selections of English courses should expect a course with excursions outside what the uninitiated consider "literature." (Hint: nowadays *everything* is considered a text. English classes aren't just for readers anymore!)

This class/course/chance to obsess over homosexuality/lesbianism/fruit for English credit (not to mention, overuse the slash/virgule/bar/separatrix) is offered at the University of North Carolina at Chapel Hill.

English 022: Literature and Cultural Diversity
Sexuality/Theory/Culture
Queer/Lives/Literature

This class will investigate what it means to be/have/inhabit/make/inherit/pass on a "culture." Our analysis will focus on a sampling of public and private stories, books, autobiographies, television shows, photography, paintings, music, and plays created by gay men and lesbians, among other sexual minorities, in the United States (and to some extent the United Kingdom) in the late twentieth-century and early-twenty-first century. What are the relationships between sexuality and cultural production/reproduction? We will start out with The Penguin Book of Gay Short Stories, then move on to books such as Jeanette Winterson's Oranges Aren't the Only Fruit, Dorothy Allison's Two or Three Things I Know For Sure, and The Penguin Book of Lesbian Short Stories.

That description should give readers the idea/impression/gist of the course/etc. Those interested in more could look into the books being used in the class/and so forth.

For example, here's an excerpt from the description given by amazon.com for *The Penguin Book of Gay Short Stories*:

"It casts aside the notions of so much pre-1980s writing that presupposed a gay ghetto where men suffered more at each other's hands than from straight oppressors' persecution, an unalterable chasm between gays and the rest of the world, and the suffocating oppression of a double, half-secret life... More expectably present are Noel Coward, Christopher Isherwood, Larry Kramer (in a stunning tour de force of Jewish ethnicity, 'Mrs. Tefillin'), Paul Bailey indulging his meditations on semen or 'spunk,' and A. M. Homes, who is in fact a woman able to write with astonishing authenticity from the point of view of teenage boys."

The bookseller's website also provides a description of *Two or Three Things I Know For Sure*, from which the following is taken:

"Adapted from a performance piece, Allison's little memoir sifts through old family photos that capture a childhood filled with a 'white trash'

girl's recollections of love, hate, revenge, rural Southern poverty, beatings, incest, and women whose hard eyes betrayed their broken dreams and lives. It also writhes and screams in pain, need, and outrage."

From the same source you can also learn the following about *The Penguin Book of Lesbian Short Stories*:

"There is little to quarrel with about the selected authors, who include names new and old that can't be ignored when lesbian and writer are used in the same sentence—Stein, Hall, Woolf, Rule, and (Dorothy) Allison, for instance. Surefire commercial sellers such as Pat Califia, Anais Nin, and Jeannette (*Sexing the Cherry*) Winterson also appear. But one wonders about Margaret Atwood's 'Cold-blooded'; editor Reynolds says it's about 'politics and alienation,' but there's little of the lesbian in its moth people from another planet."

A reader provides a gushing review on amazon.com for *Oranges Aren't the Only Fruit*. The review, entitled "Be-



yond Fruit Diversity," is written by someone who identifies him/her/itself only as "A reader from Chapel Hill, North Carolina United States"—and CM can't help but wonder whether perhaps the review is written by the English professor behind this course. The review certainly sounds as if it's written by an English instructor:

"How do we access rapture? What comprises a revelation? Take every book you've ever read advertised as a 'coming of age story' or as a 'tale of sexual awakening' and recycle 'em. ... This, Winterson's first book, is a triumph in the memoir genre specifically because it refuses to be a memoir. Rather than rehash and rephrase the standard first-person epiphany, Winterson dwells in the details of exchange, and the vagaries of revelation, constantly twisting your narrative imagination with her delicate ironies and analogies. Of particular interest is her descriptions of Pentecostal culture, and the consequences of didactic belief."

Nevertheless, CM dismisses the idea that the professor wrote the review. The style is too different/dissimilar/distinct/incongruous/heterogenous (a word that probably doesn't set well with either writer)—that is to say, the review contains nary a slash. CJ

Campus Prank Leads to Calls for a Homosexual Student Center

By JON SANDERS
Assistant Editor

RALEIGH

Last month someone used the Campus Calendar section of *The Daily Tar Heel*, the student newspaper of the University of North Carolina at Chapel Hill, to place a fake announcement of a gay pride rally later in the week. The announcement listed the phone number of another student as a contact person for anyone interested in the rally. Obviously a prank on the unsuspecting student listed as the contact person, the announcement set into motion a bizarre chain of events.

• Lesbian, gay, bisexual and transgender (LGBT) activists on campus decided to hold the event as advertised even though it initiated as a prank. Representatives told the *DTH* that the fact that it was used as an insult to the hapless "contact" was "just a further example of the underlying homophobia" on campus.

• They also requested police escort for the rally, out of the fear that "someone was looking to get a group of queer students at the same place at the same time to do something."

• The march featured a grand total of 15 students, including students from Queer Network for Change, Black Student Movement, the Carolina Union Activities Board,

and Student Body President Justin Young, who said he represented all the students too afraid to show up.

• The police escort left before the march even began, having assessed the situation and determined there was no threat to the 15. The marchers, sans escort, were accosted with, in the words of one participant, "insulted and patronized looks" from some people, folks who refused to stay on the sidewalk as the marchers approached, and an alleged drive-by shooting from a toy squirt gun.

• The entire episode led the editors of the *DTH* to bemoan the "hostile environment for gay students on campus" created by the ad, which was "[d]eep down... not just a stupid prank but a hateful and ignorant action." The editors further bemoaned the "unfortunate reality... that this group of students had to enlist the aid of campus police because they felt threatened on their own campus."

• The week's events therefore signified "direct support of the demand for a LGBT resource center" on campus, the editors wrote. They suggested that if the campus already had such a center, it might have prevented the prank, but until there is one, "every student at UNC should consider the consequences of this action and make a conscious effort not to laugh." CJ

International Students Scared into Leaving

Muslim Student at Arizona State Fakes 'Hate Crimes' on Himself

By JON SANDERS
Assistant Editor

RALEIGH

The political climate on college campuses after the terrorist attacks on New York and Washington has led to at least one new twist to a recent, strange way of drawing attention to a political cause: staging a hate crime.

Ahmad Saad Nasim, a junior at Arizona State University, told a sympathetic campus community of his being attacked by two racist thugs for his being Muslim after the Sept. 11 attacks. Nasim said that he was attacked from behind Sept. 13 and that his assailants beat him, threw eggs at him and called him racial epithets because he was Muslim. He said his assailants chanted "Die, Muslim, die!" while they beat him.

That attack never happened, however. Nasim was forced to admit the hoax when he was discovered apparently trying to fake another hate crime on himself. An ASU custodian found Nasim lying inside a locked bathroom stall in the university library, where he had tied himself up, wrote "die" on his forehead and chest, and tied a plastic grocery bag around his head.

Before the hoax was discovered, Nasim had garnered a great deal of sympathy for himself from well-meaning students, so much that he wrote a letter to the student newspaper to thank the students for their kindness.

"Many of you e-mailed to show your support, gave online get well cards and many kind messages that made me burst in to tears," Nasim said in the letter. "My physical injuries will take time to wither away. But you Sun Devils have certainly taken care of the emotional pains I had." Also before the hoax was learned, 48 international students decided to interrupt their education and leave the ASU campus for

fear of being assaulted like they thought Nasim had been.

Nasim's hoax is one of a number of recent hoaxes. At the University of Iowa's College of Dentistry, a series of racist threats in the spring of 2000 were linked to a black dental student, Tarsha Michelle Claiborne. Claiborne is alleged to have sent out a series of racist e-mail messages, leaving a bowl of spaghetti symbolizing "dead black man's brains" outside a dental student's door, and threatening to bomb the Dental Science Building. (When the hoax was learned, a reporter asked Iowa's vice president for university relations, Ann M. Rhodes, if she were surprised that a black student was behind them. Rhodes' answer caused another racial controversy; she said she "figured it was going to be a white guy between 25 and 55, because they're the root of most evil.")

Earlier that year, a female student at the University of Massachusetts admitted to lying about being attacked by a man armed with a knife following an antirape rally on campus. The previous December, the woman had cut herself with a knife, thrown it under her car, and the presented herself at the rally as having just been sexually assaulted.

So-called hate crimes have also been staged at two North Carolina campuses in the past few years. In 1997, black activists were found to be the culprits behind the lynching of a black baby doll at Duke University. At Guilford College the next year, a white student, Molly Martin, claimed she was attacked and had "nigger lover" scrawled on her chest because of her support, as the Student Senate president, of the creation of a full-time director of African-American affairs on campus. Police later learned that the attack was self-inflicted, and Martin left Guilford. CJ

Cartoon

Magazine's College Rankings Come Under Fire, Ridicule

By JON SANDERS

Assistant Editor

The latest installment of the "America's Best Colleges" rankings by *U.S. News & World Report* was received with the usual fanfare, but a discordant drumbeat against it has grown steadily louder.

There have long been rumblings that the rankings were misleading and that the methodology employed by *USN&WR* was faulty and also tweaked from year to year to ensure each year's issue would feature a new Number One (which helps to sell magazines, the criticism holds).

An open challenge to the rankings came in 1996 from Stanford University President Gerhard Casper, who wrote privately to *USN&WR* editor James Fallows in 1996 about the

"utterly misleading" rankings, "particularly their specious formulas and spurious precision" (the letter is now available online at <http://www.stanford.edu/dept/pres-provost/president/speeches/961206gcfallow.html>).

Casper also encouraged schools to post statistics about themselves on their websites, which could then be linked on the Internet, as a way to combat the rankings, and he may have inspired the national student movement against the *USN&WR* rankings (the "Forget U.S. News Coalition"), started in 1996 by Stanford senior Nick Thompson.

This year, Amy Graham, former director of data research for *USN&WR*, cowrote with Nicholas Thompson an article in this September's *The Washington Monthly* blasting the rankings for paying "scant attention to measures of learning or good educational practices" and instead focuses on "a school's wealth, reputation, and the achievement of the high-school students it admits."

Just two years prior, Graham had written with Robert J. Morse a defense of *USN&WR*'s rankings, saying that they believed "it is possible to objectively compare schools on one key attribute: academic excellence." Now she charges that the magazine doesn't try hard enough to measure learning or even student satisfaction, and instead opts for "one vastly less reliable measure of satisfaction — the percentage

of alumni who donate — which depends in large part on alumni wealth and how many pesky sophomores man phone banks in exchange for pizza and T-shirts").

She and Thompson also reiterated the charge Thompson made last year in the *Monthly* — that the rankings were developed using "the only believable methodology... that confirmed the prejudices of the meritocracy: The schools that the most prestigious journalists and their friends had gone to would have to come out on top."

Evidence of the rankings' fall from grace comes from the relatively muted appreciation they are receiving from institutions placing highly in them — although it's likely they're still used in those institutions' promotional material. In North Carolina, for instance, the rankings' reception was described by *The News and Observer* as a "frosty embrace."

In his recent "state of the university address," University of North Carolina at Chapel Hill Chancellor James Moeser mentioned the *USN&WR* rankings. "If you must, read what the magazine says about us," Moeser said, "but let us not for a second be diverted by these arbitrary and artificial ratings from the substance of our vision for excellence."

Moeser's comments this year are in stark contrast to his earlier use of *USN&WR* rankings as rah-rah fodder in his "State of the University" addresses to the University of Nebraska at Lincoln in 1997 and 1999.

Meanwhile, a professor from Duke University has given the rankings a fulsome rhubarb. Stuart Rojstaczer, an associate professor of earth and meteorological sciences, spoofs the rankings on his website www.rankyourcollege.com.

Rojstaczer's site, which says it provides college rankings "because you want us to do it," offers multiple ranking options using methodology "so complicated that it defies explanation," although it attempts an explanation using an analogy to particle physics: "a college, like a subatomic particle, could be two or more places at once. In other words, individual colleges could have multiple rankings!" That aspect is important because "No one in their right mind would either donate to or attend a loser school." *CF*

N.C. State's College of Design Gets Design Firm to Develop Its Web Site

By JON SANDERS

Assistant Editor

The College of Design at North Carolina State University has chosen a professional firm to design its web site. Burney Design, which submitted a bid of about \$30,000, was awarded the contract.

More than two dozen firms bid on the project, according to *Technician*, the student newspaper at N.C. State. The paper also said the bids ranged from \$20,000 to \$297,000.

Web design is one of the aspects of design taught by the college. In fact, the first three designs of the college's web site were done by College of Design students and faculty.

Those designs, however, only "partially satisfied" the college's needs for its web site, said Dean Marvin Malecha, which is why the college decided to give a professional firm the chance for the site's overhaul. The current design for the site is four years old. Malecha said the site, www.design.ncsu.edu, is an important recruiting tool for the college.

Malecha said there were several reasons for the college going outside for design help. He said students in the design school carry the heaviest courseloads on campus, to the extent that they are counseled not to engage in team sports, fraternities, or other extracurricular activities. Also, Malecha said the college prides itself

on having full professors teaching its classes, so that its faculty carry full teaching loads. Malecha said the college regularly engages professionals to assist in instruction as well as other forms of contact with students, to provide them with role models and also professional contacts.

Although an outside firm will be responsible for developing the site, students will be involved, Malecha said. He also said the college uses students for designing the college's annual reports and information CD's for middle-school students. In light of his earlier comments about student workloads, Malecha said that these projects are ones that students can work on during the summer.

Malecha also said that the college is expected to be at an "advanced edge" of output, and the web site should reflect that expectation, especially in the face of the recent increases in tuition. Those tuition increases have a much greater effect on out-of-state students (and future out-of-state students), so tools of recruitment need to be "sharper" now, Malecha said. About 17 percent of the college's undergraduate students are out-of-state or international students, Malecha said, as are a higher percentage of the college's graduate students.

Burney Design is headed by a College of Design alumnus, David Burney, who also has taught part-time at the college. Burney's bid of \$30,000 was well below what Malecha said was a \$150,000 project. *CF*

Advertisement

Town and Country

It has been a trying time for the United States in light of the terrorist attacks Sept. 11. The interview with Pearl Burris-Floyd, Gaston County commissioner, was conducted on the first Saturday after the terrorist attack, and our discussion naturally turned to that event. Her comments are preserved for you to read on page 16.

In light of the tragedy, gone are many issues that divide us. Newspapers across the state have reported how people in every locality, in every county, in every city are coming together in ways not heard since 1941.

The front page of the *Cleveland Post* pictured not only American flags being waved, but public school students showing their patriotism. The article freely mentioned God, and the back page of the same newspaper sported several pictures of people praying at a Chick-Fil-A in Garner.

In these private and public acts, gone are the critics that proclaim such actions are a violation of the right to believe in nothing. And indeed, we saw this played out in Washington, D.C., when members of Congress spontaneously broke out in "God Bless America." However, what happened Sept. 11 is certainly more than a tragedy.

Charles Kesler, a professor of government at Claremont-McKenna College, wrote that describing this event as a tragedy is inadequate. "The consequences of these attacks are tragic, of course, in the broad contemporary sense of the term, but that sense is so broad as to be morally neutral. If the World Trade Center towers had collapsed due to an earthquake we would be calling that event tragic, too. Granted, it's hard to tear oneself away from the terrible human toll, but to take a proper moral and political view of these attacks we must focus not merely on their consequences but on the intentions behind the actions. These were wicked acts; savage, cruel, and evil.

"America's response to these wicked attacks must be righteous indignation. It is mainly up to President Bush to express that indignation in noble and searing words, and to join with Congress in striking with a terrible, swift sword against the nation's enemies. Thousands of Americans have already fallen in today's sneak attacks. Hundreds now risk their lives trying to save the trapped and injured. Our enemies underestimate American courage, forgetting that American democracy has ever been a fighting faith."

But do these events translate into a rediscovery of that ancient faith of 1776? Will we continue fighting for that faith when the hour is nigh and if the casualties climb in a protracted war? Security and protection is but one of the duties of government, but good government is more than a mere protector, else we would be happy with Leviathan. This is no less true for those of us affected by our governments in cities and counties. A respect for property rights, an honest governing body, and a small, efficient government in general may yet be rediscovered out of these events. Time will tell if our patriotic exuberance translates into something far deeper and lasting.

— Erik Root

Reckless Vehicle Assessments

Study Shows Counties Observe No Standard, Keep Information From the Public

By ERIK ROOT
Assistant Editor

RALEIGH
According to a new study released by AAA Carolinas, vehicle assessment taxes in North Carolina vary dramatically. "The quoted assessment of a vehicle's market value in North Carolina may vary by as much as 50 percent for the same vehicle," the report says.

But the problems do not end there. A more nefarious taxation problem is at hand with the various levies on vehicles.

According to the report, "Motorists challenging an actual vehicle assessment are often denied public access to information used in determining vehicle values... Additionally, appeals procedures differ county by county and are usually heard by local officials, who do not generally inform taxpayers that further appeals can also be made to the state Property Tax Commission."

If this sounds like another government cash cow and boondoggle to swindle citizens out of more money, you might be correct.

Counties are supposed to derive their assessments from TEC Data Systems. TEC, located in Raleigh, figures the assessment for each county for each vehicle. Most counties use a "standard value," which is roughly a flat value for a vehicle. Every county begins from a flat assessment for a particular vehicle. However, some counties round that figure up or down by up to 5 percent.

John Farthing, president of TEC, said that the public cannot access information on his business because it is private, but that taxpayers could view the material counties use to decipher values in the various tax offices. He said data from TEC are more conservative than data from such sources as the Kelly Blue Book. Assessed values among counties should not vary as much as AAA Carolina's reported, he said.

Investigation by CJ

Carolina Journal decided to do a little of its own investigating and randomly called four counties to see whether they would give us roughly the same values for a car. They did not.

The two counties that were able to give us assessed values for a car were off by almost \$2,000. Officials in one county said they figured assessments from the Kelly Blue Book, not from TEC. Officials in two other counties could not give us a value; one of them wanted the vehicle identification number of the car in question before they could run a check on the assessment, and another said they could not give us a value, but would give us a formula, which amounted to the vehicle purchase price multiplied by .3067, multiplied again by 100, and then adding \$30.

In all fairness, the county that needed the VIN did report back the correct value, according to TEC. However, that county was one of the counties that rounds the standard value upward.

Clearly, counties are having a difficult time disseminating proper information to the public and standards for deciphering the values of vehicles differ dramatically from county to county. In other words, there appears to be no set standard.

However, AAA Carolinas is not blaming TEC Data for the problems, but rather the arbitrary standards employed by the

counties. "Nobody is arguing how he [TEC] assesses," Tom Crosby, vice president of communications at AAA Carolinas, said, "It's the way that the individual counties get their numbers" and derive their assessments.

AAA Carolinas would like to see a set standard of values. They want the state of North Carolina to set those standards.

"Georgia should be used as a model. They use one value, and counties can adjust that figure down if they wish. They can only adjust the number down, not up. But there should be one value," said Jaquie Hughett, a public relations manager for AAA Carolinas.

However, there is another problem AAA Carolinas faced in its research. When AAA workers called TEC Data for the information they give

counties, they were told that as a private company they do not have to release such information. They were told to call the counties. However, when they called the county tax offices for something that should be public information, they were told that the information was "copyrighted" and could not be released. So the public basically does not know how assessments are determined.

"TEC Data said the information would be available at the county tax offices, and the tax offices we contacted told us that the information is copyrighted and they cannot release it," Hughett said.

Farthing said tax offices should show any taxpayer the books that his company sends the counties. However, getting the counties to send the taxpayer such informa-

Five Lowest Taxes Due	
Five Lowest Taxes Due 1999 Ford Taurus SE	Five Lowest Taxes Due 1997 Toyota Camry LE
Macon - \$46.10	Macon - \$46.87
Dare - \$46.99	Dare - \$47.78
Clay - \$48.50	Watauga - \$51.62
Watauga - \$50.76	Clay - \$53.79
Union - \$53.02	Union - \$53.91

SOURCE: AAA CAROLINAS

tion appears to be very difficult. David E. Parsons, CEO of AAA Carolinas, said, "Taxpayers have a right to know how assessments are calculated."

AAA Carolinas believes that assessment information ought to be readily available and easy to find in automobile owners' county of residence. "We believe that everyone should have access to the information and that they should be able to know the appeals process," Hughett said. Appeals processes vary from county to county. Some counties require people to make appeals in person, some require third-party assessments, and some require appeals in writing.

So why do counties assess a tax on cars? Assessments are but one prong of a two part process. After the assessments are determined, tax rates are applied, and those rates vary widely, if not more, than the assessments. "Not every state has one as lucrative as ours," Crosby said. "It is a way for local governments to raise more revenue." Many municipalities also impose a property tax on motor vehicles in addition to the county levy.

One former county official, who did not wish to be identified, and who worked in the tax department agreed: "Counties have to get money from somewhere, if you don't collect it from vehicles, you'll have to get it from [somewhere else]." Indeed, according to this person, vehicle taxes go directly into the general fund.

This person adds, however, that tax variance might not be a bad thing. Like with

real-estate, different assessments reflect different conditions. A car near the ocean undergoes far more wear than one owned in the piedmont.
CJ

Five Highest Taxes Due

Five Highest Taxes Due 1999 Ford Taurus SE	Five Highest Taxes Due 1997 Toyota Camry LE
Gates - \$130.92	Hertford - \$128.85
Northampton - \$125.22	Gates County - \$120.98
Hyde - \$122.94	Cumberland - \$118.62
Hertford - \$116.18	Durham - \$116.31
Anson - \$111.80	Northampton - \$115.72

*Judge Ignores Constitutional Precedent***Annexation in Wilmington;
Ford Dealers Around the State**By **ERIK ROOT**
Assistant Editor

WILMINGTON

The Good Neighbors of New Hanover County sponsored an event in September that featured many current and aspiring political leaders in the community. About 150 people attended the event despite the World Trade Center and Pentagon crashes in New York and Washington D.C. just one day earlier.

The Good Neighbors invited many of the officials and candidates to the forum to speak about forced annexation and other local issues.

The event was also held to raise money for a legal battle with the city. From the looks of the thermometer placard displayed on the stage, Good Neighbors will have more than \$10,000 in its coffers. But the legal battle is just one front that concerns many of New Hanover's citizens as well as the county's political leadership.

Wilmington Mayor Pro-Tem Katherine Moore said the people should not form their opinions by reading the *Star-News*, the city's local newspaper and whose editorial direction has been solidly in favor of those who wish to deprive citizens of their property rights. Property rights and the right to not be taxed without being represented is at the heart of freedom, Moore said. She was the only local officeholder rewarded with a standing ovation for her comments.

Many of the participants believe that the only balanced reporting can be found on radio station WAAV 980 AM.

On this night, if one were to read the local paper, Good Neighbors should have been morose and defeated, but the group was not. While the paper relished the dismissal of Good Neighbors' lawsuit by District Judge Terrence Boyle, the group's lawyers had expected the case to be fought at the appellate level, no matter what happened in the lower court.

Where's the Newspaper?

That fact, however, never made it into the newspaper. And indeed, the newspaper failed to challenge statements by Wilmington City Attorney Tom Pollard that the decision upheld state law when in fact it is a question of federal constitutional rights.

The newspaper omitted and appeared not to question Pollard over his misstatement that the decision upholds forced annexation without the consent of those annexed, when places like River Bend cannot be annexed in such a fashion.

James Eldridge was upbeat when he addressed the audience. "This case has always been an appellate level case," Eldridge said. No matter if the group would have won at the district court level, the city would have appealed. As it stands now, it is the Good Neighbors that is appealing to the 4th Circuit Court of Appeals.

Mary Margaret Nunnally strode to the podium with one of her 11 large notebooks on the case and echoed Eldridge's comments. Nunnally said Good Neighbors does not understand how Boyles can base his opinion on a 100-year-old case that has been whittled down over the years.

Nunnally is very happy to have the



case going to the appellate court. "I am more of an appellate lawyer," Nunnally said. The case will have no real resolution until a higher court decides the matter.

Another issue that was discussed was whether the city and county should consolidate.

While no candidate or current officeholder offered any comprehensive plan for consolidation, New Hanover County Commissioner and Wilmington mayoral candidate Bill Caster said he thought the issue should be studied. Such a study should include citizens and politicians, he said. Only through broad input will consolidation be accomplished, he said.

Some of the attendees were skeptical of consolidation. One local resident said he would support it if it could be demonstrated that consolidation meant "smaller, more-efficient government."

Others are concerned that even with consolidation they will find no tax relief or that their taxes will continue to climb.

That is why a coalition of business leaders, residents, and political officeholders is needed to study the issue—to find out where cuts can be made and how to best implement such an effort, Caster said.

Auto Dealers Give Public the Shaft

House members last week approved a bill, by a vote of 87-8, that would outlaw Ford Motor Company's Blue Oval customer service program after heavy lobbying by the N.C. Automobile Dealer's Association, which said the program was unfair to local dealers.

"Incentive programs are a mechanism between the manufacturer and the dealer," said Robert Glaser, executive vice president of the NCADA. "In many cases the incentive is so material that it amounts to economic extortion. The dealer has to participate in the incentive program if they like it or not."

Ford dealers said they like the program. Numerous Ford dealers testified in committee that the program benefitted their employees and customers.

"There are a lot of good benefits with the Blue Oval program," said Vernon Smith, owner of Morehead City Ford in Morehead City.

"Blue Oval in itself has been very good for us, and overall it's been very good for the customers, which is what it's all about. I did have some concerns about the fact that they were allowing other manufacturers to have basically the same program and outlawing it for us. I have some very strong feelings about that, but I will do whatever the law says."

Smith and other dealers said the program made their employees more sensitive to satisfying the customer. "My people liked it," Smith said. "It brought the team to-

Urban Sprawl for Dummies

By drum-beating the term "urban sprawl," policy-makers and activists who favor government solutions to perceived problems have been able to take much of the public focus off some of their own most persistent urban failures. The term used to describe the solution to "urban sprawl" places a negative label upon all those who notice the sleight of hand. The only people who would be against "smart growth" must be, well, dummies. So maybe it's time for a lesson entitled, "Urban Sprawl for Dummies."

Market-oriented policy-makers and proponents are wrong to say that ugly housing developments spreading across the countryside aren't a problem. But the real challenge has always been deterioration of the quality of life in our cities, and a refusal to acknowledge its causes in policy.

Public school systems are willing to fail generations of minority youth rather than admit that market-oriented reforms such as school choice might work. City governments are allowed to deliver services incompetently decade after decade rather than adopt more efficient, private sector alternatives. Lawless, dangerous city environments are only now being changed, slowly, against determined resistance, through older, more traditional law enforcement methods — methods government planners discarded as anachronistic decades ago. Think about it: U.S. cities are being deluged with proposals aimed at reversing 40 years of failure. How would you like it if your political opponents could credibly cite 40 years of living testimony against your policies and positions?

You would be extremely grateful to anyone who came up with a way to divert attention from these failures. In the concept of "urban sprawl," those favoring government solutions have found a way to: a) refocus attention away from the real problems; b) avoid having to admit they were wrong about many things; and c) not just keep their coercive government powers, but actually expand them.

According to Albany Law School professor Patricia Salkin, the concept of urban sprawl inspired more than 1,000 legislative bills in 1999 alone, and 20 percent of them passed. The idea has empowered city governments and state legislatures to impose a host of growth control policies that limit private, individual, and community choices in favor of vast, restrictive government directives.

But the same people who gave us the problems aren't likely to come up with the solutions. After all, we've added 120 million people to America's population

since 1950. That works out to about 55 million new homes. They have to be built somewhere.

Perhaps "New Urbanist" developments like Cherry Hill Village in Michigan's Canton Township are the way to go. Developers — without either coercion or subsidies from government — were able to build high-density housing that minimizes the need to use automobiles because of mixed-use zoning that allows both residents and commercial properties to be built side by side.

The point policymakers should understand about what they refer to as "sprawl" is that it's not wrong for individuals, families, and businesses to

choose the most viable options open to them. Whenever an alarmist shows a picture of ugly housing developments "encroaching" upon pristine farmland, it might be appropriate to show him a picture of a typical inner-city neighborhood and ask which he would prefer, if his living arrangements were at issue. In fact, ask him where he lives now.

Policymakers must look at the factors that cause families to leave cities. It's time to focus on such things as making schools not just tolerable, but great. There are a number of ways to do this, whether through charter-school expansion or some kind of school choice program that gives parents a tax credit for tuition at public or private schools.

City officials also could do other things to fix schools, improve the quality of city services, and lighten the tax load on citizens. They could contract out to private firms garbage pickup, water and sewer services — even rodent control — so service providers will go out of business if they fail to show up on time to fix a problem. They could post a friendly, neighborhood patrolman on foot to walk the precinct. They could avoid traffic problems in the city and avert "sprawling" developments outside it by easing tough zoning requirements so stores can be built close enough for people to walk or ride a bike there.

In short, the solution to "urban sprawl" lies in fixing the problems that cause people and businesses to leave cities in the first place. But people must be allowed to come up with their own solutions. No one-size-fits-all solution policymakers try to impose has worked or is likely to work, even if they do think it's "smart." CJ

**Samuel Walker**

Samuel Walker is a communications specialist at the Mackinac Center for Public Policy in Michigan.

gether in ways that I couldn't imagine. They'd come in on weekends."

Dave Horne, a lawyer who represents Ford at the General Assembly, said the bill would harm consumers by prohibiting car makers from instituting initiatives aimed at customer satisfaction.

"It's a terrible bill for consumers because it eliminates entirely the option for voluntary programs that will reward dealers for making their customers happy," Horne said.

"Customer satisfaction programs are outlawed by the General Assembly, probably for the first time in the history of our

state. People selling a product that adult consumers *must* have will no longer be eligible to receive financial incentives for doing a good job."

In addition to outlawing Ford's Blue Oval program, the bill would prohibit manufacturers from forcing dealers to change all their signs at once should the manufacturer employ a new logo. It also would give the NCADA automatic standing in court to sue automakers. That would make the group the only professional organization in the state granted the ability to sue almost at will. The bill now goes back to the Senate for concurrence. CJ

Local Innovation Bulletin Board

Tax Cuts in New York

The Manhattan Institute released a new study showing that tax cuts implemented in New York City over the past four years have created about 80,000 private sector jobs. It says additional tax cuts are important to the city's continuing economic progress, and, conversely, that increasing tax rates would cost the city tens of thousands of jobs.

The enactment of local tax cuts on a record scale has been one of the cornerstones of New York City's fiscal recovery over the past few years. A major rationale for these tax cuts, as stressed by Mayor Rudolph Giuliani and other city officials, was to encourage growth in New York's economy. This study, written by Edmund J. McMahon, a senior fellow at the institute, indicates that tax cuts accomplished that purpose.

Specifically, the study found that:

- The personal income tax, sales tax and property tax reductions enacted by the city in the last four years have generated 80,000 new private sector jobs, or about one-fourth of the city's total employment growth since 1997.
- More than 6,500 new jobs will be generated by tax cuts included in the city's fiscal 2002 budget that are still awaiting the state legislature's approval.
- Nearly 15,000 new jobs could be added to New York's employment base by eliminating the remainder of the income tax surcharge first adopted a decade ago.
- Restoration of the 12.5 percent income tax surcharge, repealed in 1998, would result in the destruction of about 25,000 jobs. Restoring both of the Dinkins-era surcharges would cost the city nearly 37,000 jobs.

Tax Cuts Saved the City

The tax reductions represent a striking turnabout. For most of the post-World War II era, New York City taxes headed in one direction—up—with the biggest hikes taking place in the 1960s and early '70s. Yet these tax increases not only failed to prevent the city from going broke—they contributed to the massive loss of jobs and businesses that brought the fiscal crisis to a head in 1975.

In the aftermath of the 1970s crisis, the Koch administration enacted a series of relatively modest, targeted reductions in business taxes. Responding to federal tax changes, the city also launched a re-

form of its own income tax structure.

But when fiscal push came to shove with the economic slowdown of 1990, the city started raising taxes again—enacting, in quick succession, two surcharges that added more than 28 percent to personal income tax bills, and a major property tax increase.

A 1991 study by then-City Comptroller Elizabeth Holtzman predicted that more than 100,000 jobs would be lost as a result of the increases. Actually, employment dropped by more than 300,000 before the economy hit bottom in

1993.

A review of New York City tax policy and economic conditions over the past three decades suggested this was no accident. A clear pattern emerged: Tax increases coincided with job losses, and tax cuts coincided with job gains. This was especially true when the value of state income tax cuts was factored into the mix.

For example, as illustrated below in Figure 1, private sector job growth in the city has generally surged following cuts in the combined state and city income tax rate, which now stands at its lowest point in 35 years.

The results were determined using NYC-STAMP, a New York City version of the State Tax Analysis Modeling Program first developed by the Beacon Hill Institute at Suffolk University in Boston. NYC-STAMP estimates the impact on employment of changes in four categories—income tax, sales tax, property tax, and general corporation tax.

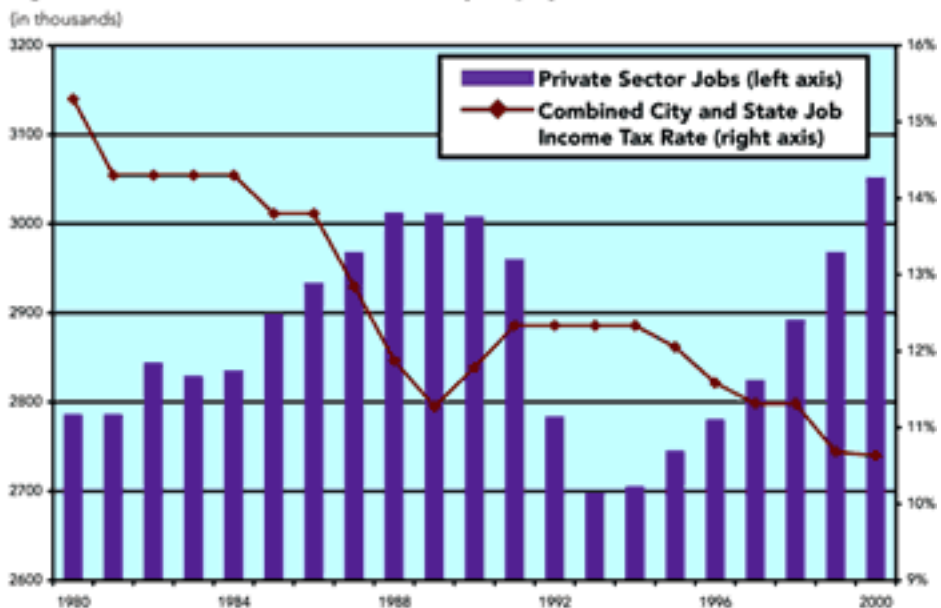
Giuliani said about the report: "Today's study illustrates an important chapter in the story of our city. Tax reductions have helped more than 80,000 New Yorkers find work in newly created jobs.

Tax reductions have helped even more New Yorkers put food on their dinner tables, take their children to baseball games, and build better lives for themselves and their families." CJ

McMahon is a senior fellow for tax and budgetary studies of the Center for Civic Innovation at the Manhattan Institute. The entire report may be viewed at the Manhattan Institute website. Please direct your browsers to <http://www.manhattan.org> and click on "What New York has Learned from Tax Cuts."



Figure 1: Income Tax Cuts Coincide With City Employment Gains



A Discussion with Gaston County Commissioner Pearl Burris-Floyd

By ERIK ROOT
Assistant Editor

GASTON COUNTY

CJ: Tell us about your background.

Floyd: I grew up in Dallas, North Carolina and I'm a native North Carolinian. I am a product of the public school system. I did my undergraduate work at the University of North Carolina-Chapel Hill and my professional training in cytology at the UNC School of Medicine. I am a specialist in the field of cytology, which is a field dealing with cancer screening and cancer detection. It is a field that I have worked for 21 years. So my whole career has been in laboratory medicine.

I have always been extremely active in community activities: church, schools, board member of the children's museum, and also for the Gaston County Health Department.

CJ: You are now a county commissioner. What interested you in the position?

Floyd: A county commissioner from the Dallas township stepped down due to illness and a group of citizens had gone out to search for someone. My name kept coming up unbeknownst to me. I had no idea people thought I had a political perspective and that they would support me in that type of role. It was very daunting because Gaston has never had an African-American, much less a female African-American, commissioner.

All my life I have been a conservative. I was a registered Democrat until February of this year after being urged by my older brother, who had been a registered Republican since he first registered. He always told me "you know you're a Republican." He was my motivation and the seat had to be filled by a Republican.

Of course there were questions as to why I changed my party affiliation and whether I was just masquerading as a Republican. My response to that was it depends on how you look at your affiliation. My affiliation was never based on being active as a Democrat; it was more out of legacy. My parents were Democrats, so I registered as a Democrat.

I think what is more important is the values that one is raised in. I was raised in a Christian home, my brother served in the armed forces, and my father is a veteran. We believe in working hard and all my siblings have a degree or certification. My oldest brother is a CPA, and I am in laboratory medicine. My other brothers are a nurse, administrator, and my youngest brother is a laboratorian.

We worked hard to make sure that whatever we did, we had the credentials to do it and my parents wanted to make sure we had the opportunity to do it. But there were no handouts. It was just working really hard to achieve the goals and objectives that I think any good citizen would want to achieve. So if that means I am a Republican, then I have always been a Republican.

So that addressed that issue of switching parties. The other point is how many individuals didn't have or know of someone who at one point was registered as a Democrat.

Going out and talking to people and finding out what they are interested in is a big part of who I am. I may not have the absolute answer, but I think that people are frustrated because they have no one to talk

to or if they are talking, nobody is listening. So part of what I am trying to do is provide that listening ear and learn and come out and say I have all the answers. The reality is no one has all the answers.

I have never had the opportunity to serve in a political office. So this is very new. The best way to mess up quickly is to become an instant know-it-all. You set yourself up for failure that way. This has been an humbling experience.

CJ: What are the issues you are facing in the county at this time? What are the most pressing issues?

Floyd: Well, that would have to be the budget. We faced a \$20 million deficit. I came in right at budget time in May. Budgets are really difficult, and we had to unfortunately raise taxes. We tried to protect jobs, but we did cut vacant jobs so no one in Gaston lost a job.

Gaston has experienced a loss of jobs in the private sector in the textile industry. We have lost a tremendous number of jobs in that area. We lost those jobs as a result of competition from outside the United States. So in addition to jobs, one of the challenges is economic development. We are trying to attract new companies to add those jobs back into the county and get people to work. We have made some strides in

that. But it is a tough position to be in because there's competition from everywhere.

CJ: What is it that private companies are looking for?

Floyd: Low taxes, countywide water and sewer, access to main thoroughfares so that they can be readily seen, an educated workforce. And we are working on all those things. Gaston Community College is a help and is a top-ranked college.

We also opened a new technology high-school last year. Those students that come out of there are certified with a trade skill. They can come out and get a job. That's what employers are looking for—technically advanced graduates that can come in and understand the process that they have to go through.

We have the means to do it and have a strong public school system. So there are some positive things going on. We have land available and water as well. Those are things that are attractive to businesses. We now have a \$500 million business specializing in alternative energy that recently located to Gaston.

However, the new businesses coming into the area are not as wide-scale employment wise as the ones that left. They are employing 70 to 100 people, while the old textile industries employed hundreds.

So we have to find a way to re-educate the workforce so those not at retirement age can continue to make a living. These are the issues we will have to deal with over the next five years.

Many things, however, at this point in time, seem unimportant, considering what has happened in our country in New York and Washington D.C. Our security has been terribly disrupted. Because of that we see patriotism come to the forefront, and that is a good thing.

In recent years people haven't talked about how proud they are to be an American. But this has changed and I hope that this closeness continues.



Pearl Burris-Floyd

From Cherokee to Currituck

Car Dealer's Inflatable Gorilla Violates City's Ban on Balloons

By ERIK ROOT
Assistant Editor

RALEIGH
A Hickory car dealer is being harassed by the city because he has erected a 30-foot inflatable gorilla outside his showroom, which, according to city officials, violates the city's ban on balloons outside businesses.

The *Charlotte Observer* reported that Steve McMahan, manager of Far East Nissan, located on U.S. 321 North, erected the gorilla.

In July the city warned McMahan that if he continued to display the gorilla, he would be fined. He has refused to pay any fines and the bill is now up to \$425.25. In the wake of his defiance, the city says that it will fine him \$249.75 a day the gorilla is inflated in the lot.

McMahan is not capitulating: "I had him out today and I'm going to have him out every day from here on out, except when it's raining. They got me mad," McMahan said. He said he has received calls from citizens supporting his position.

City officials, for their part, insist they are trying to reduce clutter and decrease traffic hazards that distract drivers. It appears the gorilla is not blocking line-of-sight in traffic, but the ape is so captivating that people want to look at it. The city wants to protect people from their own inability to stop looking at a balloon.

However, there have been no reported auto accidents caused by the balloon.

McMahan argues that the balloon is neither a sign nor a balloon and that he erected it to occupy kids while their parents shop for cars.

Other Businesses Complain

Other auto dealers have also complained about the ban. Hickory officials have told the dealers to remove small party balloons from the antennas of vehicles because the balloons violate the ordinance.

The ordinance has hurt other businesses too. One helium supplier complained that the balloon ban has hurt his business.

"We don't want to upset the city, by any means, but we want to generate revenue. We were thinking about putting mannequins out front so people would think we have customers. I don't know what the city would think about that," said Mike Dunn, a manager at Mike Johnson's Hickory Toyota.

For their part, city officials are proceeding boldly. They have asked the city attorney to investigate any dealer who could be violating the ordinance. If he finds viola-

tions, the city attorney may pursue legal action. So, Hickory may file a lawsuit against McMahan to have the gorilla removed.

Larry Johnson, Hickory city attorney, said, "All I know is the gorilla keeps coming back."

Wilmington's Lust for Money

Tax bills went out to the newly annexed residents of Wilmington who used to be residents only of New Hanover County, reports the *Wilmington Star-News*.

Bill Wetherill, one of the many new residents, wants to know what additional services he's getting from the city for the huge increase in taxes.

"I have asked the city manager to give me a list," Wetherill said.

Like most of those who have been captured by the city's annexation push, Wetherill had water and sewer service, trash pickup, police and fire protection. He wonders what it is the city is trying to give him that he did not already have.

To make matters worse, the city made his taxes retroactive to 1998.

Some Sanity in Johnston County

The Johnston County Board of Commissioners will keep the county's hotel occupancy tax at 3 percent even if the General Assembly allows them to raise it, reports the *Clayton News-Star*.

Some people in the county want the county to raise the tax because they want to build a convention center at the public's expense. However, Commissioners Fred Smith, James Langdon, and Allen Mims said they would not support it. There is a question whether the convention supporters can demonstrate, and demonstrate powerfully, an urgent need for such a center.

Donna Taylor, director of the Johnston County Visitor's Bureau, said the center is needed to attract tourism. But some of the commissioners wonder why a center in Johnston County would attract people away from, say, Raleigh. Johnston is a rural community, far away from airports, and does not have the amenities that Raleigh and some other large cities do.

Smithfield's city council, on the other hand, is supporting the government endeavor. Council members, along with Taylor, think tourists should foot the bill for the

building. However, there are no hard and reliable numbers demonstrating how much they would pay, nor is there a plan in place for who gets stuck with the bill if the center loses money.

Multiple Land-Use District

Buncombe County commissioners are looking at a multiple-use district for all unzoned portions of Buncombe County, the *Citizen-Times* of Asheville reports.

It could set the stage for countywide zoning. Chairman Nathan Ramsey and Commissioner David Young voted against the proposal.

Peggy Bennett, a Leicester resident with Citizens for Change, a group dedicated to land-use freedom, vowed to fight the proposed new law. "Until a majority of county residents say they want zoning, we will oppose every attempt to implement zoning, no matter what it's called," Bennett said.

Some county officials covet a form of taxation without representation in the form of an extraterritorial jurisdiction (ETJ) like the one that the Town of Davidson has forced on some nonvoters. If the ETJ is granted to Davidson by the state, the town will be able to regulate residents outside town limits and tell them what to do with their land.

Some people want more controlled zoning for "the economic survival of the county." But with people moving to the county, doesn't that mean the economics of the county are doing well?

Ramsey remains steadfast against the multiple-use zoning plan.

Roxboro Garbage Privatization

The Roxboro City Council is considering privatizing garbage pickup service, according to *The Courier Times* of Roxboro. City Manager Jim Freeman has conducted a study comparing the current service with a privately operated service. Though the council is not making any promises, the numbers seem to have impressed them enough to take up the issue as a whole council. It appears that privatization would save the city some money, but council members want to make sure they will be able to guarantee the same level of service.

Cary Politburo Takes Out Ads

Despite objections from two city council representatives, Jess Ward and Marla Dorrell, the Town of Cary is holding fast to a campaign it insists is not propaganda. Cary has allotted \$200,000 for a "public-relations" campaign on the benefits of growth control.

Mayor Glen Lang has accused Ward and Dorrell of seeking to help developers, while ducking questions about his own coziness with two developers who were implicated in a campaign finance scandal during his last election. One of those developers was found guilty.

Nevertheless, one resident has brought a lawsuit against the city to halt the campaign. Nelson Dollar filed suit accusing the city of using taxpayer money to sway elections in favor of growth-control incumbents. Most of the ads were to run just before the election. CJ

Advertisement

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From the Liberty Library

- Regnery Publishing on Oct. 22 will release *The Final Days*, the late Barbara Olson's (killed in the Pentagon attack) book on the Clintons' final days in the White House. Olson, whose *New York Times* best-selling *Hell to Pay* laid bare the sordid political deals of Hillary Rodham Clinton, turned her attention to the Clintons' shocking excesses in their final days of office: the outrageous pardons to political cronies and friends, the looting of the White House, the executive orders that were sheer abuses of presidential power, and the presidential library that became a massive boondoggle of vanity. More on this title online at www.regnery.com.

- Crown Publishing has released *Nine Minutes, Twenty Seconds: The Tragedy and Triumph of ASA Flight 529* by Gary M. Pomerantz. In August 1995, twenty-six passengers and a crew of three boarded a commuter plane in Atlanta headed for Gulfport, Miss. Shortly after takeoff they heard an explosion and, looking out the windows on the left side, saw a mangled engine lodged against the wing. From that moment, nine minutes and 20 seconds elapsed until the crippled plane crashed in a west Georgia hayfield—nine minutes and 20 seconds in which Pomerantz takes readers deep into the hearts and minds of the people aboard, each of whom prepared in his or her own way for what might come. Ultimately, 19 people survived both the crash and its devastating aftermath, all of them profoundly affected by what they saw and what they did to help themselves and others. Information is available online at www.randomhouse.com/crown/catalog.

- Best-selling humorist P. J. O'Rourke is out with a new volume of his musings. Inspired by Oliver Wendell Holmes's classic *The Autocrat of the Breakfast Table*, O'Rourke's *The CEO of the Sofa* follows the political humorist through a year on the domestic front as he visits subjects close to home. Ensnared on the domestic boardroom's throne, he bravely exposes everything from the dirty secrets of the New Economy to the similar mysteries in the new baby's diapers. After years of foreign travel, O'Rourke attempts to become a domestic American. More revelations of O'Rourke's one-liners can be found on the world wide web at www.publishersgroupwest.com.

- Walker Publishing is out with *The Business of America*, a collection of the popular columns of the same name from *American Heritage* magazine, written by John S. Gordon. For more than 10 years, Gordon's stories have celebrated the high points, and occasional low points, in the history of business in America, from colonial days to the present. The historian's accounts are wide-ranging: from details of the wampum market in 1666 to the struggle over the silver market in 1979, and stories about trailblazers of industry in America, including Samuel Slater and Oliver Evans. Further information can be found on the web at www.laissezfairebooks.com.

Book Review

University for 21st Century: Will They Ever Learn?

By GEORGE C. LEEF
Contributing Editor

James J. Duderstadt: *A University for the 21st Century*; University of Michigan Press, 2000, 358pp., \$47.50.

Upon picking up this book, I toyed with a wildly improbable idea. What if the author, former president of a major state university, had experienced an epiphany after leaving office and had written a book challenging the shibboleths of the higher education establishment?

Alas, no. This is about as far as one could possibly get from a "conversion" book. Author James Duderstadt's mission here is not to give us penetrating scrutiny of American higher education, but to erect defenses around even its most costly and inane practices. His defenses, however, are as strong a tissue paper.

Higher education in America has been a phenomenal growth sector ever since the end of World War II, thanks in large measure to the success of university lobbyists in persuading government to supply ever-greater subsidies. Relying on the argument that education is a "public good" requiring huge injections of taxpayer money in order to provide the knowledge and research that propels the economy, university presidents and their allies managed to engineer a prodigious increase in spending on higher education. Before World War II, fewer than one American high school graduate in 10 went on to enroll in a college or university; now the number is about two out of three. To Duderstadt, as with all dutiful members of the education establishment, that growth is a pure public benefit.

Duderstadt attributes our prosperity in large measure to the nation's "investment"

in higher education and contends that as we move into a "new economy" based on information, higher education will become even more important. The trouble with this favorite argument is that it implicitly assumes that the market process cannot be relied upon to bring about the optimal allocation of resources—we need government to ensure that more students attend ever-expanding colleges and universities. To educationists, that is the way of raising the level of knowledge in society. It never occurs to them that individuals in a free society will make the optimal investments, educational and otherwise, without any government intrusion.

Higher education apologists like Duderstadt would have us believe that we are prosperous because so many Americans have attended heavily subsidized universities. I think the reverse of that proposition is nearer the truth. We can afford to have so many young people dozing through so many esoteric and even laughable college courses because we are prosperous. The vital knowledge that made that prosperity possible—the calculus and the biochemistry and so on—would have been learned without massive government spending. It's worth noting that the U.S. economy grew at a more rapid pace in the 19th century, when government involvement in education was minimal, than it has since the onset of the "education" era.

Another of Duderstadt's main concerns is to build a redoubt for the education establishment's preoccupation with "diversity." That having a "diverse" university (by which educationists mean that the student body, faculty, administration, and even governing board must be chosen to include members of all recognized social groups, and that the curriculum must be designed

to appeal to all those groups) is a social good has become an article of faith. The author tries hard to justify it, but it's all a waste of ink. One of his arguments is that because the world is becoming more "globalized," Americans would be ill-served by their universities if they didn't equip them with a multicultural knowledge base. "Understanding cultures other than our own has become necessary, not only for personal enrichment and good citizenship, but for our very survival as a nation," he writes.

What a stupendous non sequitur! Americans who deal with individuals from other cultures (for all the talk of globalization, still a very small percentage of us), learn what we need to learn about them in order to effect whatever dealings we desire. American businessmen who want to trade with businessmen from, say, Bolivia, might find it advantageous to learn something about Bolivian customs. If so, they will learn what they need to.

The notion that people can't get along unless everyone takes a raft of college courses about other cultures is silly. Universities have their place, but the only way to find out what that place is is to have them face the test of the marketplace. Instead of receiving government subsidies, they should compete for resources as other for-profit and nonprofit institutions do. Duderstadt's model 21st century universities soak up a great deal of wealth that they do not voluntarily earn.

I think that the better model is the university of the ancient Arabic world, where students paid professors to impart their knowledge to them. CJ

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

Book Review

Re-examining Mrs. Lee, The "Lady of Arlington"

By ERIC ROOT
Assistant Editor

RALEIGH

John Perry, *Lady of Arlington*, Multnomah Publishers, 2001. 380 Pages. \$19.99.

John Perry minces no words in the opening sentence of his book on the wife of Robert E. Lee, Mary Custis Lee: "History has given Mary Custis Lee a bad rap. I'm out to change that." He believes that the historical scholarship on Mrs. Lee has been unfair. She has been characterized as selfish, neurotic, and whiny. But the picture Perry paints is far different from that misconception. As the great-granddaughter of Martha Washington, there is much more to Mrs. Lee than meets the eye.

The central theme of this book is Mrs. Lee's evolving Christian faith, and indeed that faith was necessary for it sustained her through the years of separation between her and her husband. This does not mean that she was flawless: "Like her mother, Mary was circumspect and sincerely pious, but these traits did not keep her from occasionally checking her position on the social ladder and sometimes having a high opinion of herself."

It is remarkable how close Mrs. Lee was to the Founders and Abraham Lincoln before the war. She was "steadfastly opposed to the idea of slavery but accepted it in practice because she believed that without education or property, freed slaves would be unable to make their way in the world."

She disagreed with her husband over colonization—the general did not believe in it because he thought the slaves were better off in the U.S. than in Africa. Nevertheless, Mrs. Lee engaged in illegal activity on behalf of the slaves throughout her life. Against state law, she taught some how to read.

Days before Lincoln's 1863 Emancipation Proclamation, General Lee executed the desire of his father-in-law's will and freed the slaves. "They are entitled to their freedom and I wish to give it to them," General Lee declared. The Lees were not slaveholders, then, when Lincoln issued the proclamation a few days later. It was Mrs. Lee's contention that all slaves should be free some day.

Still, she blamed the North and especially abolitionists for the War. In a journal entry she wrote:

"The infamous attempt of John Brown & his accomplices to incite our negroes to murder and insurrection, though thro' the mercy of God a signal failure, should have opened our eyes to the machinations of the party of fanatical abolitionists, unprincipled & evil, who exalted this vile assassin into a hero & martyr.

"Even after the election of Lincoln by this faction, peace might have been maintained if they had not predetermined to provoke the South to hostilities, or if their chosen President had possessed the moral courage to resist evil influences that were brought to bear upon him. He has gone to render an account to the Judge of all the

earth for the misery he has wrought in an unhappy country, and we know it would not have befallen us without His permission who overruleth all things. We must do our duty as best we can and believe that the inscrutable Providence who permitted our present situation may be preparing us for a more useful and higher destiny, which without this lesson we might neither have retained or appreciated."

It is noteworthy that, somehow, Mrs. Lee was either unaware, or did not take into account, the condemnation Lincoln heaped upon Brown. It is also interesting that she did not include in her entry any mention of Lincoln's similar distance between himself and the abolitionists. The abolitionists had more in common with the South than the North because both believed the Founding ought to be destroyed and a new one erected in its place. It is too simplistic to place Lincoln and the abolitionists together.

Furthermore, Mrs. Lee speaks to the misery and unhappy condition of the country because of Lincoln's deeds, but one wonders if she truly understood the misery and unhappiness of the slaves, much less the Golden Rule with which in it forbids the peculiar institution.

Those questions notwithstanding, Perry's book is a valuable work that needed to see the light of day. The author has a knack for bringing to light people and places that hitherto have been either ignored or understated. In this book, he has recovered a part of our history. CJ

Book Review

Deaver Offers Insights From "My Thirty Years with Ronald Reagan"

By NATHAN LITTNER

Editorial Intern

RALEIGH

Michael K. Deaver, *A Different Drummer, My Thirty Years with Ronald Reagan*, Harper Collins Publishers, 2001, 228 pp., \$25.

While it is comforting to know that the great Ronald Reagan is still among us, it is equally unfortunate to realize that he will never again speak to us the way he once did. The debilitating and cruel disease that now plagues a man who was one of the nation's greatest leaders is a source of sorrow to all that have found inspiration in his life and words.

Now it seems, it is Reagan's loss of memory that has inspired others to remember him. Yet while many authors have rightly sought to commit his life and achievements to posterity, few have been able to capture a sense of Reagan's private life and spirit.

Good biographers provide more than a detailed account of chronological events. They cut through the dull facts to explore the person behind the achievements. The most revealing biographical works, therefore, are often those written by authors who were actually involved in the life of their subject.

In *A Different Drummer, My Thirty Years with Ronald Reagan*, Michael Deaver achieves this feat. Deaver has not, however, attempted to write a biography in the proper or even traditional sense of the term. His work is perhaps better described as a kind of characterography; the personal

memoirs of a friend about "A guy named Ron" who also happened to be an extraordinary leader.

Though less thorough and factually informative than a life story, the book is a unique and compelling account of Reagan behind the scenes. From their first encounter in 1964 to his resignation in 1985 and their final meeting in 1997, Deaver presents his audience with glimpses of his friend and former boss conferring with staff, longing to be at his ranch, living as the son of an alcoholic father, grappling with difficult circumstances, and exuding unpretentious confidence.

While it is not a biography, the book does reveal more about the private Ronald Reagan than most works that have taken him as their subject. The foreword, written by Nancy Reagan, briefly characterizes those writers and biographers who have attempted to understand her husband: "Most tend to either overcomplicate him, or they err on the other side, wrongly labeling him as aloof, indifferent, or disengaged." In her opinion, "there are only a handful of people who could write about the private Ronald Reagan"; describing Deaver as someone who was constantly "at Ronnie's side" for more than two decades, Mrs. Reagan implicitly qualifies Deaver as decisively within that sphere.

Reagan, in no set order, is the book's subject. The titles of each of the seven chap-

ters offer a chronological feel and it does, for the most part, follow a basic timeline progression, but Deaver does not restrict himself to any one era; fast forwards and flashbacks are used liberally throughout.

Attempts to answer the public's general or curious questions about the source of Reagan's success, his style of leadership, his disposition or his deep-seated faith and patriotism season the chapters and give rise to stories of situations that best illustrate Reagan's mind and personality. For example, the statement, "Ronald Reagan is one of the shyest men I've ever known," leads to a short story about a 1966 California gubernatorial campaign party where Reagan spent the whole night talking to a retired laborer "in a room full of national leaders."

Speaking of Reagan's love of country, Deaver writes that when it came to "America and freedom and liberty—Reagan was a softy... his belief that America was the greatest country on Earth never once wavered even when those around him refused to share in his idealism."

In response to what he calls an inundation of requests, Deaver very briefly compares the political skills of Reagan and Clinton. The section points out stark differences and at least one similarity, and as the subject quickly and fittingly switches back to Reagan, the comparison ends with, "nobody would have had the nerve to ask Ronald Reagan, 'Boxers of briefs?'"

Deaver's work is a compelling insight into a man who even his closest friends concede is quite difficult to understand.

Book Review

"The Satanic Gases": Evaporating the Global Warming Theory

By BONNER R. COHEN

Guest Reviewer

ARLINGTON, VA

• Patrick J. Michaels and Robert C. Balling: *The Satanic Gases: Clearing the Air About Global Warming*; Cato Institute, 2000, 224pp. \$19.95.

There's no question that global warming is a real phenomenon, that it is occurring," EPA Administrator Christie Todd Whitman told the press in February. "And while scientists can't predict where the droughts will occur, where the flooding will occur precisely or when, we know these things will occur; the science is strong there."

Whitman is certainly right in saying we're in store for more droughts and floods. They have always been with us and they always will be. But whether they have the remotest connection to global warming is quite another matter.

The former New Jersey governor is not alone in believing that the world faces an endless chain of climatological calamities—not just more droughts and floods, but more hurricanes and tornadoes, not to mention melting ice caps and the spread of tropical diseases. Proponents of the theory of global warming have succeeded so masterfully in spreading their message of impending doom that it has become standard fare in the mainstream media and—unfortunately—in the halls of government.

This is why *The Satanic Gases: Clearing the Air About Global Warming* by Patrick J. Michaels and Robert C. Balling is so timely. The book examines the science behind the

theory and compares the predictions of changes in the earth's climate with actual observations.

Performing this task are two of the nation's premiere experts on climate. Pat Michaels is professor of environmental sciences at the University of Virginia and past president of the American Association of State Climatologists. Bob Balling is the director of the Laboratory of Climatology at Arizona State University.

To begin with, human influences on the climate are anything but new. Ever since agriculture began to spread thousands of years ago, humans have been mucking around with the earth and thus influencing its climate. The perennial long grass prairie of east central North America, for example, was replaced with annual plantings of corn and soybeans.

"Whereas the prairie was a continuous vegetative cover," the authors note, "the replacement crops are seasonal, with bare ground exposed to the sun for half the year, resulting in dramatically different absorption of and heating by the sun's radiant energy." Given how widespread agriculture is, it is revealing that land use changes are scarcely considered by the computer models that serve as the basis for the policies to address global warming. And it is those models, known as General Circulation Models (GCMs), that have predicted that increased emissions of manmade carbon dioxide, mostly through

the burning of fossil fuels, will lead to a potentially dangerous warming of the planet. The problem is, the authors point out, the models have consistently overstated what scant warming has taken place over the past two decades, if indeed any has taken place.

Throughout the debate over global warming, no authority has been cited more often in the media as providing "more proof" of human-induced climate change than the United Nations' Intergovernmental Panel on Climate Change (IPCC).

Yet as Richard Lindzen, professor of meteorology at MIT, recently pointed out at a Capitol Hill briefing, the IPCC was created to assist negotiators in the process of furthering the Kyoto Protocol. It was not created to find out the truth about climate change. Its vested interest in promoting the goals of the Kyoto Protocol has led the IPCC to become more of a cheerleader for curtailing the use of fossil fuels than a source of scientific objectivity.

In addition to publishing scary, non-peer-reviewed "summaries" of the state of climate change, which often bear little resemblance to the findings of its scientists, the IPCC has not leveled with the public on the limitations of its models. As the authors point out, no GCM has ever succeeded in creating a troposphere (the bottom 40,000 feet of the atmosphere) that behaves at all like the observed data of the last quarter of the 20th century.

The book is engaging, straightforward and hard to put down. Throughout Deaver comes across as an honest source of indelible information; his work is a must read for Reagan enthusiasts and inquirers.

Deaver's is not the definitive explanation of Reagan's private life and mind (indeed it is doubtful that such a work is possible) but rather a compelling insight into a man who even his closest friends and associates concede is difficult to understand.

Due time is devoted to Reagan's wife, inseparable friend and strongest supporter, Nancy, in equally personal and unique detail. Examples that divulge the intimacy of their relationship and their inextinguishable love for one another are both touching and imperative to the success of book.

When studying the life and career of an historical figure as rare and impressive as Reagan, the personal insight that authors like Deaver provide is invaluable. Such works are foundational in that they offer a sense of character on which one can reflect when studying the more dry, textbook matters of policy and procedure. They are the best sources of personal knowledge because the writer has not merely researched his subject, but more directly, known him in and through experience.

In the final analysis, it is perhaps best to say that in *A Different Drummer*, the larger than life Slayer of Soviet Imperialism is described through a myriad of human and commonplace situations and comes across equally as impressive. Yet this is a feat that his subject and not Deaver himself must be credited for: After all, it was the man who made the legend possible. CJ

The IPCC was created to assist negotiators of the Kyoto Protocol. It was not created to find out the truth about climate change.

"In other words," they write, "while the United Nations was promoting the paradigm that the models were 'generally realistic' and using them as the basis for sweeping policy recommendations that could greatly harm United States prosperity, the models were in fact making massive errors that the IPCC was loathe to note."

The inaccuracy of the predictions by GCMs is significant for what it tells us about how much we should rely on them in the future. Michaels and Balling pointedly ask: "[I]f a GCM calculates that the earth currently is several degrees warmer than it actually is, what logical device allows it to make a forecast of future warming?" Those forecasts can spark fears that result in disastrous policies.

"More people die from weather-related causes in the winter than in the summer," they note. "And per capita summer mortality is going down, thanks largely to air conditioning; from this perspective, proposals to fight global warming in ways that make electricity more expensive appear inefficient, to say the least." Any rush to judgment is fraught with danger, particularly one based on dubious science and shameless fearmongering. Bush's recent decision not to regulate emissions of carbon dioxide was a welcome step back from the folly into which the global warming debate threatened to take us. But the fight is far from over. Those wishing to be armed for it should read *The Satanic Gases*. CJ

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Editorials

ANGRY NATION

A new war will require focus, patience

Make no question about it, America is at war. And whatever one thinks of the election of George W. Bush as president, we should be thankful he is sitting in the Oval Office today. While his language can at times be problematic, there is little question left about his ability to lead the nation in this time of great uncertainty and armed crisis. As Jacob Burckhardt wrote in the midst of another great national crisis in 1943, "Unsuspected forces awake in individuals and even heaven takes on a different hue."

President Bush's leadership since Sept. 11 thus far confirms this. And the reference to how "heaven takes on a different hue" is not accidental. Bush's invocations of God and America's spirituality have offered our nation comfort and hope. We need both in spades today.

Despite our power, our prosperity, and our towering cultural influence, the United States is a uniquely vulnerable society precisely because of the nature of our politics and our culture. These are attributes we prefer not to sacrifice. Nor should we. At the same time, we must — especially in the rubble of the World Trade Center and the hollowed-out walls of the south face of the Pentagon — recognize that even great and powerful nations must calibrate their defensive and offensive military and diplomatic postures to properly manage threats old and new.

As Sen. Bill Graham, D-Florida, chairman of the Senate's Select Committee on Intelligence, said on Sept. 17: "There was a serious lack of coordination among federal agencies. There were some people with suspect backgrounds whom the CIA has been following outside the U.S., who were able to enter the U.S., which raises questions about our immigration service. And once they were in the U.S., they were able to lose themselves in the crowd."

This is the crux of the matter whether in peace or war. How do we ensure the survival of our belief in the equal rights of all, the freedom and openness we so treasure, and the necessity to protect our interests in a dangerous and complex world? There are no easy answers.

President Bush's address to a joint session of Congress on Sept. 20 was his, and one of the nation's, finest hours. His firmness and plain-spoken eloquence called for courage, patience, and vigilance so that we may successfully bury our shadowy opponents in "history's unmarked grave of discarded lies." It was, as James Warren of *The Chicago Tribune* observed, "a rhetorical tour de force." So as we recognize the sentiment for easy vengeance, we must also tame it and properly target our response in the search for true victory at home and abroad.

Abroad, we have a war we must now win. And given the imprecise focus of what many are calling a "new kind of war" we will, in the president's words, "require determination and patience" because "there are no beaches to storm, there are no islands to conquer, there are no battle lines to be drawn." Given the imprecise location of many of our enemies, we should properly focus on nations that we

know sponsor terrorism and, at the same time, do our best to locate and seize or destroy those individuals most responsible for attacking our interests. With the freezing of financial assets and the (so far) extraordinary cohesion of a diverse conglomerate of countries in opposition to our enemies Bush is on the right track and we should be proud.

We would do well, as Michael Ledeen of the American Enterprise Institute has suggested, to embrace several Machiavellian principles in this battle. We must win decisively. We should not be particularly concerned about the niceties of diplomacy and keeping others pleased, allies or not — our sole focus must be to win, regardless of how others feel.

To do this, we must strike hard and fast. The old adage that "it is better to be feared than loved" must be embraced with fervor. Finally, in such an environment, circumstances are always changing and even ones as shrewd as Machiavelli understood, as Ledeen observed, "the best you can hope for is to have good luck half the time." Skill, dedication, and luck will win this for us.

The Aims of the War

Given the disposition of the Taliban and its refusal to turn over Osama bin Laden, we should they continue their obstinacy, help the Afghans create a more stable and less dangerous regime. For good measure, we should also send a clear message to every terrorist state in the world that threatens American interests. Saddam Hussein's Iraq, revolutionary Iran, secular Syria and the brutal, slave-trading theocracy of the Sudan — all should be given a clear ultimatum to desist their efforts to export terror and their own brand of Islamic fascism to the free world, or face the consequences. Our enemies should be given no quarter.

Through it all, we must return to our faiths in whatever guise we practice them. We must be thankful for the leadership we have and that we live in America, loved and hated with intensity the world over.

As we march and sometimes amble to those "better angels of our nature," we should perhaps even have a national day when church bells and calls to prayer ring across the land and Americans of all faiths seek comfort together through song and prayer as we march to victory. "Bells in the country," wrote Robert Nathan decades ago, "they sing the heart to rest when night is on the high road and day is in the west."

HELMS RETIRES

Love or hate him, he could not be ignored

With the announcement of Sen. Jesse Helms's retirement at the end of his current term, American politics will lose one of its most colorful and influential senators in a generation. It is no exaggeration that no other politician has had the influence of Helms on our national politics since 1972 — with the exception of

Ronald Reagan. And Reagan's success, parenthetically, would not have occurred without Jesse Helms.

As Reagan said after he was elected president in 1980, "there was a time in 1976 when many people were writing off my candidacy, and Jesse Helms didn't. The press was asking only one question: When would I quit the race?"

"We didn't. And thanks to Jesse, we won big (in North Carolina), big enough to come back and win it all in 1980." Many of Reagan's closest advisers said repeatedly that had it not been for Helms, Tom Ellis, and the now-defunct National Congressional Club, Reagan would have never run again in 1980.

A Political Force

This incident showed Helms's influence and political prowess in more ways than one. Thus the Congressional Club, a political action committee that was

originally a vehicle to retire Helms's 1972 campaign election debt, rose to the fore. While the Club closed its doors in the early 1990s, from 1980 through 1988 it raised more than \$30 million for various causes and candidates, including both Helms and Reagan.

The group was pivotal in electing both John East and Lauch Faircloth to the U.S. Senate in 1980 and 1992, respectively. It was, much to the chagrin of many, instrumental in turning North Carolina into a two-party state by using its influence and expertise to change the face of the North Carolina Republican Party. For several years running, it was the biggest and arguably most effective ideologically oriented political action committee in the country.

While one may attribute this success to many factors, it was essentially driven by Helms's philosophy, his political steadfastness and agility, and the tactical and strategic brilliance of Ellis and Carter Wrenn, the two men who handled the operations day to day and honed a politically effective state and national organization.

Aside from the mechanics of this success, though, the key to Helms's effectiveness was in his political intensity and a pronounced willingness to blister opponents with focused and incessant attacks. This made him and the Club, in its time, the highly effective and respected forces they became.

Since the announcement of his retirement, much has been written about Helms's successes and failures, his perceived strengths and weaknesses. We don't feel compelled to repeat much of what has already been said, but the key to Helms's rise to respect and the heights of power resides in the spirit of comments written by Fred Barnes in *the Weekly Standard* on Aug. 11, 1997: "The point here is that Helms has gained strange, new respect not as many conservatives have — by moving left. Helms has earned it the hard way — by not moving at all."

That was and remains the political essence of Jesse Helms.

A Foreign Policy Legacy

Of course, this is true of Helms whether one is discussing domestic policy or foreign affairs. There is doubtless no other single senator who has had the impact on our nation's foreign policy in the past 30 years as Helms. From his steadfastness against Soviet tyranny and imperialism, to his understanding of hemispheric politics, and his contempt and disdain for the apparatchiks of the United Nations and its attendant foolishness, no senator has been more right on the issues that mattered.

From absurdly unenforceable arms "control" treaties to the pseudo one-worldism of the proposed Law of the Sea Treaty two decades ago, or any other number of symbolic treaties on genocide, an International Human Rights treaty, or nuclear arms oriented treaties, Helms' view has prevailed. And he has been proven right over and over again, from the barbarity of Fidel Castro to our victory in the Cold War.

As the dominant political forces in America today seem to have combined in acceptance of strong national government with little regard for constitutionalism, they also united in a suspect internationalism that smacks of empire. While we can and must take on some horrid enemies from time to time, we should not sacrifice our history or our national interests for transient purposes. Only when America and its way of life are in danger from abroad — as we are today — should we accept such international responsibilities. This, too, was a mainstay of Helms's mantra.

For the moment, with Helms retiring, the giants of our politics may be a thing of the past. Unlike Helms, there are no kingmakers in America anymore, and that is probably a good thing. But there are also few true leaders.

FUSS BUDGET

War, recession, and political idiocy

On Friday, Sept. 21 the North Carolina General Assembly finally passed a state budget. The second-to-last state in the union to do so, North Carolina has also experienced the longest general session in our state's history — with taxpayers rewarded for their patience with massive tax hikes and budget-busting spending increases.

With a tax increase approaching \$700 million in annual fiscal impact and more than \$700 million in new spending for fiscal year 2001-02—or a 5.2 percent increase over the current budget—the budget will damage the state's faltering economy. The new hikes, combined with property tax increases and other tax changes already approved this year, will push North Carolina's average tax burden to more than 10.3 percent of personal income. That makes North Carolina's tax burden far higher than that of any state in the Southeast, higher than the tax burdens of states such as Massachusetts and California, and higher than the national average for the first time in state history.

One must be skeptical of economic prognostication because economists often use static econometric models for analysis. Even those who attempt to use what is referred to as "legitimate dynamic scoring"—taking into consideration the dynamic effects of certain tax and budget changes to determine changes in government revenue and private prosperity from policy changes—have no true way to measure future behavior. One needs a reliable crystal ball for that and, thankfully, our culture has not yet degenerated into institutionalized mysticism.

Nonetheless, we can say with certainty that James F. Smith, professor of finance at the Kenan-Flagler School of Business, UNC-Chapel Hill, is right on the money when he observes that this state budget "is one of the all-time stupidest things by a legislature anywhere. It's a ridiculous budget... you don't raise taxes in a recession or even in a dismal economic environment."

As the entire nation slips into war and recession simultaneously, North Carolina appears to have been in a recession for some time now. Indeed, we now have the highest unemployment rate in the Southeast and experienced the most rapid rise in joblessness in the past year. Our state unemployment rate rose nearly one-third, from 3.6 percent in July 2000 to 5.3 percent in July 2001. In the face of these troubles, North Carolina is now the *only* state to have passed a large tax hike this year.

With the tax burden to go up an average of \$220 per household, North Carolinians are faced now with sharp income tax hikes, higher general sales taxes, and selective sales taxes on health insurance, telephone calls, alcoholic beverages, automobiles, and satellite television service. This is, quite simply, unconscionable.

Yet the worthies on Jones Street also saw fit to hike spending on several nefarious measures including a 1,400 percent increase in selected corporate subsidies for Gov. Mike Easley to "recruit" business to North Carolina. Frankly, this budget is riddled with dollops of wasteful spending to pad the politicians' paternalistic fantasies.

Some of them must think of the people of North Carolina as idiots. As an excuse for passing this fiscal monstrosity, Rep. Joe Hackney, D-Orange, actually had the temerity to say that this budget was necessary because "there is no better way to fight terrorism than through education."

The bizarre and costly actions of the Democratic majority in the North Carolina General Assembly aren't likely to be forgotten soon.

RED EYE

Will street corners now feature spy cams?

People who run red lights are a menace. This is also true of those who consistently fail to use turn indicators or routinely drive at excessive speeds. But turn signal and speeding violations do not generally occur in fixed locations as do red-light violations.

And so the North Carolina General Assembly authorized several municipalities in North Carolina to install red-light cameras at intersections to take photographs of the license plate numbers of those running red lights. Several objections have been raised regarding this policy, some of which arise from difficulties other states have encountered in using such systems—most notably California, where on Sept. 4 a San Diego judge tossed out 300 tickets issued as a

result of the use of such cameras.

The first objection is that red-light cameras violate one's "right to privacy." While those holding this position are screaming the loudest, it is actually the least objectionable aspect of the policy. A licensed driver on a public road is there only by virtue of a state-sanctioned privilege.

Constitutional Objections

The real problem here is twofold: The right of a citizen to face his accuser; i.e., a police officer in court rather than a camera and whether private interests should profit at the expense of taxpayers.

The lack of a direct charge lodged against a citizen by another human being would seem to make the red-light law a direct violation of both the Sixth Amendment to the U.S. Constitution and of Article I, Section 23 of the North Carolina Constitution. Conveniently, however, the new law in North Carolina reduces red-light running from a criminal to a civil offense. Yet if a law is intended to deter accidents and save lives by punishing reckless behavior, it should remain a criminal offense.

Confusion on Campus Free Speech

Pardon me the following tirade, please. "Patriotism," wrote Dr. Johnson, "is the last refuge of a scoundrel." In modern-day political debate, the rules have shifted. Today, that refuge is "free speech." We have heard a lot about freedom of speech as the usual leftist suspects have cropped up to spew their venom against America.

At the University of North Carolina at Chapel Hill, a September 17 "teach-in" — where so-called "experts" compared the United States to Middle-Eastern terrorists and Nazi Germany — led to hundreds of protesting e-mails to Chancellor James Moeser.

Critics pointed out that one speaker, radical journalist William Blum, suggested at the event that President Bush "apologize to all the widows and orphans, the tortured and the impoverished, and all the millions of other victims of American imperialism."

Another speaker was Raleigh activist Stan Goff, a member of the International Committee to Defend Slobodan Milosevic.

And UNC sociology professor Charlie Kurzman blamed "militarists" in the United States for the attack.

The Free Speech Dodge

What was the chancellor's response? "I will defend vigorously the rights of members of our community to free expression and assembly," Moeser predictably said, as if Joseph McCarthy were lurking outside his door.

Free speech isn't the issue. It is the culture of nihilism, collectivism, and lunacy that taxpayers are forced to subsidize on our state university campuses.

I have talked to many outraged North Carolinians. In the wake of this embarrassing episode, which has led to widespread national ridicule of UNC-Chapel Hill, they don't want to prevent professors or students from speaking or assembling. What they object to passionately is the sponsorship of the events by the university itself and the use of tax dollars to subvert American principles of individual liberty, free enterprise, and justice.

In the days before the September 17 event, art professor Elin O'Hara Slavick and other organizers promoted it as a university-sanctioned activity. So did UNC-Chapel Hill's public-relations office.

An item in the *University Gazette*, which my *Carolina Journal* colleagues read online on September 14, stated that "the teach-in is being sponsored by: Student Affairs, the Offices of the Vice-Chancellor and Chancellor; the Progressive Faculty Network; [and] the University Center for International Studies," among others.

Moeser denied having sponsored the event in e-mail exchanges with critical UNC-CH alumni, and the news item on the university web site was later changed to exclude the statement of sponsorship by his office (but not by other arms of the university).

Subsequently, the same band of kooks responsible

It appears the state is more interested in helping municipalities raise money than having municipalities properly invoke criminal statutes.

Which brings us to the next objection: private companies being contracted to run the systems while also leasing the hardware to the respective municipalities. While the new law stipulates that yellow- to red-light time-change intervals should be consistent with those already mandated by the Design Manual of the Signals and Geometrics Section of the N.C. Department of Transportation, there remains every incentive for municipalities and contractors to juggle the books to generate extra revenue and to inflate the quantity of citations issued to suggest they are dealing with the problem.

But again, running a red light, with all the risks involved, should remain a criminal violation. And so long as the police and the courts are doing their jobs, there seems little reason to saddle law-abiding citizens with a camera on busy street corners. The eye of government peers too closely upon us as it is. If we engage in criminal activity we should be pursued, caught, and charged. If not, we should be left alone without Big Brother on our backs. CJ

for the first event announced another one, scheduled for October 1 in Chapel Hill, with listed sponsors including the "UNC Political Science Dept." and "UNC Geography Dept." This event promised, among other important things, to inform students, professors, and other event attendees "how to organize actions against war."

I am a graduate of UNC-Chapel Hill, and am under no illusions about its predominant politics. Indeed, I found it all immensely entertaining when I was there in the 1980s, and would object strongly to

any attempt to exclude the Spartacist League, the various communist fronts, the befuddled socialists, the wacko environmentalists, and others from setting up tables and having meetings on the campus. College can be a stressful enterprise, so offering relief in the form of a yearlong circus of nutcases is an excellent way of improving the mental and physical health of the student body.

But crossing the line into sponsorship should simply be disallowed.

Taxpayers, not students or donors, pay most of the bill for the Department of Political Science, for example. So it has no legitimate business offering its "sponsorship" to fifth columnists during a time of war. Nor does the administration or any academic program or department.

There are minimal marginal costs associated with having an event in a classroom or auditorium, but any political group wishing to do so should be required to pay them. Moreover, university resources — such as press offices and web sites — should never be used to promote such events.

Troubling Signs of Political Bias

Chancellor Moeser already signaled a lack of understanding of his responsibilities as leader of an agency of state government when, in a "State of the University address" just before the September 11 attacks, he suggested that UNC-CH recapture family values from the "right wing" and help to abolish capital punishment.

These are important political issues, worthy of debate on campus and elsewhere, but Moeser does not enjoy the right to use taxpayer resources to champion them.

Moreover, he and other UNC leaders should take this opportunity to examine how campus culture has become so ideologically deformed and irrelevant during the past four decades, and what steps they can take to restore some semblance of rationality to what should be a place of learning and of reasoned and informed debate. CJ

Hood is chairman and president of the John Locke Foundation and author of *Investor Politics*, just out from the Philadelphia-based Templeton Foundation Press (www.TempletonPress.org).

Editorial Briefs

The Cost of Health-Insurance Socialism

Health care for the uninsured has become a major issue in many states, including North Carolina. Some misguided souls have proposed that we embrace a socialist, single-payer system as the answer, despite compelling evidence that the result would be an unmitigated disaster.

Now there is a new study examining the likely economic impact of implementing such a system in a state. The subject of the study was Maryland, where policymakers are examining ways to achieve universal coverage.

The options for discussion include expanding Medicaid (the federal-state health care program for low income families) or creating an insurance pool to cover the uninsured.

However, some reform advocates would go much further and reshape the entire health care system. They suggest a multi-payer system requiring employers to either offer health insurance or pay into a government-created system for the uninsured. Still others advocate a single-payer, government-financed system that would replace private health insurance and cover all residents of Maryland.

Applying its State Tax Analysis Modeling Program to Maryland, the Beacon Hill Institute found that all four approaches would incur major costs. Their analysts examined how each method of implementing universal health care would affect employment, payroll, tax revenues and the capital stock. Among the study's major findings:

- A single-payer system would be the most expensive, resulting in the loss of 117,531 jobs and a loss of \$4.8 billion in wage income in 2002.

- The job loss would be equivalent to an increase in Maryland's unemployment rate of 4.7 percentage points.

- By contrast, an expansion of Medicaid to cover the uninsured would cost 30,618 jobs and a loss of \$1.2 billion in wage income — causing the equivalent of a 1.2 percentage-point increase in the state unemployment rate.

- All four health care systems would require the state to raise additional tax revenues, say researchers, ranging from \$565 million for the multi-payer system to nearly \$12 billion for the single-payer system in 2002. To fund the single-payer system the state would have to raise the average effective personal income tax rate by 233 percent, from the projected 2002 effective rate of 5.01 percent to 16.69 percent.

Source: David G. Tuerck, "Universal Health Care and the Maryland Economy: An Econometric Analysis Using the Maryland State Tax Analysis Modeling Program," September 2001, Beacon Hill Institute for Public Policy Research, Suffolk University, 8 Ashburton Place, Boston, Mass. 02108, (617) 573-8750.

Europe Relies on Private Airport Security

U.S. experts have long studied and admired how airport officials in Europe manage security, but there hasn't been the will or resources over here to put European-style security measures into effect until now.

These security measures do not necessarily call for a larger federal government role, however, since in Europe individual airports rather than airlines bear more responsibility and often use contractors to deliver security services.

According to the Washington Post, in most European countries, the government-owned airport is ultimately in charge of security, but it hires private firms to perform the actual security functions at the passenger level.

Airport security guards are looked upon — and regard themselves — as professionals in Europe and the level of job satisfaction is high.

As a result, turnover in Belgium, for example, is 15 percent or less. Even the continent-wide average of below 50 percent is dramatically lower than in the United States — where turnover can range from 150 percent per year to as high as 400 percent. CJ

The Folly of Federal Fine-Tuning

By MICHAEL L. WALDEN

Contributing Editor

It's amazing how times change. When I started teaching economics more than 23 years ago, few people outside Washington, D.C. and academia knew what the Federal Reserve was, and they certainly didn't know who headed this institution.

Today, Alan Greenspan, chairman of the Federal Reserve, has celebrity status. But even more important, the Federal Reserve (the Fed) is now looked to as a savior of the economy whenever business activity takes a dip and jobs are threatened, as has been the case during the past year.

But is this faith in the Fed misplaced? Can the Fed really move the economy — that is, pump up the economy when it's down and slow the economy when it's too hot? And even if the Fed could do this, does its actions make the economy better, or could the Fed's policies actually make the economy worse? Let's see.

Visible Hand of Fiscal, Monetary Policies

Econ 101 teaches there are two major national, or macro (in economics lingo), economic policies used to steer the economy, fiscal policy and monetary policy. Fiscal policy is operated jointly by the president and Congress and involves manipulating tax and spending components of the federal budget. The standard recommendation is to reduce taxes and/or increase federal spending to speed up the economy, and to increase taxes and/or decrease federal spending to slow down the economy.

Monetary policy is run by the Federal Reserve. To boost the economy, the Fed cuts (short-term) interest rates and pumps more money into the economy. Conversely, to dampen economic activity, the Fed increases interest rates and slows money growth.

Fiscal policy has fallen out of favor due to the difficulty of attaining political consensus between a president and a divided Congress. Even the tax cut passed this year is more of a long-term reduction in taxes than a remedy to the slow economy of 2001.

Fiscal policy can also take a long time to implement as politicians argue about the mix of tax and spending changes. In fact, there are many historical examples of an antirecessionary fiscal policy being enacted after the recession was actually over!

This leaves the "heavy lifting" of government economic policy to be done by the Federal Reserve. For example, although a modest tax cut was enacted in 2001, all eyes have been trained on the Fed's monetary policy for the rising tide to lift the economic ship.

The Fed's actions to fine-tune the economy are based on the assumption that, at any point in time, there is one economic growth rate that will generate full employment with no, or low, inflation. A growth rate less than this magic rate will cause a rise in unemployment and a reduction in income, and a growth rate higher than the magic rate will generate unsustainable increases in income and wealth resulting in rapidly increasing inflation - irrational exuberance, to use Greenspan's phrase.

So, if the Fed decides current economic growth is higher than the magic rate, the Fed will try to slow the economy by increasing interest rates and reducing money growth. Both actions increase the cost of lending and decrease consumer and business borrowing and spending.

Conversely, if the Fed evaluates current economic growth to be less than the magic rate, the Fed will stimulate the economy by cutting interest rates and increasing money growth, thereby making it easier for consumers and businesses to borrow and spend.

But can the Fed know this magic growth rate? Despite the vast data the Fed can collect and analyze, the Fed can, and probably does, get the magic growth rate wrong. If so, then Fed fine-tuning, rather than smoothing the economic cycle, can actually add to economic stability.

Or, even if the Fed does correctly measure the magic growth rate, its aggressive actions to move the actual growth rate to the magic rate may increase the ups and downs in the economy. For example, aggressive actions by the Fed to stimulate the economy in 2001 may cause the economy to "overheat" in 2002. Thus, the Fed could be compelled to "calm" the economy in 2002 with interest rate hikes. So the Fed may very well follow a "speedup, slowdown, speedup, slowdown" policy of jerking the economy constantly up and down.

Last, Fed fine-tuning policies can fail because private decision-makers may outsmart the Fed. There's always an incentive for the private sector to try to predict what the Fed will do. The Fed's policy actions really depend on the element of surprise. To the extent private decision-makers correctly anticipate Fed actions, impacts of these actions are blunted and ineffective.

Should the Fine-Tuners Sit Down?

These issues raise the question of whether the Fed's fine-tuning does more harm than good. If the Fed's fine-tuning doesn't work, what's the alternative?

The alternative is to allow the economy to self-correct without the use of fiscal or monetary policy. For instance, if the economy is in recession, underutilization of resources will eventually lead to lower prices, and lower prices will prompt more spending and the hiring of additional resources. Likewise, when the economy is overheating, the resulting faster rise in prices will douse the economic flames.

And what would be the government's role in this self-adjusting world? In a phrase, the government's role would be stability and predictability. Fiscal policy would focus on enacting a stable, simple tax system that raises revenues sufficient for the essential functions of government. Monetary policy would work toward a steady, consistent growth in the money supply that provides sufficient liquidity for the economy.

In this world, not knowing the head of the Federal Reserve would be a good thing. CJ

Walden is a William Neal Reynolds Professor of Agricultural and Resource Economics at North Carolina State University.

*Easley Leads Raid on Taxpayers***Democrats Raise Taxes While Carolinians Go to War**

By RICHARD WAGNER

Editor

RALEIGH

The following test will measure your ability to reason, and ultimately to determine your fitness for public office in the state of North Carolina.

Please select one headline — and only one — in each group that obviously is incompatible with the other headlines:

- (1) U.S. Braces for War
- (2) A Lasting Memory of Fiery Horror
- (3) World Weeps with U.S.
- (4) Timeline: Attack on America
- (5) Won't Sign "Unbalanced" Budget, Easley Says

- (1) A Moment for Mourning
- (2) Sorrow and Solidarity
- (3) More Than 200 Still Missing at Pentagon
- (4) "Oh, God, We Pray for Peace"
- (5) Won't Sign "Unbalanced" Budget, Easley Says

- (1) Airlines Warn of Bankruptcy
- (2) Volatile Stock Market Plummet
- (3) Terrorist Attacks Will Have Lasting Effects in North Carolina
- (4) Tough Months Ahead for Economy
- (5) Won't Sign "Unbalanced" Budget, Easley Says

Now, give the test to your 7-year-old son or daughter.

Finished? Good. Now it's time to add up your scores. If you and your child marked everything BUT No. 5, then you have what it takes to be a high-ranking state official.

If you marked No. 5, then you are qualified to be a reluctant — if not rebellious — taxpayer in North Carolina.

The choices in this test were actual headlines that were published recently in local newspapers.

As difficult as any normal person might find it to believe, Gov. Mike Easley actually said — immediately after our nation declared war — that a half-cent sales tax increase being considered by the General Assembly was not enough.

Easley said during a special press conference he called September 17 that a two-year budget based on a House tax package would be short by more than \$480 million. North Carolina would need even more money than before, Easley said, because the state won't reap enough revenue during a wartime economy.

Easley's squeal for more money was based upon what he called an overly optimistic economic forecast composed by budget writers. The forecast had projected a 4 percent increase in revenue in 2001 and a 4.9 percent increase in the second year of the budget.

That forecast did not take into account the war's impact on the economy, the governor said in a blatant attempt to stampede the legislature. "The numbers now can only get worse," he said. "They can only be more out of balance. All of the experts and information we're getting is that we should expect a flatter economy and no recovery in the fourth quarter."

Easley's Answer: Higher Taxes

What the state must have, Easley said, is a statewide half-cent sales tax increase, a half-cent local-option sales tax increase, a half-percentage-point increase in the highest income tax bracket, and higher taxes on telephone calls, liquor, luxury cars, satellite television and HMOs.

Evidently a "balanced" budget to Easley was one that would embrace all-out spending and unbridled taxation. Underscoring that philosophy, Easley said he would veto any budget that does not include all of his tax increases.

A few days later, on Sept. 21, Easley got his wish — a budget approved by the House and Senate that raised more than \$1 billion in higher taxes over two years. Every Democrat voted for the tax increase. Every Republican but one, Rep. Monroe Buchanan of Spruce Pine, voted against it.

Never mind that the proposed budget was packed with pork-barrel projects, the governor and his cronies in the Assembly refused to make any credible attempt to cut

the budget and spare taxpayers further suffering.

At the top of the list sat the big, fat Global TransPark, which after 11 years has devoured at least \$42 million in direct state and federal funds, plus other costly subsidies. Everybody except those closely associated with the GTP abandoned the project long ago.

TransPark Will Never Fly

Now, in the aftermath of the terrorist strikes in New York City and Washington, D.C., aviation in this country lies in disarray. Everybody, except for pig-headed politicians, now must realize that pork like the GTP will never fly.

Axing the GTP would be just a start. Scores of other questionable projects, including state grants for localities to upgrade water and sewer projects, sucked hundreds of millions of dollars out of taxpayers' pocketbooks.

Indicative of officials' approach to budgeting was a \$7 million request by Senate President Pro Tem Marc Basnight.

Basnight wanted state agencies to find room in the budget for the state to buy a fishing pier and 660-foot stretch of beachfront property near a restaurant he owns in his home district on the Outer Banks, according to the *News & Observer* of Raleigh.

Given the pervasiveness of outright greed in the state's budget, it's inexcusable that the governor sank to the level of trying to cash in on a national crisis to further his party's agenda—at the expense of hard-working taxpayers.

Such an insult came from the governor while North Carolinians gladly have been volunteering their hearts, their money and their services to their country and their fellow countrymen. Many Carolinians have lost their jobs. As the economy continues to sour, many more will become unemployed, and others will be forced to sacrifice their standard of living. Any day now our sons and daughters will be laying their lives on the line.

America can go to war. The economy can go to hell. Families can eat cake. But politicians must have their pork.

America can go to war. The economy can go to hell. Families can eat cake. But politicians must have their pork.

Where Have All the Hyphenated Americans Gone?

By ANDREW CLINE

Managing Editor

RALEIGH

In the aftermath of last week's terrorist attacks, American leaders were quick to warn their countrymen not to lay false blame. In the well-chosen words of one editorialist, "Blaming Muslims for the attack of the World Trade Center and Pentagon is as stupid as blaming Lutherans for Hitler."

Alas, America has its share of stupid people, and the past week has seen some horrible acts of intimidation and even violence against dark-skinned, black-haired Americans. Reading about those boneheaded bullyings I was surprised at how rare they were, considering that for at least the past 35 years the American cognoscenti have been telling us, in effect, that we should judge people by the color of their skin and assume that all people of a certain color and background have similar experiences and ways of thinking.

In my lifetime, many politicians, celebrities and editorialists have emitted a constant, nearly unified chorus on the subject of race in which they have demanded that we treat people differently based on their skin color.

We are not "Americans," they have said repeatedly, we are "African-Americans," "Asian-Americans," "Arab-Americans" and so on. Each person within a particular ethnicity or racial classification is to be treated as a representative of that group. There is no longer one American community, there is an "African-American community," an "Arab-American community," a "Jewish-American community," etc.

This ideology has been taken even further by those

who preach the doctrines of collective responsibility and collective guilt. Under these theories, all people of one group are responsible for the actions of all others within that group. The theory sounds really nice to members of minority groups when applied to Americans of Northern European descent within the context of debates over slavery reparations or affirmative action. But as soon as the tide is turned, the argument suddenly loses its appeal.

After an entire generation's worth of this type of talk, it's amazing that so few Americans reacted to the tragedy by blaming all Arab people or all Muslims.

After all, if all white Americans should be made to pay for the sins of other white Americans who committed racist acts, then why can't all Arabs be held responsible? The answer, of course, is because the theory itself is nonsense.

Where Is Louis Farrakhan?

Suddenly we no longer hear Louis Farrakhan shouting that all white people are the devil, we hear him condemning the terrorists who view all Americans as the devil. We don't hear minority leaders urging us to consider race as a factor; we hear all leaders urging us to see each other as Americans and not as members of ethnic or racial subdivisions.

Now that it's not economically and politically beneficial to argue that race or ethnicity should be a factor in how we judge others, the argument has quietly vanished and been replaced with its own counterargument, that it is meaningless and we should all strive to be as colorblind as possible.

Of course it's impossible not to notice the shade of someone's skin. But it is possible not to use that physical

characteristic as a basis for prejudging a person's character or beliefs.

This is what one side of the American political spectrum has been arguing for decades. Finally, the other side seems to have suddenly discovered that maybe this is a good idea after all.

During the Los Angeles riots, when black rioters were attacking Asians and Caucasians for no other reason than that they happened to have the wrong skin color, some commentators defended the rioters by arguing that the racial violence was the result of understandable pent-up anger that needed to be unleashed and, though it was let loose in a wrong way, we shouldn't be too quick to condemn.

Where Are the Commentators?

So, where are those commentators now that a few ignorant white Americans are taking out their anger on Arabs and Sikhs?

To America's credit, her citizens have by and large lived up to their ideals in the wake of this terrible tragedy. Despite a generation's worth of preaching from cultural elites that "race matters," Americans have responded to an attack by men of one particular ethnicity and religion by saying "race doesn't matter, individual responsibility does." If only radicals who claim to adhere to Islam, such as the leaders of the Taliban, which currently holds eight Westerners prisoner for the "crime" of preaching Christianity, were so tolerant.

CJ

Cline, who until recently served as the managing editor of CJ, is now editorial page editor for the Manchester Union Leader in New Hampshire. We wish Drew the best of luck in his new endeavour.

Patriotism Soars

Symbols of patriotism and support for the United States are flourishing. On Sept. 22, Locke Foundation Vice President Don Carrington and 15 other skydivers built USA over the Carolina Sky Sports parachute center in Louisburg. Carrington, who designed the jump, is in black and red as part of the letter A. Free fall photographer Peter Matos

captured the image with his helmet-mounted camera. The team included jumpers from Chile, Denmark, Hungary, and North Carolina. The Federal Aviation Administration prohibited skydiving and other general aviation activities for several days following the terrorist attacks of Sept. 11. Most general aviation activities are now allowed.

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