

Taxpayers, Lawyer Exploring Constitutionality of Tax Increase

State's highest earners expected to challenge retrospective income tax

By PAUL CHESSER
Associate Editor

RALEIGH
Six months after Gov. Mike Easley signed North Carolina's budget into law, opponents of a retroactive income tax increase included in the measure may be close to suing the state because they say it is unconstitutional.

Activist taxpayers have enlisted Raleigh lawyer Gene Boyce to research whether the tax rate, elevated from 7.75 percent to 8.25 percent for the state's highest earners, was illegal. Easley signed the budget Sept. 28, after a prolonged debate in the House held it up well into the current fiscal year. The General Assembly set the half-percent increase effective Jan. 1, nearly a full nine months before it became law.

The N.C. Constitution says in Article I, Section 16, "No law taxing retrospectively sales, purchases, or other acts previously done shall be enacted."

Legislators disagree

Legislators who supported the retroactivity believe it is constitutional because taxpayers don't know what they owe until the end of the year.

"It's clear that this is a tax based on a calendar year," said Sen. John Kerr III, D-Goldsboro, who cochairs the Finance Committee. "I don't think there's any question about that."

Kerr cited a 1921 decision by the U.S. Supreme Court, issued after the N.C. legislature passed the Income Tax Act, which included taxes retroactive to Jan. 1 of that year. The court ruled the tax permissible, because it was "based upon the net income of the calendar year." Kerr said the legislature received its legal advice based on that decision, among others.

But Boyce believes that required tax withholding and quarterly estimated payments, which were not in effect in 1921, change the nature of retroactivity. Citizens paid their taxes at the end of the year in 1921. "We pay taxes on a 'pay as you go basis,'" Boyce said, "not four months after the end of the year. It is money earned and



Raleigh lawyer Gene Boyce has been researching the constitutionality of the North Carolina General Assembly's retrospective tax increase last September.

received and taxed throughout the year."

Republicans in both chambers of the Assembly opposed the entire budget, but said they raised the unconstitutionality of retrospective tax increases during debates.

"I've never had any question that they can't do that legally," said Rep. Fern Shubert, a Republican from Union County who is also an accountant. "But the attitude...is that it's legal until somebody says otherwise."

Republican Sen. Hugh Webster, also a CPA, said, "It changes the tax on what we earned in January. The bill was enacted at the end of September."

Retroactivity, law, and the courts

Boyce believes what he has found in his research will prove that the legislature violated the constitution when it implemented the income tax increase last year.

Before 1868, no constitution in the country forbade retroactive tax laws. Boyce said that until then, under North Carolina's first constitution, taxing wages and income previously earned after the fact was permissible in the state.

Four people were convicted in the immediate years leading up to 1868 because they refused to pay retroactive taxes.

Gene Boyce's record against state officials: five wins, zero losses

By DON CARRINGTON
Associate Publisher

RALEIGH
Gene Boyce's law office on the north end of Fayetteville Street Mall in downtown Raleigh is just 100 yards away from the entrance to the State Capitol, which houses Gov. Mike Easley's office. If Boyce travels another 200 yards he can reach the front door of Easley's old office, now occupied by Attorney General Roy Cooper.

Working in such close proximity does not necessarily create a congenial atmosphere for these three high-profile attorneys — who have had some high-profile battles.

Easley, as North Carolina's attorney general, defended the state against a team of lawyers led by Boyce in five costly and lengthy legal battles.

Boyce won. Easley lost.

In all cases, with the concurrence of his plaintiffs, Boyce had offered to settle for much lower amounts. Easley refused and eventually the state was obligated to pay much more.

One case was over income taxes illegally collected from state and federal government retirees. A second case was over the loss of disability benefits for teachers and state employees. Three cases were over improper tax treatment of intangibles such as stocks.

Boyce shared a summary of the cases with *CJ*. According to Boyce's records, his team recovered more than \$1.5 billion for all five cases.

While Cooper has not opposed Boyce in court, Boyce's son and law partner Dan Boyce was Cooper's Republican challenger in the 2000 general election for attorney general.

What will Cooper do if Boyce brings a lawsuit against the state for the retrospective income tax increases?

Cooper may think he has a better case, or is merely a better attorney than Easley.

On the other hand, he may advise his client, the State of North Carolina, that the taxes were illegal and he does not wish to go to court like Easley did. *cj*

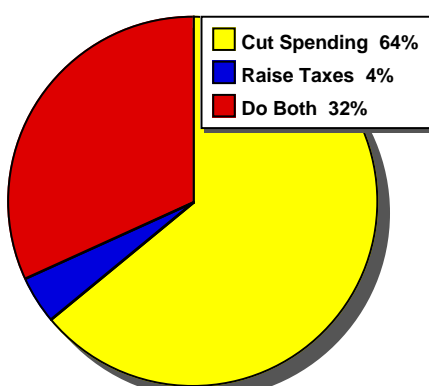
Boyce says those cases received great public attention and the interest of William Rodman, a lawyer from Beaufort County. After the Civil War, Rodman was a delegate to North Carolina's constitutional convention of 1868, when the state reestablished its form of government. Rodman was chairman of the Judicial Committee, and would not forget the issue of retroactive taxation.

According to Boyce, the initial "Report of the Standing Committee on Preamble and Bill of Rights" contained anti-retroactive laws related only to criminal acts. No mention of tax law was included.

When Rodman's committee took up the report, it considered several changes to the "Declaration of Rights," including a sentence that would not allow retroactive taxation. Later, after debate and amendments, the single sentence was added to the *ex post facto* clause under Article I of the Declaration of Rights. The first article of the 14 Declaration[s] of Rights explains freedoms and property rights for all citizens and the limitations of government power, much like the Bill of Rights in the U.S. Constitution. Boyce says it is significant that the retroactive tax law was included in

Continued as "Tax constitutionality," Page 3

Best Way to Solve Fiscal Crisis



% of NC Business Execs in March 2002 JLF Poll

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ON THE COVER

• It could be *deja vu* all over again. Raleigh lawyer Gene Boyce, who has successfully sued the state over unconstitutional tax issues in the past, may be gearing up for another battle because of the General Assembly's retroactive income tax increase last year. *Page 1*

NORTH CAROLINA

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PARTING SHOT

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Author Jerry Bledsoe to Speak About New Book at Luncheon

Jerry Bledsoe, an author best known for his books detailing accounts of true crimes, will be the featured speaker at a John Locke Foundation luncheon in Raleigh on April 29. The program starts at noon at the Brownstone Hotel.

Bledsoe will discuss the Randolph County-based true story detailed in his new book *Death by Journalism? One Teacher's Fateful Encounter with Political Correctness*. In the book, Bledsoe studies a Civil War class offered by Randolph Community College in 1998, and the Greensboro News & Record's questionable treatment of the course and instructor. The teacher, historian Jack Perdue, died of a heart attack during the controversy. Family, friends, and students believed he was the victim of irresponsible journalism and political correctness.

A resident of Asheboro, Bledsoe was born in Danville, Va., and grew up in Thomasville, N.C. He is a highly acclaimed writer best known for his meticulously researched and responsibly written crime chronicles, providing insight into the complexities of the lethal mind.

His first true-crime book, *Bitter Blood*, evolved from a criminal case he covered as a reporter in North Carolina. Published in 1988, the book was on *The New York Times* best-seller list for six months, half of that as No. 1. After it was turned into a television mini-series, "In the Best of Families," which aired on TV in 1994, the book returned to the best-seller list. His second true-crime book, *Blood Games*, was also a best-seller that was made into a movie, "Honor Thy Mother," which aired in 1992. *Before He Wakes*, his third true-crime book, was also made into a TV movie. Bledsoe's book, *Death Sentence: The True Story of Velma Barfield's Life, Crimes & Execution*, was released Oct. 1,



Author Jerry Bledsoe

1998, by Dutton.

In addition to his crime books, Bledsoe is the author of nine other titles. His first book, *The World's Number One, Flat-Out, All-Time Great Stock Racing Book*, is an up-close look at the rough and rowdy racing circuit. *Blue Horizons* is an account of a bicycle tour he made of the scenic Blue Ridge Parkway. *The Angel Doll* is Bledsoe's first published work of fiction. An inspiring Christmas story based on memories of his childhood, the book became an instant bestseller when it was first published in October 1996 by Down Home Press. The book, which was excerpted in *Good Housekeeping*, has been optioned for a movie.

Before becoming an author, Bledsoe was a columnist and reporter at *The Char-*

lotte Observer and the Greensboro News & Record. He also served as contributing editor of *Esquire* magazine from 1972 until 1975, and his work has appeared in other national publications, including *The New York Times*, the *Washington Post*, and *New York* magazine.

As a journalist, he twice received the National Headliner Award and also the Ernie Pyle Memorial Award. His work has been nominated for a Pulitzer Prize four times and also for an Edgar. In addition, he has made numerous appearances on national radio and television shows, including serving as a panelist on the TV series "Police Beat."

The cost of the luncheon is \$15 per person. For more information or to preregister, contact Kory Swanson at (919) 828-3876 or events@johnlocke.org.

Shaftesbury Society

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

Shaftesbury is on a two-week hiatus during the first two weeks of April while the Locke Foundation conducts a statewide "Tax Awareness Tour." More information on the tour, which includes rallies, luncheons, and other activities, is available at www.JohnLocke.org.

On April 22, lawyer Roger Knight will speak at Shaftesbury. He serves as counsel for the Town of Wake Forest Planning and Zoning Board, and was counsel to former Gov. Jim Martin.

Taxpayers, Lawyer Exploring Constitutionality of Tax Increase

Continued From Page 1

this "basic human rights" section, and not under Article V, which addresses "Revenue and Taxation."

The state constitution was adopted by the convention, which adjourned in March 1868. Citizens ratified it in April 1868, and as required, Congress did also.

The new law was first tested in 1877, when the Town of Henderson attempted to impose a sales tax. The ordinance called for "a tax of 25 cents on each \$100 worth of merchandise purchased for twelve months prior to May 1st, 1876."

Rodman had become a justice of the Supreme Court of North Carolina, and he wrote the opinion, which read: "The tax on purchases by merchants is retrospective, which is forbidden by Art. I, Section 32 of the Constitution. It is impossible to maintain that any part of the tax levy is good. The illegality pervades it all."

In 1936 Wachovia Bank challenged the legislature's ability to impose unemployment taxes retroactively, when lawmakers backdated the effective date to Jan. 1 in a law that wasn't passed until December 1936.

The N.C. Unemployment Compensation Law levied taxes paid by employers "with respect to wages payable for employment... the amount payable was nine-tenths of one percent of wages payable by the employer."

The Supreme Court unanimously decided that "contributions 'in respect to employment' is in effect a tax upon an act or acts...in so far as the act attempts to require the payment of contributions 'in respect to employment' for the year 1936 it is retroactive and is in direct conflict with the provisions of Article I, Sec. 32, of the Constitution and is void."

Decisions supporting retroactivity

Legislators such as Kerr today who believe last year's tax increase is constitutional point to a 1923 court decision in which the U.S. Supreme Court upheld retroactive taxation.

The Atlantic Coast Line Railroad Company claimed several constitutional problems with the legislature's passage of the Income Tax Act of March 8, 1921, one of which was the issue of retroactivity. Justice Brandeis ruled those claims "unfounded," because the "tax [is] based upon the net income of the calendar year."

Likewise, they rely upon a 1931 Georgia court decision that said a year's income "is treated as one thing, not made up of several portions or items."

However, mandatory withholding and quarterly payments were not required until 1942 during World War II. Boyce said, "We pay taxes on a 'pay as you go' basis — not four months after the end of the year." He said the fact that taxes are due in advance changes the nature of retroactivity.

Other arguments

In 1995 two deputy attorneys general from North Carolina provided Kerr, per his request, with a legal opinion about retroactive taxes and their constitutionality.

At the time the legislature was considering repeal of the intangibles tax and substituting an additional 1 percent capital gains tax.

In addition to the cases mentioned earlier, the two attorneys wrote that "North Carolina's income tax is actually assessed in the calendar year following the taxable year for which the assessment is made."

They say their claim is found in General Statute 105-134.2 (actually 134.3). However, they ignore a clause in that statute that

N.C. Tax Retroactivity: A Selected History

- 1776** First state constitution ratified that allows for retroactive taxation.
- 1865-67** Criminal convictions upheld by state and federal supreme courts for citizens who refused to pay taxes in four separate cases, attracting attention of lawyer William Rodman.
- Jan. 1868** Post Civil War, delegates assemble in Raleigh for the "Constitutional Convention of 1868." Rodman is named chairman of the Judicial Committee.
- April 1868** The people ratify the Constitution of 1868, including rights that "no law retrospectively taxing sales, purchases or other acts previously done [shall] be enacted."
- May 1876** The Town of Henderson enacts a tax of "25 cents on each \$100 worth of merchandise purchased for twelve months prior to May 1, 1876." State Supreme Court Justice Rodman rules the tax retroactive and illegal.
- March 1921** The state passes into law the Income Tax Act of March 8, 1921, imposing taxes of 3 percent on the income of corporations, retroactive to Jan. 1, 1921. U.S. Supreme Ct. Justice Brandeis rules the tax legal, "based upon the net income of the calendar year."
- 1931** The Georgia Supreme Court rules that a year's income is considered "as one thing, not made up of several portions or items."
- 1935** In a decision by the U.S. Supreme Court, tax "assessment" is defined in part as "owe[ing] the sovereign the amount when the date fixed by law for payment arrives."
- Dec. 1936** The General Assembly ratifies the North Carolina Unemployment Compensation Law, levying a tax for the entire year 1936 payable by employers for wages paid. A unanimous state Supreme Court declares the tax retroactive, unconstitutional, and void.
- 1943** Income tax withholding introduced at federal level, with most states following closely behind, including North Carolina. Citizens are now required to pay taxes as they receive income — not at the end of the year.
- 1979** The 2nd U.S. District Court said "an assessment of a tax as defined consists of no more than the ascertainment of the amount due and the entry of that amount on the books..."
- 1979** The Ohio Supreme Court says a taxable transaction "is the realization of income."
- Sept. 2001** Gov. Mike Easley and the General Assembly pass an income tax increase of a half percent on the income of the state's highest earners in the four tax status categories. The tax is made effective retroactive to Jan. 1, 2001.

Sources: Attorney Gene Boyce, FindLaw.com

adds, "except as provided to the contrary in Article 4A of this Chapter." Article 4A outlines withholding and estimated tax payment laws and penalties.

Curiously, the attorneys also mention an Ohio decision in which a "transaction taxable is the realization of income."

In other words, upon a worker's realization of income (paycheck), that constitutes a singular transaction to be taxed. Such an implication might undermine a defense of retroactivity.

But the main argument that supporters make for back-taxing is they believe income tax "assessment" is not effective until up to April 15 after the taxable year.

The two attorneys wrote, "a statute merely increasing the rate of taxation upon net income enacted relatively shortly after the events producing gross income does not constitute retrospective taxation forbidden by the North Carolina Constitution."

What is a "transaction?"

But since citizens have been required to

pay taxes through withholding and estimated payments since World War II, Boyce said those taxable "transactions" occur repeatedly throughout the year.

He said there are several U.S. court rulings in which an "assessment" is defined as current — not at the end of a year.

For example, a 2nd U.S. District Court ruling in 1974 held that "an assessment is an administrative determination that a certain amount is currently due and owing as a tax. It makes the taxpayer a debtor in much the same way as would a judgment."

There may be a problem with all the case law cited by both sides when defending their positions: North Carolina seems to have the only constitution, federal or state, that prohibits retroactive tax.

Defenders of the new tax increase generally look to federal court decisions, but those mostly harken back to pre-withholding days.

Nor do the federal courts, for the most part, interpret the state's unique anti-retrospective clause in the light of current withholding requirements.

Still, supporters of mid-to-late-year tax

increases are comfortable that U.S. courts have settled the matter.

"Withholding is just a method of accumulating the tax that's supposed to be paid at the end of the year," said Sabra Faires, assistant secretary for tax administration for the Department of Revenue. "It doesn't change the fundamental concept upheld that a change in midyear is not unconstitutional."

Who may sue

For a lawsuit to proceed, qualified taxpayers would have to become plaintiffs. Boyce said they would have to fit into the tax brackets that have had taxes raised, and have paid their taxes under protest, requesting a refund, by stating so on their returns.

It appears the General Assembly never sought a legal opinion on the constitutionality of last year's increase.

"I don't remember that being questioned," said State Sen. David Hoyle, D-Gaston, who cochairs that chamber's finance committee. "To my knowledge [it] never came up." cj

Around the State

• Gov. Mike Easley said, when he announced cuts to deal with the state's \$1 billion budget shortfall, that classrooms would be "held harmless," meaning instruction of students would not be negatively affected. However, several news reports revealed that county school systems around the state are considering cutbacks because Easley withheld \$209 million in tax reimbursements to local governments. The *High Point Enterprise* reported that while Guilford County schools aren't under immediate scrutiny, county officials said "sparing the schools from cost-cutting is a short-term situation." According to the *Chapel Hill News*, Orange County schools face large reductions for capital spending and repairs and renovations. The *Fayetteville Observer* reported that the Scotland County school board approved a resolution to exempt the county from the state's mandated spending "floor," so it won't have to fund schools at the state's per-pupil average. The General Assembly must approve such a move.

• Another of Easley's hopes in finding relief for the budget shortfall was the possibility of the federal government paying for a larger portion of the states' responsibilities for Medicaid claims. Governors from across the country had lobbied hard for Congress to include such funding as part of a sharply debated economic stimulus package. Their hopes were dashed when a limited stimulus bill was passed without the additional Medicaid funding.

• North Carolina candidates with aspirations for federal office are receiving increased attention from the national media. Sen. John Edwards has traveled to high-profile presidential primary states in recent months, with ABC News touting the promise of a potential campaign. However, Edwards came under fire from conservative-leaning media in March, because of his leadership on the Senate Judiciary Committee in opposing President Bush's nomination of U.S. District Court Judge Charles Pickering to the 5th Circuit Court of Appeals. Edwards was grilled by "Fox News Sunday" host Tony Snow March 10. Snow cited accusations that Edwards is using the nomination to score political points with Democrats, which Edwards called "nonsense." Syndicated columnist Robert Novak wrote that Edwards opposed Pickering because the judge "flunks the abortion test," and that Edwards can't risk losing support "by offending the feminist lobby."

• Saying she "flops more often than a drunken acrobat does," conservative syndicated columnist Armstrong Williams called senatorial candidate Elizabeth Dole a carpetbagger who "hasn't taken a sustained sniff of North Carolina air in 40 years."

He unrelentingly criticized Dole's lack of substance, calling her "a celebrity, not a politician." He also said "all of her Republican primary opponents... who boast established roots in the state... are far more socially conservative than she." *CJ*

*Buchanan denies delivering grant check***Fakery Surrounds Presentation of Grant Award**

By DON CARRINGTON

Associate Publisher

RALEIGH

The caption under a front page photo accompanying a March 14 story in the *Hickory Daily Record* says Rep. Monroe Buchanan gave a \$400,000 check for a state grant to Granite Falls Mayor Barry Hayes. But was it actually a check?

"Granite Falls Mayor Barry Hayes, left, accepts a check for \$400,000 from Rep. Monroe Buchanan on Wednesday. The grant monies will allow the town to make improvements to its water treatment plant," the caption said.

The news story was faxed to *CJ* from a Hickory resident who thought the practice of legislators personally handing over public funds was a violation of state law.

Hand delivering checks is a violation of state law, but *CJ* also has learned that it wasn't actually a check.

So did the reporter get it wrong, or was he misled?

The district of Buchanan, R-Mitchell, includes part of Caldwell County, where Granite Falls is located.

When asked about the check, he told *CJ* "No, someone's mistaken or misunderstood something. It was not a check." He said he had not seen the news story.

Kim Gilliland, the *Daily Record* reporter, told *CJ* that the impression that he was given was that Buchanan was handing over an actual check.

The Rural Economic Development Center board of directors approved a round of grants March 12 and the actual checks have not been issued. Buchanan was at the meeting.

At the meeting he obtained a letter from the Rural Center to the town. He contacted them and said he would personally deliver it the following day.

Granite Falls Town Manager Linda Story told *CJ* she notified the newspaper

"Someone's mistaken or misunderstood something. It was not a check." — State Rep. Monroe Buchanan, R-Mitchell

State Rep. Monroe Buchanan presents grant award to Granite Falls Mayor Barry Hayes.

Photo courtesy Hickory Daily Record

that Buchanan was coming, but she did not remember anyone at the event specifically referring to an actual check or to a letter of notification.

Story told *CJ* she had seen the article, but had not called the paper to correct it, leaving readers to believe that Buchanan actually delivered checks to his constituents.

A state law designed to prohibit legislators from delivering checks may apply in this case even though the public grant was funneled through the nonprofit Rural Center.

A story in the April 1997 edition of the *Carolina Journal* chronicled news stories of legislators actually handing over checks. That story also pointed out that grant money from state government to nonstate groups must be handled in a specific way. At the

time, several legislators told *CJ* that the law was put in place in 1995 to prevent legislators from getting media coverage delivering checks to groups in their districts.

N.C. General Statute 143-3.2, titled "Issuance of Warrants Upon State Treasurer; Delivery of Warrants and Disbursements for Non-State Entities," states, "All warrants issued for non-State entities shall be delivered by the appropriate agency to the entity's legally designated recipient by United States mail or its equivalent, including electronic funds transfer."

"Legislators do not have any control over grants because the grants go to local governments, not the legislators," said Julie Haigler, program director of water and sewer programs for the Rural Center. "What a legislator chooses to do in his announcement is up to him."

Asked why a legislator would be involved in a check distribution photo, she said, "Because they approved the bond issue to begin with." *CJ*

Overdue TransPark Report Is Still Incomplete

By DON CARRINGTON

Associate Publisher

KINSTON

Two public hearings about the future of the Global TransPark Education and Training Center drew a total of about 70 people March 12 in Kinston. The afternoon and evening meetings, led by Parker Chesson, a consultant hired by the N.C. Board of Community Colleges, were conducted at the facility.

The publicly funded building is owned and operated by the GTP Authority. It was completed a few years ago at a cost of more than \$6 million. The training center is a 33,000-square-foot building designed to train thousands of workers that were expected to be employed at the GTP.

The GTP has attracted no manufacturing jobs since its inception more than 10 years ago. The John Locke Foundation estimates that more than \$200 million has been spent on the GTP and related projects.

While the hearings were to be focused on the possible disposition of the center, nearly every speaker first voiced their opinions on the entire GTP project.

Kinston City Attorney Vernon Rochelle, a longtime GTP supporter, objected to the study.

"I don't know how you can take this except as another slap to Eastern North

Carolina. Maybe they would rather pay us welfare than help get us jobs," he said.

New Bern resident Michael Speciale said, "They should give Lenoir Community College the opportunity to show that they can maintain the building or we should dismantle it, sell the pieces, and give money back to the taxpayers."

"The GTP is making a mockery of all the citizens in Eastern North Carolina. We would have been better off investing in a UFO landing facility," Bill Harper of New Bern told *CJ* after the hearing.

Last September, through special provisions in the budget bill, the Assembly ordered the preparation of two plans for terminating state involvement in the project.

The Department of Transportation's Aviation Division was ordered to "study the transfer of the Global TransPark airport fixed assets and operations from the Global TransPark Authority to another appropriate entity," presumably a revived Kinston-Lenoir County Airport Authority.

The State Board of Community Colleges was ordered to "study the transfer of

the Education and Training Center from the Global TransPark Authority to an appropriate public educational entity," such as Lenoir Community College.

Both studies were to be reported to the Joint Legislative Transportation Oversight Committee and to the chairmen of the Senate and House Appropriations committees by Feb. 15.

DOT and Community College officials blame the missed deadlines on the long legislative session, even though the special provisions requiring the studies were included in the Senate's original budget released last May. DOT spokesman Bill Jones told *CJ* that he had been assured by

DOT chief Deputy Secretary Gene Conti that DOT's study has not been completed. "When complete, the results will be presented to the Joint Legislative Transportation Oversight Committee in April. It will be available at that time," he said. That meeting will take place April 2.

Chesson told the attendees that his draft for the Community College Board will be done by April 15 and his final version by May 15. *CJ*

"We would have been better off investing in a UFO landing facility." — New Bern resident Bill Harper on the Global Transpark project

*Region's officers accused of accepting bribes***DMV Under Fire: Newspapers Investigate Scandal in Woodfin**

By PAUL CHESSER

Associate Editor

RALEIGH
A scandal involving the Division of Motor Vehicles, which initially stirred intense interest in western North Carolina, has attracted the attention of newspapers across the state.

Attorney General Roy Cooper possesses a State Bureau of Investigation report that examined allegations of ticket fixing and bribery in the western region of DMV.

District Attorney Charles Hipps requested the investigation after James Ferguson, chairman of the Soil and Water Conservation Commission and a powerful Democrat tied to former Gov. Jim Hunt, was handed a speeding ticket for driving 99 mph in a 60 mph zone. The SBI reports to Cooper.

The DMV officer who issued the citation, C.H. McMahan, Hipps said, had been told by his superiors to skip Ferguson's court appearance, forcing Hipps to dismiss the case, the *Asheville Citizen-Times* reported. Hipps later had the charge refiled. McMahan appeared for the second court date, and Ferguson was given a brief suspended sentence and \$150 fine.

The investigation broadened to examine practices in the entire western region. Allegations of DMV officials accepting bribes at weigh stations and ticket fixing have dogged the enforcement agency since at least the 1980s.

The investigation was exposed in February when portions of the report were leaked to media organizations, including the *Citizen-Times*. The leak revealed an apparent blackmail attempt of Woodfin's Police Chief Pete Bradley, who had admitted his participation in parties in which men wore diapers for sexual pleasure.

The oddities were revealed because the SBI was investigating DMV corruption with Bradley's cooperation. Bradley was a former DMV officer who had accused Woodfin Mayor Homer Honeycutt of fixing tickets.

Bradley gave the SBI a letter he had received that indicated knowledge of his sexual behavior, and he said it was a warning for him not to talk to the SBI.

Bradley was fired by the Woodfin town board in late February after the revelations. He was denied an appeal for reinstatement.

Bradley also told the *Citizen-Times* that as a DMV officer he was pressured to make campaign donations to Democratic candidates in exchange for the promise of a pro-



Attorney General Roy Cooper

motion. He said officers who did so were considered "team players."

"It was standard, accepted procedure in order to gain, maintain, and advance

your career to make donations to state officials via your supervisor," he told the newspaper.

The SBI had sent its report to three area district attorneys, including Hipps. Eight months ago the district attorneys forwarded the report back to Cooper's special prosecutions section, and as of press time it was unclear whether charges would be filed.

Despite the leaked portions of the report, Cooper refuses to release the entire report, as has been requested by the *Citizen-Times*. Nor will Cooper comment on the status of the investigation.

"We're reviewing the entire matter, and we are taking it very seriously," Cooper told the *Citizen-Times*. "I wish I could say more, but this is a law enforcement investigative matter and it is confidential."

The newspaper has reported that it may file a lawsuit seeking the release of the complete report.

Rep. Mark Crawford, R-Buncombe County, requested that Cooper, a Democrat, allow him to view the entire SBI report. Cooper had not responded to the request at press time.

Former DMV officer David Brookshire is suing the agency for wrongful termination, alleging the agency took bribes and fixed tickets. Brookshire was accused of the same things, but he said that supervisors told him to do so and that the practice was common throughout the western region of DMV. CJ

*Bayer CropScience decides to stay in RTP***Governor Takes Specious Credit For Economic Development Moves**

By DON CARRINGTON

Associate Publisher

RALEIGH
Most economic development announcements are generally received as good news, but state politicians often add spin that take on a character all its own.

Gov. Mike Easley issued a statement Feb. 28 on Bayer CropScience's decision to locate its business headquarters in the Research Triangle Park. The release stated: "Bayer's announcement sends the message that North Carolina is doing what it takes to be successful in the new economy. While

other states are putting on the brakes, North Carolina is moving forward. Not only do we have tremendous assets like the North Carolina Biotechnology Center and the best research universities in the country, but companies like Bayer are choosing to locate here because they know we are

focused on growing our way out of this slow economy by investing in our workers and our schools."

In October, Bayer announced that it would be purchasing Aventis CropScience. Aventis has its North American headquarters and about 600 employees at RTP.

Bayer spokesman Greg Coffey told *CJ* that RTP would be the business headquarters of the newly merged crop science operations, but that Kansas City, where Bayer already has 900 employees in crop science, will become the company's core technol-

ogy center and U.S. regional sales office.

According to a report March 1 in *The News & Observer* of Raleigh, employees of the new Bayer CropScience "can't rest easy just yet." The newspaper said the company planned layoffs once the acquisition of Aventis CropScience was completed, which was expected at the end of March. About 4,000 of almost 23,000 positions within the companies' worldwide operations were expected to be downsized.

Easley's statement not only failed to tell the whole story but cited factors that Bayer has not acknowledged. Coffey told *CJ* he had no comment on Easley's statement.

The governor's announcement is reminiscent of a barrage of similar claims he made during a one-week period in December, shortly after he traveled to Chicago to promote North Carolina to economic development consultants. His office announced that four manufacturing plants would be built in the state. However, *CJ*'s analysis of the information in the four press releases revealed that Easley's administration had misrepresented some of the circumstances surrounding the events.

Two of the press releases included plants announced by the companies months beforehand. Another announcement featured tobacco processor Universal Leaf, which announced in May 2001 a new plant in Rocky Mount, where economic developers offered large financial incentives for the company to locate. CJ

"Bayer's announcement sends the message that North Carolina is doing what it takes to be successful..." — Gov. Easley

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- "They have been doing a great job all over the country educating people."
— President George W. Bush
- "CSE is a great organization . . . The hundreds of thousands of volunteer activists that are members of CSE are vital to this country's economic prosperity."
— U.S. Rep. Richard Burr of Winston-Salem
- "You guys are everywhere! CSE is a great organization. CSE, thanks."
— Sen. John McCain



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

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School Reform Briefs

• A partnership between Guilford County Schools and Guilford College will allow high school students to earn two years of college credit hours while still in high school. The program, Early College, will let ninth- and 10th-graders take advanced high school courses on the Guilford College campus.

Juniors will take a full load of Guilford College courses, and everything will be paid for by the school district.

Guilford County Schools Supt. Terry Grier expects the program to start this fall with at least 80 ninth- and 10th-graders, and about 20 juniors.

Only a few districts in the nation offer a similar program, but this will be the first in North Carolina. "There are a lot of details to be worked out," said Kathy Adams, Guilford College's interim academic dean. "But we are committed to starting this fall and making it work."

Gries said the costs of the program are minimal. The school district will give Guilford College \$5,600 per junior student — the same amount in state and local money the district pays for each local student who attends a charter school. The district won't have to pay anything for freshman and sophomores because those students will be taught by Guilford County School teachers.

The program is designed similarly to the two Middle College High School programs that started this year to help with students who felt out of place at their old school — with one exception. Early College is aimed to recruit the top students who may not feel academically challenged in high school.

Students will be chosen through a competitive selection process, which will include grades, test scores, and interviews.

"If the program is marketed right, we will attract students who are in private schools back to public schools," Grier said. As reported by the Greensboro's *News & Record*.

• In March's State Board of Education meeting, members approved a charter for Casa Esperanza, which will model an educational program based on Montessori methods and offer an emphasis on the needs of Hispanic students. The school will fill the 100th and final charter school slot.

"We're thrilled," said Pamela Seymour, a member of the school's board of directors. "We just saw that this population wasn't being served, and it's a population that needed to be served."

English will be the primary language spoken in the school, but all teachers and staff will be expected to have at least basic proficiency in Spanish.

The board bypassed discussion of New Connections, a controversial cyber charter school.

Casa Esperanza hopes to open in August somewhere in the Garner area, starting with about 200 students from kindergarten through second grade and expanding eventually through sixth grade. As reported by *The News & Observer* of Raleigh. CJ

More Heat than Light

What North Carolina Schools Are Teaching Students About Global Warming

By SHERRI JOYNER
Assistant Editor

RALEIGH
With the approach of Earth Day on April 22, more schools will take time during the school day to talk about environmental issues. Teaching environmental science can be tricky. Teachers are responsible for teaching facts and leaving out advocacy. In North Carolina the problem begins early because of biased curriculum and a biased standard course of study. In North Carolina, students are simply taught that the Earth is getting hotter.

Background on global warming

The hypothesis for global warming is that the Earth is getting warmer because humans are burning too many fossil fuels, leading to an increase in carbon dioxide. Those who use this argument predict that the Earth will warm by 1.5 to 4.5 degrees Celsius over the next 100 years as a result of human activities.

But the issue is controversial. Increased carbon dioxide can be beneficial to humans, and many scientists argue that the Earth is not getting warmer.

Carbon dioxide is necessary for life on Earth. It also has no adverse health effects and is generally not considered a pollutant. As reported in the May 1995 issue of *Science*, "CO₂ is more than a greenhouse gas — it's also an essential nutrient for vegetation, an aerial fertilizer providing the carbon that plants use to make sugars, carbohydrates, and other compounds they need to live." This led one Duke scientist to conclude that increased levels of carbon dioxide may have contributed to a 10 percent increase in crop yields over the last 100 years.

The global warming hypothesis also does not hold up when tested against actual climate data. Global temperature is measured in three ways: satellites, weather balloons, and ground readings. Ground temperature is considered to be the least reliable, and is the only method that shows an increase in the Earth's temperature. Some reports show that the Earth has warmed by one degree Fahrenheit in the last 100 years, but scientists are not sure whether this was directly caused by human activity. During this century, the Earth actually warmed the most during the first 50 years, before advanced technology was available to society. In the last 50 years there has been no significant change in average temperatures.

N.C. stance on global warming

While schools have the responsibility to present differing viewpoints and factual accuracy, the Department of Public Instruction directly supports biased instruction for global warming. DPI specifically states in Goal 4 of Biology that educators should teach students global warming. The three questions outlined by DPI suggest that teachers discuss:

- Carbon and other emissions as the cause for global warming
- Possible effects of global warming
- Ways to decrease carbon production.

The state, however, fails to suggest that teachers should teach differing viewpoints associated with global warming, and even fails to recognize the controversy behind the theory. To present an unbiased view on global warming, other questions should be discussed, including the benefits of increased levels of carbon dioxide and data showing that the Earth is not warming. By failing to suggest these points for discussion, the state is encouraging teachers to

present a biased view of global warming.

So what are educators teaching children about this issue?

Exploring Earth Science, an approved North Carolina science textbook from Prentice Hall explains to students that society needs to reduce the use of fossil fuels because "over the past 25 years, the amount of CO₂ in the atmosphere has increased by about 8 percent," which is predicted to lead to an increase in the Earth's temperature.

Another textbook, *Concepts and Challenges in Earth Science*, scares students

into believing the fatality of global warming with a picture of New York City covered in water.

The text states: "Today, human activities can change the earth's climate. Some scientists think that increased air pollution will cause temperatures around the world to increase...the summer would be hotter. A temperature increase might also cause the polar icecaps to melt...New York City would be almost completely covered with water."

Michael Sanera, director of the Environmental Education Research Institute, explains the problem with this argument. For sea levels to rise high enough to cover New York City, Sanera said, flooding would have to surpass both the biblical flood and the apocalyptic vision portrayed in Kevin Costner's film, *Waterworld*.

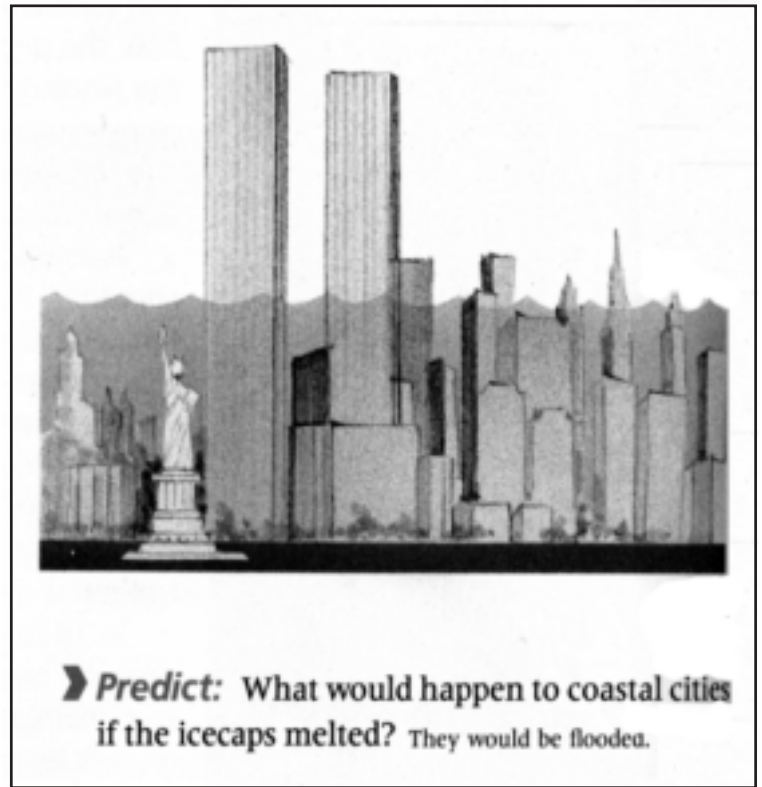
The same textbook, *Concepts and Challenges in Earth Science*, also states that skyscrapers, such as the World Trade Center towers are bad for the environment. Students are supposed to learn from this lesson that "human activities and skyscrapers can affect the climate in an area."

School responsibility and failure

To help educators establish the fine line between education and advocacy, The North American Association for Environmental Education has identified a series of guidelines for educators to use when teaching environmental education. "An educational curriculum must present different viewpoints, such as the pros and cons of forest fires. Different perspectives also need to be presented in a balanced way — one that does not bias the student toward any one perspective," states the NAAEE.

North Carolina curriculum and DPI fail to follow these guidelines. For instance, if a child is taking Earth/Environmental Science this year, Goal 7 of DPI's recommended curriculum will ask him to analyze the relationship between global warming and the consumption of fossil fuels as a possible cause "of stress on the environment." An Internet link to the U.S. Environmental Protection Agency is provided to help teachers gather resources for the classroom.

The link provided says that human activities are the primary causes of increased concentrations of carbon dioxide. The "fossil fuels burned to run cars and trucks, heat homes and businesses, and power factories are responsible for about 98 percent of U.S. carbon dioxide emissions," the website says.



► Predict: What would happen to coastal cities if the icecaps melted? They would be flooded.

Schools tell students that to be good stewards of the Earth, society should reduce the use of fossil fuels burned.

Supplemental materials recommended by DPI are also prone to present a biased view of global warming. While most books assume global warming is occurring, one elementary level book, *Talking About Our Environment* by Malcolm Perry, suggests that teachers talk with students about the possibility of joining an environmental group.

Anne Taylor, director of the Office of Environment Education, said it was essential that both sides of an environmental issue are discussed in the classroom. "We would never advocate one point of view," Taylor said.

The end to advocacy in schools?

The end to environmental advocacy in schools may be drawing near. While a change in textbooks seems nearly impossible, President Bush proposed in his fiscal 2003 budget to shift environmental education funding from EPA to the National Science Foundation math and science program.

EPA was found to be ineffective because the "program has supported environmental advocacy rather than environmental education."

Similar to our textbooks, the EPA fails to address the benefits of carbon dioxide, and only briefly mentions that plants release 10 times more carbon dioxide than do human activities.

According to the N.C. Office of Environmental Education, the proposed budget changes would abolish EPA's Office of Environmental Education, and EPA's annual grants to state agencies, schools, nature centers, and other nonprofit entities; a national educator training program, a federal inter-agency program to coordinate environmental education across the federal government; the President's Environmental Youth Awards program, and funding to support the National Environment Education and Training Foundation.

Upset about Bush's proposal to end environmental education funding through EPA, the N.C. Office of Environmental Education website provides links to contact members of Congress. Taylor said funding should remain with EPA, though.

A shift in funding would mean teacher education is lost. In North Carolina, grants from EPA are used in a three-week seminar to train teachers. CJ

*National Education Summit***Officials Debate Education Bill at Duke**By SHERRI JOYNER
Assistant Editor

RALEIGH
Either you believe a child can learn, or you don't, was the message promoted by U.S. Secretary of Education Rod Paige at Duke University Feb. 20. Paige along with four former U.S. secretaries of education, spoke at Duke on *No Child Left Behind* and other popular education issues.

Former North Carolina Gov. Jim Hunt moderated the panel discussion with Secretary of Education Rod Paige and former Secretaries William Bennett, Lauro Cavazos, Lamar Alexander, and Richard Riley. The main focus of the debate was on *No Child Left Behind*, the recent education bill sponsored by President Bush. *No Child Left Behind* demands that all students be at-grade level in 12 years.

"Many people in our nation believe it can't be done," Hunt told the audience. "I believe it can be done; and the Congress and the people of the United States believe it should be done."

Bennett and Paige both focused on the education racial gap. "Sixty-three percent of black fourth-graders can't read at a basic level," Bennett said.

Paige also called the racial gap in the United States a serious problem. "We are providing good education for some of the kids. That's not good enough for America," Paige said. "All students must be held to the same high standards." Paige assured the audience and Hunt that the education bill will provide results. "We are going to shift spending to investment," Paige said. That means the federal government expects results from the money it shells out for education, he said.

The education bill is based on four principals, as outlined by Paige:

1. Accountability for result
2. Flexibility and local control
3. Expanded options for parents
4. Research-based curriculum.

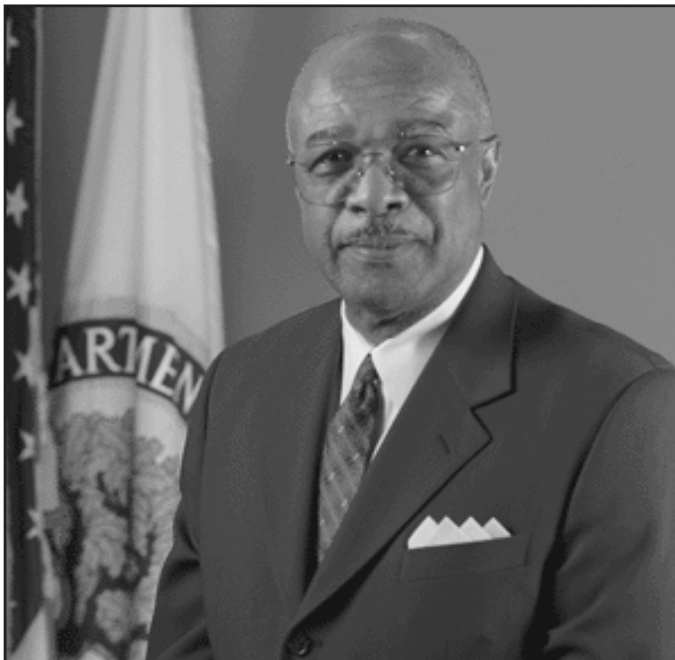
Teacher quality

Dr. Cavazos addressed teacher education and quality as a major concern of his own. "America only wants the very, very best," Cavazos said. "All students must have access to schools of the highest quality."

Teachers must also be prepared to work with diverse populations and schools need to increase the number of minority teachers employed, Cavazos said. Riley said during the discussion that teaching, as a profession, needs to be respected. His solutions were to make teaching a year-round profession and increase the pay as needed.

Paige called for a "repair of the system," in the way we train and certify teachers. "Teachers will never reach a competitive salary as long as the system doesn't recognize there are good teachers and there are bad teachers."

"There is more drive than action," Paige said. "There are people who want to teach and aren't able to because of the system." Alexander agreed with Paige and said states need more ways to award good teaching.



Secretary of Education Rod Paige spoke at Duke University.

School choice

School choice and more options for parents fueled a hot debate among the panelists. "We need more options for parents," Paige said. "We [Pres. Bush included] unapologetically feel that parents must be a part of reform."

But not all panelists thought the president's education bill would be a winner. Alexander said he was concerned about *No Child Left Behind*. For the last 40 years the government has given money to the states and told them how to spend it, Alexander said. Now the government is giving schools money and saying it wants results. Neither of these, "horse trades," as Alexander put it, "will generate big results."

"I propose a new horse trade in exchange for letting the money follow the child to the schools of the parent's choice," Alexander said. The higher-education system already allows federal money, including Pell grants and loans, to follow students to private and religious colleges.

Alexander called for more education spending, under the agreement that the new federal money would follow the lower and middle-class students to schools of their choice.

Cavazos, however, said that while options were a good reform, Americans must be sure not to leave public schools behind.

"Home schools, charter schools...these reforms take funding and attention away from the public schools," Cavazos said. "There is no need to create a new system of schools. We once had the best schools, we can again," Cavazos said.

But Paige challenged anyone to a debate that suggested states should not offer public school choice. "I believe it makes no sense at all to tie a child to a failing school; and I will eagerly get into a debate with anyone about this," Paige said. *CJ*

Raising the Age of Compulsory AttendanceBy SHERRI JOYNER
Assistant Editor

RALEIGH
Superintendent of Education Mike Ward has proposed that the General Assembly raise the mandatory attendance age for schools to 18. Ward released a statement saying North Carolina should not allow students as young as 16 the decision to drop out of school.

"At this time in our history, we know that students need a stronger array of skills in order to be successful adults. We shouldn't allow students to opt out of school at age 16, which can be a pivotal time in young people's lives since it also is the age at which students can legally drive and obtain work," Ward said.

The myth that a high-school dropout is doomed to an impoverished life propels most educators to support mandatory attendance. Surprisingly to some, statistical data in *Dropping Out* from researchers at the University of Michigan found that on average, dropouts did at least as well as high-school graduates.

The current mandatory attendance ages in North Caro-

lina are between the ages of 7 and 16. Only 12 states require students to stay in school until they are 18. North Carolina has already tried to dissuade students from dropping out of school before 18 years old by revoking the driver's license of any minor who leaves school before graduating.

Critics of coerced high-school education say that requiring teen-agers to stay in school can be risky business. Mandatory attendance does not lead to mandatory learning, they say. Some students have no desire to do well in school and only cause additional problems by disrupting classes and fighting with other students.

But Ward contends that "support systems" and "quality alternatives" for students can keep them actively learning in school. "Changing the law is important, but it will only be effective with strengthened programs for students who are at-risk of dropping out," Ward said.

Two options exist for state legislators: Either lock teen-agers in school, or keep the doors open for students to continue their education through community colleges when they decide they are ready to learn. *CJ*

School Boards Ignore Families

Serving on a local board of education is not the easiest job. It is at the bottom of the food chain politically and the closest to the constituents. You deal with the most poignant part of parents — their children. Parents and guardians are the greatest advocates for their children and are responsible for their success. Yet I witness school boards who ignore the wishes of parents and are continually failing to meet their responsibilities of sustaining a high level of academic performance and parental satisfaction in each school within their jurisdictions.

While serving on the Charlotte-Mecklenburg Board of Education, I listened as board members said the needs of the system had to over-ride the needs of a particular school. You can be assured the needs of an individual child suffered with this logic. I continue to see this rationale replicated in other places across the state. Attend a pupil assignment hearing in Wake or Mecklenburg counties and witness the strong convictions of angry parents in the room. Or watch a school board as board members try to "fix" schools by means of racial or social economic balancing. The principles behind these motives are flawed. The focus of education must be on students rather than on the system, because the system exists to serve the students.

We have seen a number of school boards dismiss the opinions of parents in the last few months. Thousands of Wake County parents are struggling to defeat a reassignment plan. In Mecklenburg, the school board has chosen to end one of the oldest and best-performing International Baccalaureate programs to draw students to another location. The Guilford County board is also ending a popular and successful magnet program. In an effort to fix another school, a successful performing arts program from Morehead Elementary in Guilford County will move across town, despite complaints from parents.

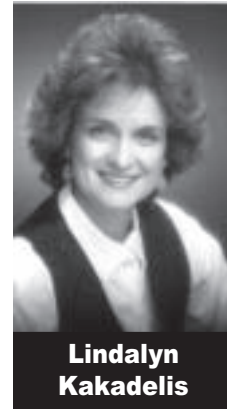
I am sure that makes sense to someone, but not to the parents at Morehead. Morehead has been a performing arts magnet for the last 12 years and no one questions the school's success. With 57 percent of the student body minority and 43 percent low-income, the school still performs well with nearly 85 percent of students scoring at grade level in reading, writing, and math. Parents are happy, and the school has 92 children on the waiting list.

School board members must come to the realization that when they fail to listen to the public, they take the public away from the decision process. In the business world a manager would never remove a great-selling product from a store.

Recent trends in local school board decisions show that boards are failing to keep their customers. The traditional public school market share is declining because every time a school board chooses to ignore parents, the parents go home angry and make decisions. Some parents will be manipulated, but many others will quietly decide to use another educational provider. The last 10 years reveal state-wide home schooling increased by more than 770 percent, private religious schools increased by 76 percent, private independent schools increased by 51 percent, and charter schools, newly legislated, added 13,800 students. Traditional public schools, however, have increased by only 25 percent.

Not all parents have the ability to move their children to other schools or to pay for the cost of private schools. As long as parents are unable to choose the school their children attend, we must demand that school boards meet their obligations to ensure every child's success and parental satisfaction. Only when parents can move their money with their children will school boards have a vested interest in keeping their market share. *CJ*

Kakadelis directs the North Carolina Education Alliance.

Lindalyn
Kakadelis

School Reform News From Across the Nation

Court Allows Peer Grading

The Supreme Court has ruled that pupils may grade their classmates' work in class, deeming that it does not violate federal education privacy law.

Ruling unanimously in a case that had escalated from an Oklahoma mother's bid to protect her son from other children's taunts, the court decided Feb. 19 "peer grading" is OK.

"Correcting a classmate's work can be as much a part of the assignment as taking the test itself," wrote Justice Anthony M. Kennedy in the opinion for the court.

The court sided with the opinion of the national teachers unions, which had argued that the case threatened to bury teachers in paperwork and subject them to federal micromanaging.

The case, *Owasso Independent School District v. Falvo*, No. 00-1073, began in 1998 when Oklahoma parent Kristja J. Falvo sued her suburban school district in federal court. The argument between parent and school system became whether peer grading allowed public access to "permanent records."

The justices agreed with the school district that the law contained an implicit distinction between the files and documents kept in a steel cabinet at the principal's office and the more transitory contents of a teacher's grade book. As reported by *The Washington Post*.

Retraining teachers in reading

Florida Gov. Jeb Bush announced he would retrain thousands of teachers across the state to ensure every child is reading at grade level in 10 years. Bush proposes spending \$48 million in federal subsidies plus about \$50 million in state funds to retrain all 57,670 elementary and 20,142 middle school teachers in new methods of reading instruction.

Elementary teachers would be trained in the next three years and middle school teachers within the next five years, Bush said.

The plan—called Just Read, Florida!—will emphasize helping children recognize sounds in words and building vocabulary.

Forty seven percent of elementary students in Florida read below grade level, and the longer a student stays in school the further behind he gets. Fifty-seven percent of middle grade students and 62 percent of high school students in Florida also read below grade level.

"Reading is the core of the learning experience. If you can't read, you can't do math...If you can't read, you can't write," Bush said. As reported by *St. Petersburg Times*.

Authority to seize districts

The failing of whole school districts has brought into question the authority for mayoral or state takeover of classrooms. From San Francisco to New York City, mayors and state legislatures are contesting local school boards for control. Pressure for change has driven 23 states to pass laws authorizing state or city takeovers of school districts in crisis.

"Mayoral control is a new phenomenon in troubled urban school systems, and the early signs in the cities that have moved this way look promising enough for others to follow suit," said Ted Sanders, president of the Denver-based Education Commission of the States.

In February, San Francisco Mayor Willie Brown called for returning the city to a mayor-appointed board, after 30 years with an elected board. Brown contends the result would be more qualified people

on the board and improvements in public schools

Meanwhile, New York City's new mayor, Michael Bloomberg, wants to abandon an appointed board in favor of a commissioner who reports directly to the mayor. New York Gov. George Pataki called for putting mayors in charge of schools in the state's six largest cities, including Albany and New York.

"Mayors are realizing that education is key to the growth of the city," said Michael Krist, professor of education at Stanford University.

Cleveland is gearing up for a vote this fall on whether to return to an elected school board after three years of control by City Hall.

Pressure for change in all states is coming down to one central issue—student achievement. Most students in urban public schools aren't doing well. With new state and federal testing regimes, such failures are becoming more conspicuous.

"The basic problem is that school boards are a 19th century idea that made sense when most communities were small and self-governing, and people tended to grow up and live and die in the same place...That has all changed now," said Chester Finn, president of the Thomas B. Fordham Foundation. As reported by *The Christian Science Monitor*.

Woman promises hope

Fifteen years after promising an entire first-grade class a chance at a college education, Oral Lee Brown has made good on her word. In 1987, Brown made a commitment to help students at Brookfield Elementary School in East Oakland, Calif.

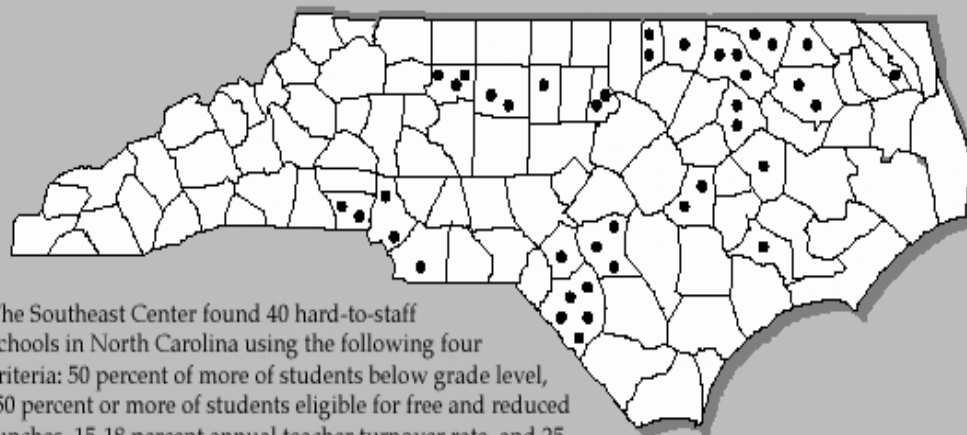
With the promise to fund their college education if they stayed in school, Brown deposited \$10,000 a year of her own money into a trust account and created the Oral Lee Brown Foundation.

More money was added to the trust fund with fund-raisers, including an annual Scholarship Gala.

Brown also offered hope to the class of children. She mentored and tutored them regularly. Today, 19 of the original 23 students are enrolled in college. And they are thankful for her support. One student wrote:

"The thing that makes Mrs. Brown so special and so outstanding is that she came to the 'hood' to take a huge chance with young black kids. Mrs. Brown is no where near rich. The only thing rich about her is her heart, and that's the only thing that counts."

The Oral Lee Brown Foundation can be contacted at (510) 430-3041. *cj*



The Southeast Center found 40 hard-to-staff schools in North Carolina using the following four criteria: 50 percent or more of students below grade level, 50 percent or more of students eligible for free and reduced lunches, 15-18 percent annual teacher turnover rate, and 25 percent of teachers with provisional, temporary, emergency, or probationary licenses.

School leadership the key to success

High-Quality Teachers Needed At Poorer Schools, Center Says

By SHERRI JOYNER
Assistant Editor

RALEIGH

Taking an in-depth look at the neediest schools, The Southeast Center for Teaching Quality found that North Carolina fails to target teachers for hard-to-staff schools. The center also recommended that the state's program to recruit teachers be used as a guideline for other states to follow in their endeavors to attract quality teachers.

The report, *Recruiting Teachers for Hard-to-Staff Schools, Solutions for the Southeast & the Nation*, speaks to the importance of quality teachers in schools, citing evidence that teacher quality can make a bigger difference in performance than other reform efforts, including smaller classes. The report also outlines policy recommendations to increase the availability of high-quality teachers in needy schools.

North Carolina has heavily invested in teacher recruitment. The state's policymakers have sought to improve the quality of teachers by streamlining the hiring process, offering scholarships to future teachers, and reducing barriers for teachers coming from other states. In addition, at least \$14 million is spent in the recruitment of teachers through the North Carolina Teaching Fellows, Prospective Teacher Scholarship Loans, Model Teacher Education Consortium, and NC Teach.

"North Carolina has clearly not managed to ensure that hard-to-staff schools can compete fairly for highly qualified teachers, or that teachers who begin their careers in hard-to-staff schools are well-qualified and prepared for the challenges they are certain to face," the report says.

Part of the problem, according to the report, is the threat of a teacher shortage. The pressure to "staff classrooms at all costs provides a disincentive for school system leaders to unite around high standards for entry into the teaching profession." Another problem, according to the report, is an uneven playing field. Districts that are able to offer incentives, such as onetime signing bonuses and discounts on housing, can attract high-quality teachers. Some poor districts don't have the money.

The report also concludes that many N.C. districts don't have coherent recruitment plans. "One district representative actually claimed that her recruitment strategy involved 'smiling a lot'—hardly a comprehensive plan for drawing and keeping quality professionals," the report says.

The center's case study of a hard-to-staff elementary school also showed that

teachers are concerned the \$1,500 bonus money available through the state's ABC accountability program may cause teachers to choose high-performing schools. Teachers at hard-to-staff schools "fear that too many of their younger colleagues will leave in order to teach in schools where it is easier to meet performance goals and secure the \$1,500 bonuses," the report says.

A successful recruitment plan in Winston-Salem/Forsyth County beat the challenges by offering extra incentives to work in hard-to-staff schools. The Equity Plus program offers a bonus equal to 20 percent of the county's local salary supplement to teachers who agree to work in the neediest schools.

Steps to ensure success

In the past, solutions to ensure a school has high-quality teachers has focused largely on money. The report concludes that other factors are more important. A 2000 survey by the North Carolina Association of Educators found that 30 percent of teachers who responded would not accept the challenge to teach at a needy school solely based on monetary incentives. While teacher salaries are important, teachers opted instead for smaller class sizes, strong administrative support, extra planning time, and instructional support personnel.

In *Recruiting Teachers for Hard-to-Staff Schools*, The Southeast Center determines that a professional atmosphere is more important than bonuses in the recruitment and retention of quality teachers. Teachers must also have strong leaders, supportive colleagues, the knowledge and training to work with at-risk students, and expert teachers to serve as leaders and mentors, the center says.

Using case studies, the report indicates that a school could either succeed or fail, based solely upon the principal's leadership and the atmosphere he fosters.

As a final recommendation, the report gives six policies that state leaders should examine to guarantee every hard-to-staff school employs high-quality teachers. They include providing scholarships to prepare out-of-field teachers, recruiting accomplished teachers to lead reform in hard-to-staff schools, improving working conditions in hard-to-staff schools, requiring districts to develop comprehensive staffing plans that address recruitment, and providing internships for teachers in these schools. The report can be found online at <http://www.teachingquality.org>. *cj*

Despite spending millions, the Southeast Center found that North Carolina fails to target teachers for hard-to-staff schools.

*School Innovation Spotlight***Caleb's Choice: Another Story of the Children's Scholarship Fund**

By ANGIE VINEYARD

Guest Contributor

CHARLOTTE

With dozens of requests pouring in for tuition assistance, the Children's Scholarship Fund of Charlotte always has one thing in mind — children. CSF wades through thousands of applications, and so far has awarded more than 500 scholarships locally.

But CSF doesn't just write checks. CSF is also familiar with the stories of the children it helps. Stories of children who for some reason need extra help, stories of children who have been through so much at such a young age, stories of children like Caleb Howard.

Not a typical childhood

Caleb has a typical room for an 11-year-old boy. Textbooks lay scattered atop a wooden desk, hidden beneath his favorite Calvin & Hobbes comic strip book. Basketball posters and caricature pictures line the walls while an electric guitar, a recent Christmas present, is propped up beside his bed.

But a closer look at Caleb's belongings reveals a side of this boy's life that is anything but typical. There are autographed pictures of professional athletes — Nascar driver Cam Straden, members of the WNBA Charlotte Sting, and Carolina Panthers Wesley Walls and Derwin Gray. There are also pictures of athletes standing or sitting beside a bald-headed Caleb in a hospital room. There's a soccer ball autographed by the entire Charlotte Eagles team and a football with Panthers' signatures.

And not far from this prized collection sits a radiation mask, a hardened

piece of mesh designed to fit Caleb's face. It, too, is autographed. But instead of bearing the names of athletes, the signatures belong to doctors and nurses.

Caleb has leukemia.

Last April, when Caleb appeared abnormally sleepy, his grandmother, Pat Lineberger, decided to take him in for a checkup. His doctor thought Caleb was merely suffering from allergies. A blood test, however, showed the boy's white blood cell count to be extremely high and his red blood cell count to be extremely low. Doctors congregated in the lab and whispered grimly while Pat prayed for a miracle. They told her his cell counts and scheduled Caleb for another blood test that week.

Pat could not control her tears on the drive home. "I just busted out crying as

hard as I could," she said.

But Caleb turned to her and said, "I'm going to be OK. God's just testing my faith and I'm going to be OK."

The second blood test confirmed what the doctors had initially thought. Caleb had leukemia. He underwent aggressive chemotherapy, spending weeks in the hospital. He lost his hair and missed school. But something amazing happened that even astounded his doctors. Only 14 days after Caleb was diagnosed, his leukemia went into remission. Eventually, his chemo dosage was lowered and his treatments were done on an outpatient basis.

"We give God the praise," Caleb's grandmother said.

Faith is easy to speak about for Pat because life has been so full of challenges. Caleb's being diagnosed with leukemia wasn't the first. But with every struggle, there's always been a miracle along the way.

When Caleb was 5 years old, his life was turned upside down. Pat and her husband had taken Caleb on vacation. When they arrived home, they discovered that Caleb's mother had abandoned him, moving to Illinois in search of someone she had met on the Internet. Pat stepped in to care for Caleb, enrolling him in kindergarten at Charlotte Christian School.

But the next summer, her husband suffered a third stroke, leaving him paralyzed with neurological damage. Unable to be cared for at home, he was moved to a nursing home. The bills piled up and Pat struggled to pay her grandson's tuition. Not knowing how she would keep him at Charlotte Christian, Pat faced the reality that Caleb might have to attend public school.

But then, Pat's daughter heard about the Children's Scholarship Fund on the radio and told her mother. Pat called, filled out the paper work and waited for the first drawing. "I just kind of prayed about it," she said.

Caleb was accepted in the first drawing and was able to stay at Charlotte Christian. Pat had no idea how vital a role Caleb's school would play in his life. A couple of years later, Caleb's mother showed up and took her son away.

But instead of a new life together, the time was marked by abuse. Pat fought for custody of Caleb and eventually won. Caleb's psychologist was adamant that he return to Charlotte Christian because the school was a stabilizing force in his life and

afforded him the best environment to rebuild his self-esteem.

And then last April when Caleb was diagnosed with leukemia, his school rallied around him with a show of support that still amazes Pat.

"I don't even think I can put it into words," she said. "The school was so behind him!"

Classmates came to see him, mothers brought scores of meals and parents donated a pool table, a foosball table, games, puzzles and numerous gifts. Cards were sent and prayers were offered. And when Caleb was too sick to finish the fourth grade, teachers donated their time to tutor him so he wouldn't be left behind academically.

Caleb was able to join his classmates last year for field day and the school's annual Race of Praise. Perched in the back of a pickup truck, Caleb waved to hundreds of cheering classmates, parents and teachers as he circled the track, a one-man parade. By all accounts, it was a grand celebration of his leukemia going into remission.

With all the struggles Caleb has faced in his young life, his grandmother is convinced that this school is exactly where he needs to be. And if it wasn't for the Children's Scholarship Fund, that simply

would not be possible.

Scholarships like the one Caleb receives are made possible because of individuals and corporations who prize educational choice and make generous donations. But with thousands of applications pouring in, the task is far from over. Please contact the Children's Scholarship Fund to learn how you can help. (704) 373-2378

cj



CSF-Charlotte recipient Caleb with Pat, his grandmother.

Advertisement for John Hood's Book

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Course of the Month

Duke University houses this month's honored course. It is one of a relatively new trend of courses that give credit for political activism.

WOMEN'S STUDIES 150S-03: Regulating Sex: U.S. Women and Sexual Politics

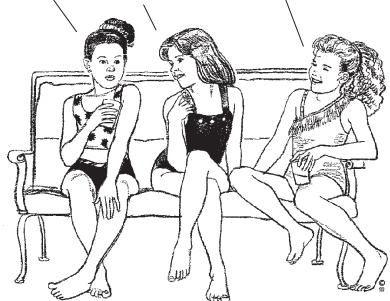
Andy Warhol once commented that "sex is the biggest nothing of all time." We may agree or disagree with this assessment, but it is clear that in the United States that people spend a great deal of time monitoring, legislating, debating, critiquing, and organizing around sex acts or practices associated with sexuality. This course is a survey of the ideological and state sanctioned regulation of sex, and of community and individual mediation and activism around this regulation. We shall focus primarily on the regulation of and activism around women's bodies because the female citizen's alleged national responsibility to bear and rear children has produced a massive number of political projects which turn on protecting and utilizing the female body. The course will examine history, law, personal narratives, and literature, in order to understand the history of corporeal control — and fights against it — in the United States.

As we cover topics such as abortion, miscegenation, the lesbian body, pornography, sexual assault, and reproductive technologies, we will also look to Durham's activist community in order to interrogate how the theories presented in this course speak to the current practices of activism around sexual politics. Over the course of the semester, each student will be required to complete sixteen community service hours relating to one of the topics covered in this class. In the final paper, each student will use their encounter with contemporary activism in order to discuss the relationship between theories of corporeal control and political practice.

This course has the appeal of studying women's sexuality and the Boy or Girl Scouts-like ease of getting college credit for political activism. The introduction to the course objectives calls the latter by the pseudonym "service learning." Those objectives, by the way, are for the students to "be able to produce a narrative about the history of the regulation of women's bodies in the United States," "be introduced to local nonprofit organizations which are engaged in struggles over sexual politics," and (for those who think the second objective sounds a tad strange for a college course) "reflect on the alleged conflicts between academic theory and the practice of activism around sexual politics" (emphasis added). CJ

You say you're getting college credit for hanging out? We're not hanging out; we're "conducting important field work on how society reacts to the female body."

Yeah!



Group's budget grows by 6,600 percent

UNC Board Allows Student Association Systemwide Increase in Fees, Budget

By JON SANDERS

Assistant Editor

RALEIGH

The Board of Governors of the University of North Carolina approved a systemwide, \$1 increase in student fees to fund the UNC Association of Student Governments. The increase will raise the association's budget from \$2,500 to \$165,000, an increase of 6,600 percent.

The decision also marked the first time the UNC board has approved a systemwide student fee increase.

Association President Andrew Payne said the increase would empower "the student voice" and keep student leaders from having "to spend their own money like I have."

A budget proposal provided by the association for the expected \$165,000 includes such expenditures as \$95,000 for professional (nonstudent) staff salaries, \$22,500 for student officer and intern stipends, \$12,000 for student publications, and \$10,000 for travel expenses. (See the box on the right for more details about the association's proposed budget.)

In its written proposal, the association notes that it patterned its proposal after that of the United Council of University of Wisconsin Students. The Wisconsin system allows a student in the system to obtain a fee refund, however, but the fee-based system proposed by the UNCASG would not. "After conversations with UNC Vice President Jeff Davies," the UNCASG states in its budget proposal, "it was concluded that the mandatory refundable system would not be efficient and would be burdensome to the campuses."

The increase was approved by the UNC board despite the fact that board members have reservations about the UNCASG's budget, especially the money set aside for professional staff.

"The budget request came in too late for us to do any sort of analysis," said Addison Bell, chairman of the Budget and Finance Committee.

He said the board will look at the budget later. "We will be opposed to them hiring any full-time managing director," Bell said, echoing a concern also voiced by Davies.

Payne was already practicing speaking for the students in the UNC system while lobbying for the fee increase.

"It's very simple," he told the *DTH*. "The students want it. It's a dollar and will put us on par with student organizations across the country."

After the increase passed, Payne told the *DTH*, "Words can't describe what I feel like. The 170,000 students in this state have reached a new level of empowerment."

The increase comes with the association facing criticism for raising costs on UNC students while purporting to work to reduce student costs.

"The general feeling from NCSU and UNC campuses as a whole is that ASG is ineffective and that \$1 is not going to change that," editorialized *Technician*, N.C. State's student newspaper.

"Creating a fee to fund the ASG has been considered many times before, but never put forth as a viable solution," wrote T. Greg Doucette, former president pro tem of the North Carolina State University Student Senate, in a letter published by *The*

Some of the Expenditures Proposed by the UNC ASG

Amount	Purpose
• \$95,000	Professional (nonstudent) staff salaries, including \$40,000 for a managing director, \$30,000 for an associate managing director, and \$25,000 for an administrative assistant/office manager
• \$22,500	Student officer and intern stipends
• \$12,000	Student publications
• \$10,000	Travel expenses
• \$10,000	Student leader training, development and orientation
• \$9,600	Office operations
• \$9,000	Committee programming and operating
• \$5,000	Organization memberships and seed money
• \$5,000	Computers and software
• \$3,000	Youth voter education and outreach

Source: UNCASG fee proposal packet presented to the UNC Board of Governors.

News & Observer March 8, "because the organization's past leaders recognized the inherent hypocrisy of adding yet another financial burden to overcharged students and their families." CJ

North Carolina Colleges Keep Up With National Trend Toward Sexualization of Courses and Campus Events

By JON SANDERS

Assistant Editor

RALEIGH

A class at the University of California at Berkeley came under fire in February when the public learned participants received college credit for a course that involved, among other things, visiting strip clubs, watching an instructor engage in sexual intercourse, and engaging in orgies at an instructor's house. Although it went to extreme lengths, the course is indicative of the hyper-sexualized atmosphere on campuses everywhere, including North Carolina.

Young America's Foundation discussed the trend in the 2001-02 edition of its "Comedy and Tragedy" survey of college courses. "There is no limit to the sexual tastes that college courses dwell upon," the YAF wrote. "Sexual studies now comprise a major portion of the curriculum at many colleges."

In North Carolina, courses and campus events focusing on sexuality can be found statewide. Most campuses have courses on "Human Sexuality," for instance, often offered in sociology departments. The University of North Carolina at Charlotte's is typical; Sociology 4261 looks at "Human sexuality research; teenage pregnancy; birth control; sex education; sexual fantasy; pornography; homosexuality and bisexuality; sexual communication; heterosexual alter-

natives." North Carolina State University's is offered through its physical education department (PEH 213), and it covers "physiological and psychosocial aspects of human sexuality" such as "health-related topics of birth control, pregnancy, childbirth, abortion and sexually-transmitted diseases." It also, however, teaches "Concepts of gender acquisition, sexual values, and sexual morality discussed as related to the promotion of healthy lifestyles within contemporary American culture" (emphasis added). In the latter respect, it is more akin to UNC-Asheville's "Philosophy of Sex and Gender" (Philosophy 302), which examines "problems of sex and gender, such as the link between sex and gender, ethics of sexuality, 'naturalness' of sex and gender roles, feminism as it relates to issues in sexual and gender role assignment."

Also at N.C. State, students can study Sociology 407, "Sociology of Sexualities," and Multi-Disciplinary Studies 328, "Sexuality and Values." Meanwhile, students at UNC-Chapel Hill can study sex and gender in society (Sociology 24) and in "antiquity" (Classical Studies 42). Or they could take "The Politics of Sexuality" (Political Science 73 for undergraduates and Political Science 342 for graduates).

At Duke University, students can take "X-Rated Bible: Sex and Violence in Scripture" (Women's Studies 150S.05), "Regulat-

ing Sex: U.S. Women and Sexual Politics (Women's Studies 150S.03), "Sex and Money" (Cultural Art 180.01), "Generation XXX: Sex in Contemporary Fiction" (Literature 20S.04), and "Romantic Pain" (English 26S.02).

If students still aren't satisfied, they can attend one of the many performances of "The Vagina Monologues," which is shown annually on campuses statewide, and hear the stories of many different women's vaginas. Ads for "The Vagina Monologues" urge students to "Spread the word," and at last year's performance at N.C. State, the Women's Center on campus did just that by selling chocolate suckers shaped like vaginas. Or they can attend other shows, such as David Hare's "The Blue Room," which showed at UNC-CH's Kenan Theater, in which a two-member cast portrays 10 different couples in 10 different sexual encounters.

Along those lines, UNCA will soon host the second annual "F-Word Film Festival: A Celebration of Images By and About Women." Among the featured documentary videos screened will be *Shinjuku Boys*, about three Japanese transsexual sex workers, and *No Means No*, a "stylish and imaginative exploration of date rape." The "F-Word Film Festival" is part of UNCA's Women's History Month celebration practices. CJ

Universities' Invited Speakers Discuss Law, War, Democracy, Racism, and Other Topics

By JON SANDERS
Assistant Editor

Universities in North Carolina brought a wide array of speakers to their respective campuses this winter, from a Supreme Court justice to a representative of al-Jazeera.

The most notorious speaker, notorious because of his conservative views, was Supreme Court Justice Clarence Thomas, who spent a day visiting the University of North Carolina Law School. Five law professors, all black, boycotted Thomas' visit, but they took pains to ensure that their boycott would be known. The five — Charles E. Daye, Marilyn V. Yarbrough, John O. Calmore, Adrienne D. Davis, and Kevin Haynes — drafted a letter of protest, sent it to the other 24 law school faculty, and forwarded it to news media.

Ironically, the reason the five boycotted Thomas' visit was because of his race. They had not boycotted visits by conservative Supreme Court Justices Antonin Scalia and Sandra Day O'Connor. Thomas "is not just another Supreme Court Justice with whom we disagree," they wrote, arguing that "identity — racial identity — very clearly matters."

"For many people who hold legitimate expectations for racial equality and social justice, Justice Thomas personifies the cruel irony of the fireboat burning and sinking," the professors wrote. "For some — certainly, for us — his visit adds insult to injury."

He "not only engages in acts that harm other African-Americans like himself, but also gives aid, comfort, and racial legitimacy to acts and doctrines of others that harm African-Americans unlike himself — that is, those who have not yet reaped the benefits of civil rights laws, including affirmative action, and who have not yet received the benefits of the white-conservative sponsorships that now empower him," they wrote.

The professors themselves were criticized for their boycott. The editors of the *High Point Enterprise*, for instance, openly wondered how those professors "would react to a student who dared embrace ideas similar to Thomas'. Expel him from the classroom? Flunk him on the spot? Are there certain issues for which some professors permit no discourse?"

Third-year law student Richard Brandon Linderman took his professors to task in *The Daily Tar Heel* because they "quickly dismissed [Thomas'] viewpoints as illegitimate and raised claims that he has betrayed his African-American heritage because he has a different interpretation of the Constitution" than they. For his part, Thomas was dismissive of the boycott. "That's silly," he said. "Where would you go to exchange ideas but a university? You protest ideas? Why not burn books?"

Former Pakistani leader in Raleigh

At North Carolina State University, former Prime Minister of Pakistan Benazir Bhutto spoke during "Exploring Islam and the Muslim World" week, on the topic of "Terrorism, Islam, Democracy and the West." Bhutto called the terrorists responsible for the 9/11 attacks "enemies of humanity" and said "there is nothing noble in their actions."

Bhutto, who studied at Harvard University, spoke of the importance of democracy. "America is a model of what can be," she said, noting that "Democracies don't start wars [or] sponsor international terrorism."

Former NAACP head Benjamin Chavis Muhammad also spoke at N.C. State, addressing the topic of "The Racial Climate on College Campuses." Muhammad spoke about the need for racial unity, and he criticized the administration at N.C. State for the low graduation rate of black students there. "I understand there are some who are against such things," he said about improving the black graduation rate. "The first step to solving a problem is to admit it exists, and this administration has chosen to deny the problem."

Muhammad also praised the work of hip-hop artists and said of Rep. Dan Blue's, D-Wake, bid for the Senate,

RALEIGH

"The fact that a black man even thinks about filling the seat of Jesse Helms is poetic justice." Muhammad also talked about the terrorist attacks, calling them "tragic for all people," but said that blacks have "been having problems before Sept. 11; we're used to tragedy and terrorism — the tragedy of poverty and the terrorism of injustice."

Also speaking at N.C. State was Dr. Manning Marable, Columbia University history and political science professor and founder of the Black Radical Congress. Marable discussed the importance of racial preferences and urged students to believe in reparations for slavery. He criticized Condoleezza Rice for her statement about reparations that "In order to get along, we must forget." Instead, Marable said, "The moral assignment for this generation should be the pursuit of justice and freedom for black people throughout the world."

Historian at Wake Forest

Wake Forest University hosted presidential historian Doris Kearns Goodwin, who spoke at the university's annual Founders' Day Convocation. Goodwin spoke of the importance of presidential leadership during times of war, contrasting the styles of Franklin Delano Roosevelt and Lyndon Baines Johnson to buttress her points.

"As our country moves ahead in this new war on terror," Goodwin told her audience, "I think we can take comfort in knowing that when we were challenged before, the essential strength of a democracy came through... in a way that the most efficient dictatorship never can."

At Duke University, the Freeman Center for Jewish Life sponsored a speech by conservative pundit and *The Weekly Standard* Editor William Kristol. Kristol spoke on President George W. Bush's leadership and the government's new policies for dealing with terrorism. Also at Duke, the Sanford Institute of Public Policy sponsored two talks by officials with al-Jazeera Television. One, Hafez Al-Mirazi, the Washington Bureau chief of the network, told the audience, "If you think [Osama] bin Laden is using us, please come and use us, exploit us."

North Carolina Sen. Ellie Kinnaird, D-Orange, was the keynote speaker at a "hunger banquet" conducted by the School of Social Work at UNC-Chapel Hill. The banquet featured uneven distribution of food (some sat at tables to eat salads and entrees, some sat in chairs to eat black beans and rice, and some sat on the floor to hand-feed themselves rice) to boost awareness about world hunger. According to a *Daily Tar Heel*'s report, Kinnaird said the United States and other developed countries contribute to world hunger by (in the words of the report) "buying farm land, forcing farmers into debt, and participating in wars without providing aid to people displaced by conflicts."

"We need to know what's being done in our name," Kinnaird said.

UNC-Chapel Hill also sponsored actress Alfe Woodard, who spoke of the nation in the aftermath of the terrorist attacks. "I didn't see the manufactured America of Hollywood" after the attacks, she said, "I saw the real America — she was textured and alive."

Woodard was critical of the U.S. government's response to the terrorist attacks, however, saying that the United States should have taken "the high ground" and that the Bush administration was undermining civil liberties. "We have to remember that this is an administration that took office in the biggest voting fraud in recent history," she said.

Also at UNC-CH, a teach-in sponsored by Students United for a Responsible Global Environment hosted Rania Masri to revisit the topic of U.S. war crimes against Iraq. Masri repeated the charges that the United States has continually bombed Iraq for the past 11 years and that the United States has killed half a million Iraqi children under 5 years old through its economic sanctions. She also took issue with the United Nations' program that allows Iraq to purchase food from the United Nations through the sales of oil, saying that the United States was stealing Iraqi oil money. "A bunch of rich white men in suits are determining what's happening in Iraq," Masri said. CJ



U.S. Supreme Court Justice Clarence Thomas said protests of his visit were "silly"

The UNCASG Sells Itself Out

By RHETA BURTON
Editorial Intern

RALEIGH

When student protesters took the offices of the University of North Carolina Board of Governors meeting March 6, they were protesting against increases in tuition. Instead, they should have been protesting against increases in their student fees.

What some students fail to realize is that their one-dollar student fee increase will go to the UNC Association of Student Governments' budget. The UNCASG proposed budget will increase from \$2,500 to \$165,000, an increase of 6,600 percent. Almost 75 percent of the budget comprises stipends for elected student officers, appointed student officers, and student interns, and salaries for professional staff. Basically 75 cents of each dollar will go into the pockets as stipends or salaries, not to serving the students. Add on another \$10,000 for travel (of course, the UNCASG staff should travel in style, heaven forbid that they might have to drive).

The UNCASG got its idea of a student fee increase from several schools — most notably the United Council of University of Wisconsin Students, which has a bigger budget than the proposed UNCASG budget. The United Council employs nine full-time members, including a women's issues director, a shared governance director, and a lesbian gay bisexual transgender issues director.

Student fees should go toward helping students get more out of their education, not into someone's wallet. Why does a managing director need a \$40,000 salary. Why does a vice president of public affairs need a \$1,000 stipend?

This sounds a lot like the tax-and-spend policy of the North Carolina General Assembly. Are UNCASG members grooming themselves to be the next tax-and-spend politicians? We see the same policy coming from the state legislature: "It's just a small increase in your sales tax; everyone can afford it."

When student groups go before the Student Congress to ask for funding for their groups, they get funds (paid by student fees) for bringing speakers to campus, paying bills, publicity, etc. Funds from Student Congress do not go toward the salary of a student group's president or finance director.

The same should hold for the UNCASG. Student fees should not go toward salaries for managing directors or administrative assistants. They need to go toward supplies, workshops, getting more students involved, etc. UNC board members even stated that they don't want to spend money on a bureaucracy that builds a bureaucracy.

Some say that the one-dollar increase is not a lot to ask for. The UNCASG says that students will benefit greatly from UNCASG, and that their voices will finally be heard. The only thing that will be heard will be the sound of coins clanging in the pockets of paid professional workers.

Tell students at Elizabeth City State University and Winston-Salem State University, which have higher student fees than tuition, that their student fees will go up another dollar, but that they can afford it. After all, it's just a dollar, it's just a cup of coffee.

What the UNCASG apparently doesn't realize is that it's not the amount of money, it's the principle of the matter. And that's surprising since the UNCASG is the same group fighting against all tuition increases.

I believe that we will see some of the same student leaders in ASG running for political office in the next several years. They're obviously preparing themselves for it right now. CJ



Rheta Burton

Bats in the Belltower

White Devil Discovered at State: Booga! Booga!

Readers of *The Nubian Message* at North Carolina State University, the student-fee-supported newspaper for "Afrikan-American" students, were alerted to the existence of a real white devil on campus there. On the back page of its Feb. 14-21 issue, the *Nubian* featured a large picture of "The infamous Darren O'Connor." An diabolical red glow suffuses O'Connor's face, almost crowding out his features, except for the dark hollows of his eyes, which are exaggerated by the hellish light.

Atop silhouettes of dog tags, the words "I AM BUT ONE MAN" are scrolled beneath O'Connor's demonic ruddy chin.

No article apparently accompanies the picture, although O'Connor is mentioned in an article on "affirmative action" that, along with articles on "What is a Nubian?" and "Why We Need a Black Love Day," appears beneath the picture of O'Connor.

The apparent reason for the *Nubian's* decision to Photoshop a picture of O'Connor as the Red-Hued White Face of Evil is the series of articles O'Connor wrote about racial preferences in *Technician*, the official student-fee-supported newspaper for all (regardless of race, even) N.C. State students.

In "Affirmative action is racist" (Feb. 5), "Arguments defending racial preferences don't hold water" (Feb. 12), and "No defense for racial preferences" (Feb. 15), O'Connor discussed racial preferences in university admissions as harmful to "blacks, whites, and everyone." As O'Connor wrote, "Any system that favors one race over another (including slavery, Jim Crow laws, and now affirmative action) is racist and is not in keeping with American ideals of equality of opportunity."

O'Connor cited the Center for Equal Opportunity's findings that blacks were favored by odds of 177 to 1 over whites to be accepted for enrollment to N.C. State and compared it with the recent controversy over the low graduation rate of blacks at N.C. State. O'Connor said N.C. State's race-preferential admissions "undoubtedly" shared the blame for blacks' low graduation rate, because N.C. State admitted students who were "underqualified" based on their race.

O'Connor quoted Martin Luther King Jr. and cited Ward Connerly, Walter Williams, and Thomas Sowell for their struggle against "the race-conscious nature of our society," noting that earlier civil-rights thinkers "understood that in order to achieve a nation free from racism, we must all strive for a colorblind society." To that end, O'Connor calls for an end to "obsessing over skin color" and "insist[ing] on separating people by color."

In one of his columns O'Connor discussed the reaction he was getting to his columns. "I have been called ignorant, racist, bigoted, and some other things I cannot repeat here," he wrote. "I have also been told that I should not be allowed to write such things."

Despite the personal confrontations,

attacks, and demonization, O'Connor has not seen a serious rejoinder (just *ad hominem*) to his series.

He was, however, invited by Kappa Alpha Psi in conjunction with the Society of African American Culture to participate in a forum on affirmative action via racial preferences, ostensibly to defend his column. The forum was civil, but after the opening video presentation on the omnipresence of racism and, therefore, the necessity of affirmative action, the forum quickly degenerated into arguments over the issue of racial profiling. O'Connor's articles never came up for direct discussion.

Earlier incident of demonization

A few years back, in 1996, a student newspaper on a nearby North Carolina campus demonized a political opponent, and the reaction was quite different. *Carolina Review*, published by conservative students at UNC-Chapel Hill, drew devil's horns and a pitchfork on a picture of student body presidential candidate Aaron Nelson, which it placed on the cover of its 1996 election issue. The entire campus was roiled. Political supporters of Nelson and, some say, Nelson himself

stole 1,500 to 2,000 copies of the *Review* that night, and the *Review* was harshly criticized by some on campus, including Jewish professors, for being anti-Semitic, "divisive hate literature" — because Nelson was, in addition to being a leftist (that is, in direct political opposition to the *Review*), but also a Jew. The *Review's* adviser quit, and some conservative students split off from the *Review* to form their own group. Student government voted to deny the *Review* funding.

The controversy quickly reached beyond the borders of Chapel Hill and became the topic of statewide discussion. Talk radio invited *Review* editors to give their side of the story. *The News & Observer* devoted the front page of its Sunday editorial section to a discussion of "political correctness" on college campuses nationwide, using the *Review* thefts as its lead-in example. All of that from a student newspaper's use of a doctored photograph to portray a political opponent as the devil.

By contrast, the *Nubian's* doctored photograph has received not the slightest peep of controversy. Not one issue stolen, not one faculty member denouncing the use of the image as divisive hate literature, not one threat to student funding of the *Nubian*, not one *Nubian* adviser quitting, not one newspaper story or radio invitation. Nothing. Even O'Connor himself isn't complaining; if anything, he appears to think it's funny.

Why is that?

The answer appears to lie in O'Connor's conclusion to his first article on racial preferences. As he wrote, "This is America, and you're only a victim as long as you allow yourself to be one." Kudos to O'Connor for taking his own advice and not allowing himself to be a victim. CJ



Racial Tension Disrupts Class, Upsets Students at N.C. State

By JON SANDERS
Assistant Editor

RALEIGH

On Feb. 28, North Carolina State University Prof. Phillip Muñoz's political science class on "Law and Justice" was interrupted by a group of black students. The group arrived before class started, passed out slips of paper to students as they entered the classroom, then lined up along the side wall of the classroom. The group never spoke, not even to respond to the professor's repeated invitations to state their case. They were there on behalf of a black student, Najja Baptist, who was upset about the class.

On the slips of paper they handed out, they stated, "We are concerned about the learning environment of this classroom. The atmosphere has been said to be racially tense and divergent to the learning of Political Science 205 material." They also wrote, "We hope that as the professor of this course, you will mediate your class to create a positive environment in which all of your students can learn" and, "In the event of racially slurred statements, the professor should address the fact that class time is not the time to state offensive statements to diverge one's attentions from learning."

The "racially slurred" and "offensive" statements came following a discussion on Abraham Lincoln that Baptist had been having with another black student at the beginning of class. Baptist objected to the positive image of Lincoln, saying he was not an honorable man, and that he only wanted to limit slavery, not end it. From there he derided all of Founding Fathers of the United States of America as racist and corrupt because they were white slave owners. A girl sitting next to him told him her ancestry was Irish, so not only were they not slave owners, but that they faced persecution in their own right. Her comments further infuriated Baptist, and he continued to rail against the country, racism, and the founders. The girl told him if he were so upset about it that he should "go back to Africa," to which he replied no, he was here now, and he would be "in your face."

Their exchange grew more heated, and Muñoz, who had allowed the conversation to continue as it was related to class material, stopped it, saying the class needed civilized discussion. Baptist wrote in *The Nubian Message*, "I have never been so humiliated by such evil and racist comments."

Baptist's account of what happened next was mixed. "Throughout the duration of the class I tried to ask questions and make statements but both the professor and the students thrust my questions aside with neglect and ignorance that I have never seen or heard of in my entire life," he wrote. "Even though the professor called on me to ask questions, he and other students said I had no basis for my argument."

According to a student in the class who asked to remain anonymous, Baptist had previously argued with another black student in the class that the slavery of blacks in America was worse than the Jewish Holocaust at the hands of the Nazis and the displacement of American Indians during the American expansion, including the "Trail of Tears." He also had walked out on a class lecture on the Declaration of Independence, when Muñoz had argued that the Declaration of Independence included

all people, not just white men — exclaiming "This is bull___!" as he left.

Officials in N.C. State's Department of Political Science and Public Administration investigated the incident and how Muñoz responded to the remark

But according to department head Jim Svava, the officials found that "the instructor had not ignored the original remark" and had "made it clear it was inappropriate."

During the protest Feb. 28, Muñoz told the demonstrators, "I applaud you for coming in and standing up for your convictions" and, "If we can't talk about them in a college environment, where can we talk about them?" The students were not interested in talking. "If you're here, you might as well speak," Muñoz pleaded with them, but only Baptist would.

Baptist told Muñoz that the issue was "more than a walking out on class issue, more than an adult issue," but that "we have repeatedly asked you to address racism." He said that "there is a cancer on this campus"

and that it can't be contained but must be dealt with. He spoke of "reclaiming our history" and said he was tired of hearing about the Founding Fathers and Lincoln, saying he'd "heard this view for 15 years." Baptist said he condemned the United States for the wrong it had done and was still doing.

Other students in the class were upset about the demonstration. One student told the group that Baptist had been disrespectful to have walked out on an earlier lecture. Another was upset that class time was being wasted on "stupid comments" that should have been ignored. The student eventually left, cursing. As class ended, an administrator, alerted by the student who left, came to talk with Muñoz.

Svava said that visits to class by students not registered for the class or invited to the class are not allowed, and that in the future that policy would be upheld. He said Muñoz could have upheld it Feb. 28, but he chose to invite the silent crowd in.

In his *Nubian Message* editorial, Baptist wrote that "these issues of racism and many others can no longer go ignored on this campus." He wrote, "This is a learning environment that I expect to be challenging and to challenge new ideas and ideology freely and fairly."

"If a man is to be judged by others because of his personal views about his own heritage, then he may as well be judged by the color of his skin," Baptist said. "It has occurred to me that racism exists because of ignorance, white privilege, and power, and the fear of being challenged."

"It is sickening to me to think that those who are not African Americans expect African Americans with an opposing view to keep their views private and not expose them publicly," Baptist wrote. "Their view is that African Americans should be seen and not heard. Whenever racism or slavery is mentioned publicly, Caucasians expect African Americans not to respond to these issues."

Svava said the department usually handles issues like this by setting up a meeting between the student and the faculty member, which the department was arranging. Because of conflicting schedules, however, a meeting between Baptist and Muñoz "probably won't happen till after spring break," a department spokesman said. CJ

"It has occurred to me that racism exists because of ignorance, white privilege, and power, and the fear of being challenged."

Issues in higher education: minority enrollment and diversity

Discrimination for Diversity's Sake Doesn't Help Minorities Succeed

By JON SANDERS

Assistant Editor

The controversy over minority enrollment in North Carolina colleges gets right to the heart of diversity, the cardinal virtue of academe. Although the issue has been vexing colleges for years, it doesn't take an outside observer long to realize the absurdly simple crux of the matter. The problem with minorities is just that there are so darn few of them.

Thus, minorities don't comprise a majority of students seeking enrollment. Worse, the applicant pools are rarely if ever proportional with the population at large, and especially a problem for the more selective schools is that among those who do apply, fewer blacks than whites percentage-wise meet the minimum standards. People expect (ask anyone who has parents *and* homework to do) that colleges accept for enrollment those applicants who are the most academically qualified. People also assume a college education is the key to success, so they assume colleges should be used to redress past discrimination by admitting minorities whose forebears weren't given an opportunity for success.

Gap between blacks and whites

That there is a gap between black students and white students academically is a subject of intense scrutiny. This gap has steadily been closing, however, although it is still significant. As things stand now, however, colleges cannot through admissions satisfy both the merit-based expectation and the redressing-the-past assumption. Faced with a choice, colleges choose the one that will be less costly to defend — and students are less likely to storm administrative buildings on the basis of "On the aggregate, we are not smart enough."

Still, colleges must defend their choice, which is why one cannot spend any time on a college campus or even web site without being inundated with vapid proclamations on the goodness of diversity. Nor is it unusual to encounter the phrase "Celebrate Diversity." That doesn't mean getting streamers, listening to Kool & the Gang, and singing "For He's a Jolly Good Noun;" it just intends to stimulate an immediate contemplation of the goodness of diversity.

At some point amid all these official proclamations, you realize that this diversity is understood to be all about skin color or gender. In other words, if you look out your window and see mostly white faces,

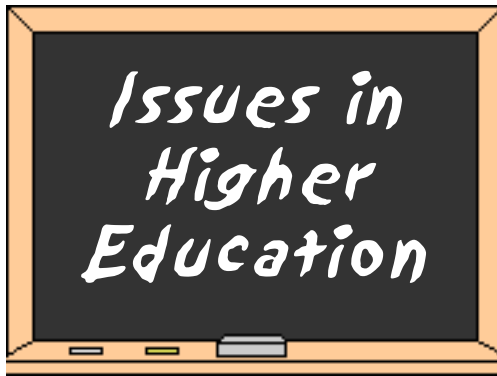
that's not diversity. The ideas at work behind those faces is immaterial to the current collegiate notion of what diversity is. They could be Hillary Clinton, Pat Buchanan, Charles Manson, Billy Graham, Camille Paglia, Sharon Stone, Oliver Stone, and Jesse Helms, and the nearest college administrator would break into a cold sweat because *they're all the same*.

The right kind of faces

Not that diversity is just about getting more minority faces in the mix; it's also about which minority faces. Asians, for instance, have done so well academically (outscored all other racial groups) that they've effectively become the monkey wrench in the gears of the diversity machine; with a strong claim to historic discrimination themselves, they still succeed scholastically. So, diversity activists have decided that Asian enrollment doesn't count. The administrator, given the collection of white faces above joined by Yo-Yo Ma, Kim Jong-il, and Kristi Yamaguchi, would still have a conniption.

The source of that conniption is that college administrators already place an exorbitant emphasis on admissions just to prevent such moments. With tuition rates at public colleges so low (especially in North Carolina) compared with those at private colleges, they receive a disproportionately large amount of applications. So, admissions officers annually slough through thousands upon thousands of applications to decide who gets to attend school there. You might think this would solve the problem, but being public and therefore governmental entities, they are prevented from discriminating on the very grounds they use to determine diversity (race, gender, etc.). So schools try not to be too obvious in discriminating for diversity. The usual method is to acknowledge up front that discrimination is wrong and quotas are illegal, then proceed to discuss admissions "goals" for minority enrollment.

As noted above, all of that verbal hoop-jumping would be unnecessary if the colleges eliminated race from consideration in admissions altogether and just accepted the



top applicants. And the argument over whether to accept only the top applicants is really relevant only at the most selective schools, where the buncombe about diversity receives the greatest amplification. The assumption that a college

education opens the door to success assumes that the level of school determines the level of success. Although economists have turned this into the Kabul of assumptions, it still persists, and the top schools aren't going to negate years of self-promotion to stop it. You won't see this ad any time soon: "UNC-Chapel Hill graduates go on to prosperous careers in numerous fields, pretty much like the graduates of Western Carolina and N.C. A&T State, but *U.S. News & World Report* likes us better."

In 1998 the Center for Equal Opportunity studied how ending racial and ethnic preferences (discriminating in the name of diversity) in admissions in North Carolina would affect minority enrollment. The CEO found that minority enrollment would fall

at only the most selective UNC schools: UNC-CH, N.C. State, and UNC-Asheville. Importantly, however, they found that minority enrollment would increase at the other UNC schools. Not only would color-blind admissions not spell the end for minority enrollment in North Carolina, it wouldn't even cause it to decrease.

Color-blind admissions would, however, help with minority graduation rates. Despite the myriad odes to diversity abounding on campus, nary even a couplet is penned to minority graduation rates. That's because students admitted under lower standards struggle more with the academic work than those students admitted

under the higher standards. A low graduation rate is the logical extension of a high acceptance rate of applicants who aren't academically prepared for the work.

Under colorblind admissions, students would be accepted into schools in which they can handle the workloads. Those stu-

dents will be more likely to graduate. The assumption that a college education opens the door to success itself assumes graduation. As the old sports dictum holds, success breeds success. If UNC schools moved to color-blind, merit-based admissions, more minorities would succeed on the collegiate level. *CT*

Not only would color-blind admissions not spell the end for minority enrollment in N.C., it wouldn't even cause it to decrease.



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CARTOON GOES HERE

Town and Country

• Correction: In last month's issue of *CJ*, we ran an article by Wilmington City Councilman Jason Thompson. In the concluding identifying line of that article, we wrote that Jack Watkins was a "longtime incumbent." This is not so.

Watkins has never been an incumbent, but he has run for office several times. If he was an incumbent at the time of election in any way it is that he served on several boards and committees (planning, zoning, etc.), which he has been appointed by previous councils. He was a member of the planning board at the time he ran for council.

Despite a glowing endorsement by the *Star News* of Wilmington, Jason Thompson defeated Watkins in the general election. Watkins is serving out his appointment and is a frequent caller to radio talk shows.

Just before this issue went to press, we received a call from Watkins, who was seeking to correct us on our mis-identification of him as an "incumbent" but also to make the case that he is a property rights supporter and is against forced annexation.

Watkins insists that he is against forced annexation even though during the campaign he told a UNCW audience that he agreed with Jim Quinn that the city ought not give up forced annexation. In his defense, Watkins asserted that he "did not understand the question." Watkins also stated that he sign a CSE antiannexation pledge.

Others in the community (and mostly registered Republicans) are not so sure that Watkins is sincere about his new-found antiannexation stand. Some claimed that during the campaign he supported the state law. Others were not convinced he did not understand the question at UNCW.

Just how dedicated is Watkins to the idea of property rights? When asked whether Quinn's comments that forced annexation should be used as a club against the citizens were more serious than Katherine Moore's comments about the police, Watkins said "it depends on who you talk to."

In other words, it is up for discussion whether an elected official who is actively seeking to use government as a weapon against the citizenry is more dangerous than an official who makes unfortunate comments, but has no desire to use the government in like manner.

Watkins also does not think there is reason to believe the Good Neighbors of New Hanover County will win their court case. He thinks they will lose at the 4th Circuit Court of Appeals. Apparently, the arguments before the court did not go well for the City of Wilmington (see right).

• Speaking of forced annexation, Fayetteville has caught the fever, according to the *Fayetteville Observer*. Not surprisingly, people in the affected areas have packed council meetings trying to figure out what forced annexation means to them. Most of the people do not want to be a part of the city. One protester stood outside a recent meeting with a sign: "Fayetteville Sucks — Don't Annex Me." *CJ*

Wilmington's Woes

Between annexation and scandalous handling of money, the city is in trouble

By ERIK ROOT

Assistant Editor

RICHMOND, VA

In the January 2002 issue of *CJ* we reported on questionable actions with the administration of the City of Wilmington's block grant programs. Since then, *CJ* has been working on a similar story.

For several years now, Kent Chatfield, of the Tinsmith Roofing Company has been blowing the whistle on alleged illegal and unethical practices at the Wilmington Housing Finance and Development Corporation (WHFD, a 501c3) which was created by the Wilmington Housing Authority. Chatfield's company was hired by WHFD to oversee the renovation of Catlett School, which was in part funded by federal monies.

However, Chatfield, an admitted reformed lawbreaker, got nervous when he noticed that some workers were being taken to other projects. Chatfield said he felt trapped because he wanted to do the right thing but he also thought bias resulting from his past would hurt him. He opted for the former, and he got what he expected: WECT TV quoted city officials in 1999, who said they fired Chatfield for poor job performance. The city has maintained that his allegations have had no merit.

In investigating this story we found it curious that of the many representatives we spoke to in Wilmington, most stated that Chatfield's criminal background should explain everything. In other words, they inferred that they did not have to account for their actions because of Chatfield's criminal past. However, what message does it send to people trying to reform themselves when the very government who says they can be reformed defends itself by saying criminals cannot reform?

Some Wilmington officials blame the failure of the Catlett program on the criminal element that they hired in the first place. Most of the people they hired to work on the project had varying levels of criminality. It seems all too convenient to purposely hire people who have some questionable past and then blame anything that goes wrong on them, said one person who asked not to be identified. It appears they planned it this way. Chatfield claims, however, that it is WHFD's handling of taxpayer funds that is criminal. Using federal grant funds for one project to pay for other projects is illegal, he said.

According to the *Wilmington Journal*, Chatfield addressed the city council in February: "I am asking you to do your job as trustees of the Community Development Block Grant Funds and every other fund that you give out money... They owe us that money back. There are good organizations out there that could use that money and use it in the proper place for [those] who need it." Newly elected Mayor Harper Peterson then directed acting City Manager Ed Fare to investigate. But the council also gave WHFD more money that night.

During one of Chatfield's council appearances, councilman Frank Conlon made a revealing public statement in which he confirmed what Chatfield has always alleged: Employees on the Catlett project had their salaries paid in cash, not checks. Conlon not only admitted this was fact, but said he saw no ethical problem with doing such.

Bettie Fennell of the *Star-News* says that there is nothing new here. "We reported on this years ago," she said. What is new in this case is that a sitting councilman, who is also a board member of WHFD, sees no problem with using public monies to pay salaries in cash. When we asked Fennell whether she had information that could

confirm that WHFD could account for all its funds and the cash payroll, she could not. So, *CJ* decided to find the information that Fennell did not have or did not seek to find. Chatfield said the *Star-News* has never reported on the fact that Catlett employees were paid in cash. According to Fennell, the employees needed to be paid in cash because they were homeless and did not have bank accounts. When we asked why they could not go to a check-cashing outlet, Fennell defended WHFD by saying those places "charge too much." Chatfield said, however, there were only four homeless people on the entire project. Documents obtained by *CJ* show that the funds granted were site-specific, which means that it would be illegal to take employees off one site to work on another if they are being paid with funds dedicated to the first site.

One official at HUD, who spoke on the condition of anonymity, said it probably was not a good idea to pay people in cash. It is easy for public officials to falsify documents and to skim money from federal grant funds for their own personal profit by engaging in such activity. Chatfield said that, Conlon and Fennell notwithstanding, paying employees in cash also opens the government up for robbery attempts. It is easier to steal from someone carrying thousands of dollars in cash rather than in checks. In the meantime, WHFD has not been forthcoming with its records.

Wilmington in court

It was a historic moment in the 4th Circuit Court of Appeals. Lawyers for the Good Neighbors of New Hanover County, Jim Eldridge and Mary Nunnalee, squared off against City of Wilmington Attorney Tom Pollard over the issue of forced annexation. The issue facing the court was the question of whether voting is a "fundamental right" in any annexation. Eldridge was the first to address the three-judge tribunal. About midway through his oral presentation, Judge J. Michael Luttig began to question him strongly. Luttig wanted to know, whether, ultimately, the forced-annexed areas in Wilmington had standing because they had a political remedy. With such a remedy, "Why come to us?" Luttig asked. Luttig suggested that the people of North Carolina have a political remedy in that they can vote for their state representatives. If the people do not like the annexation

laws, they should vote out those who support it and vote in those who will effect change. Eldridge was steadfast in pointing out that while he understood the judge's point, the 4th Circuit has held in the past that the matter of voting on such issues is a fundamental right.

Luttig was even more aggressive questioning Pollard to the extent that Pollard was never allowed to finish his oral arguments. Pollard could only argue that essentially the case did not belong in the federal courts. He argued that the law allowed localities under a population of 5,000 to vote to be a part of a city.

Luttig wanted to know whether there had been any exceptions to the law. Pollard had no idea. You do not know how many localities were granted the right to vote, or "why some were allowed and not others?" Luttig asked.

The majority of Pollard's time was spent trying to respond to Luttig's queries. Luttig finally said Pollard's answers were "nonresponsive," and he chided Pollard for not being "fair to your adversaries."

Good Neighbor lawyer Eldridge was given the chance for rebuttal. He said that since 1983 there have been eight instances in the session laws when the legislature has granted exceptions to the general annexation laws "for whatever reason."

Pollard was not given a chance to respond. Eldridge and the Good Neighbors had the last word. In the end, no one can gauge how the judges will decide, based on their questioning.

Hearing Luttig question Eldridge one got the feeling he was against the plaintiffs. However, he was equally, if not more, energetic in his questioning of Pollard and the defense. The court will render its decision in two weeks to six months.

Wilmington's delegation

The City of Wilmington sent two lawyers to Richmond to argue before the court. However, there was another city employee in tow: Assistant City Manager Ted Voorhees. *CJ* wondered why city taxpayers were paying a nonlegally trained city employe to travel to Richmond. The matter at hand was clearly outside his expertise.

We asked whether Wilmington paid his salary and room and board to travel to Richmond. City Attorney Tom Pollard did not answer the question. *CJ*

"The 'Red Star' has never reported on the fact that employees on the Catlett School project were paid in cash," Chatfield said.

CARTOON



Raleigh Mayor Charles Meeker answers questions during a Citizens for a Sound Economy meeting at the Mckimmon Center.

Across North Carolina

Local Leaders Strain to Balance Budgets

By ERIK ROOT
Assistant Editor

In February Gov. Mike Easley signed an emergency proclamation to cover a state budget deficit of more than \$900 million. This is the second year in a row the governor has faced such a crisis. To cover the state's budget shortfall, Easley decided to withhold about \$210 million in tax reimbursements from cities and counties. Since then, cities and counties have had to scramble to patch holes that suddenly appeared in their budgets.

Easley tried to engage in public relations damage control by meeting with several mayors and county commissioners behind closed doors. The governor said they had all agreed to work together to get through the fiscal year. But some local elected officials are not painting such a rosy picture of cooperation. They said cooperation with Easley means seeing things only his way. He has no inclination to release funds to help localities and relieve the burden that the state created.

This has left localities little choice but to rework their budgets. Most cities and counties are cutting programs and services. They are also not filling job vacancies and other positions that are coming open.

Roger Stancil, Fayetteville city manager, said Fayetteville will have to plug a \$2.9 million hole in its budget. Like other cities, Fayetteville has imposed a hiring freeze. Fifty-eight positions are unfilled Stancil said.

"In the long term this is dangerous," Stancil said, because the level of service will decline sharply and city workers will become overloaded. The crunch also prevents cities like Fayetteville from completing simple tasks such as building and repairing sidewalks. Historically, Fayetteville was kept from expanding its city limits because the state forbade it.

Since 1983, when the moratorium was lifted, the city has had to play catchup. Now, the city is really in a bind as a result of the budget shortfall.

Stancil exhibits much of the frustration that localities are facing, and they blame Easley.

"If [state] government has a problem, they ought to deal with it with the taxpayers instead of pushing their responsibility on to someone else," Stancil said. The state has "destabilized every city in North Carolina," he said.

Stancil said the short history of what has become reimbursements goes something like this: Reimbursements used to be collected by the cities in the form of the inventory tax. Then, the state collected them and eventually eliminated the tax. However, the state agreed to reimburse the money localities used to get from those taxes. However, the state has reneged on the agreement twice.

Raleigh Mayor Charles Meeker, who spoke recently at a Citizens for a Sound Economy forum, said "as of today Raleigh is in balance, [but] the state should get its budget in line instead of seizing funds from someone else. If it happens again, next year it will be difficult. We will have to let personnel go."

Some cities are hurting worse than others and the situation in Asheboro may portend what could happen elsewhere. The *News-Record* reported March 7 that Asheboro City Manager John Ogburn laid off 15 employees. Asheboro has a \$1 million hole to plug.

"Today is the worst day I've had in public service. It

really hurts that it's no fault of these employees... feel like I let them down. But I have to take the other side, too. I've got to think about our taxpayers, citizens, and longtime employees," Ogburn told the newspaper. The city may not be done. Officials are scrutinizing several positions to see whether more cuts can be made. The city may scale back garbage collection to one time a week instead of two.

The layoffs will save Asheboro \$863,000. The city is also postponing several public projects to save money. Ogburn is not counting on reimbursements next year as he drafts the next budget.

Hickory Mayor Rudy Wright echoes much of this reality. "If we don't get the funds, we'll be laying off personnel or raising taxes." The City of Salisbury is looking at laying off 30 workers because of the mess.

What happens next year

Local officials across North Carolina are wondering what Easley will take away from cities the next time a budget crisis hits. The officials are not sure what to do for now, but they have been meeting. They may sue the governor for their money.

According to a letter to the governor published on the website of the North Carolina Metro Coalition, a nonprofit organization that North Carolina mayors created to represent local interests, the mayors were surprised that Easley chose to withhold their money for a second straight year.

During a Metro Coalition meeting in Durham, Cary Mayor Glen Lang said, "The governor took our money because [he perceives us to be] weak." In other words, Lang said Easley took local money because he feared the political ramifications from other blocks more than from localities. "This is just sheer politics," Lang said. "The governor doesn't want to call the legislature back in session to raise taxes, he wants Kevin [Foy, mayor of Chapel Hill] to do it."

Lang wants the cities to band together to make sure that the governor does not have the same perception next time around. There appears to be widespread agreement that the cities need to do something to make touching their money too painful politically for the governor.

If cities don't, the perception of most at the meeting is that the next go around will be much more painful.

Winston-Salem Mayor Alan Joines said Easley appears to be counting on the money that cities have in reserves as discretionary spending.

However, Joines said Easley's thinking is unrealistic because the money cities have in reserves is supposed to be theirs by statute. If cities fall below a certain level, they would be violating the law.

Durham Mayor Bill Bell said that in the short term Easley should consider selling some public lands (and other asset sales) to cover the gap. Such a move would get the state some much-needed money and also put land back on taxpayer rolls, Bell said.

Mecklenburg County Commissioner Jim Pucket thinks this is a great opportunity to cut bloated government at the state and local level. However, the governor does not seem to have the same point of view. Easley has said such areas such as education, the Golden LEAF Foundation, and the Global TransPark are off the table. *CJ*

Light-Rail Madness

Planners in Raleigh, Durham, and other North Carolina cities are promoting the construction of light-rail lines similar to those built in San Diego, Denver, and Portland, Ore. Before North Carolinians get too excited about rapid transit, they should take a close look at the experiences of those cities.

The most important lesson is that this 19th-century technology completely fails to meet the transportation needs of 21st-century cities. Costing as much to build as a four- to eight-lane freeway, the typical U.S. light-rail line carries fewer people than one-third of freeway lanes — and most of those people would otherwise ride a bus. Thus, \$100 spent on light rail does less to relieve congestion than \$1 to \$4 spent on buses or road improvements.

Most cities that built light rail experienced a decline in transit's share of travel. This is partly because the expense of light rail forced transit agencies



Randall O'Toole

to increase fares and/or reduce bus services to areas not served by light rail. A Los Angeles bus rider's union successfully sued the regional transit agency for spending billions building rail into white suburbs while it let bus service to transit-dependent minority areas deteriorate. Is light rail more attractive to transit riders than buses? No, transit riders are sensitive to frequencies and speed, and buses can run more often and faster than light rail. While most light-rail lines average just 20 mph, many express bus routes average better than 30 mph. While safety demands that light-rail vehicles be spaced several minutes apart, buses can run just seconds apart.

Light rail increases congestion whenever the rail lines occupy former street space and also because it is such an ineffective use of transport dollars. Does light rail revitalize neighborhoods? No. Ten years after Portland's light-rail line opened, city officials were dismayed to find none of the redevelopment they expected along the line. They now offer millions of dollars of tax waivers and other subsidies to attract developers to the area. Los Angeles, San Diego, and other cities have had similar experiences.

Is light rail safe? No. Because they are heavy, light rail vehicles kill 11 people, mostly pedestrians, per billion passenger miles, while buses and urban freeways kill about 4 people per billion passenger miles.

So why do so many cities want to build light rail? One word: pork. The federal government gives cities billions of dollars to build useless rail lines. This creates a powerful lobby of interest groups to promote rail construction.

Every dollar spent on light rail is a dollar that can't be spent actually relieving congestion. Increased congestion will not lead people to stop driving. If you are the mayor of a big city, you love light rail because building light rail means spending federal transportation funds in the fast-growing suburbs where they are needed. In short, light rail is simply one more way to divert taxpayer dollars from where they are needed to where they primarily benefit wealthy elites. In political campaigns where light rail has come before voters, the vast majority of contributions for light rail come from engineering firms, contractors, banks, and downtown business interests. Subways and commuter rail transit work in cities with high-density urban cores, such as New York and Chicago. Yet even in dense regions light rail is not the answer: New Jersey's new Bergen-Hudson light-rail line is one of the biggest failures in the country.

Building light-rail lines costs more than the federal and local dollars wasted on the boondoggles. It also reduces the livability of cities by increasing congestion, reducing pedestrian safety, and promoting corporate welfare. North Carolinians who want to protect the livability of their communities should look for other solutions to transportation problems. *CJ*

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Local Innovation Bulletin Board

Magazine Looks at Cities

Governing magazine has published two stories on municipalities. In one issue the magazine wrote that Christchurch, New Zealand, was the "best run city in the world." The magazine argues that some things in Christchurch ought to be emulated in the United States:

"All the financial reports are broken down by sector and ward. Flip open the city's capital works budget, and you quickly learn of plans to spend \$16,000 on plantings in a neighborhood park in Wigram Ward, and \$66,000 for street lights on Bridge St. in Ferrymead Ward. The distribution of resources among different areas of the city presented much more openly than it would be in most American cities of comparable size, and it is clearly aimed at illustrating for all residents the diffusion of spending city-wide.

"Technically, Christchurch has a 'strong manager/weak mayor' form of government, but the truth is that managers and politicians quietly line up together on most of the fundamentals of governing. 'Expecting a hard policy and management split is unrealistic,' said Jonathan Fletcher. 'If that pothole outside that leading constituent's house spends three weeks unfilled, in the end it's not management on whom that constituent's frustration is going to be taken out, it's the local council member in the next election. And that goes for rubbish collection and any other service.'"

Governing wrote that Christchurch's turnaround came in the form of revolutionary reforms that opened the city to market-oriented solutions.

"A small core of U.S.-trained free-market economists holding sway in the Treasury Department decided to overhaul what they considered an expensive, unresponsive and flabby governmental system. The reformers were convinced that New Zealanders had come to

view government at all levels as the solution to any problem and the employer of first — not last — resort.

"They had numbers to back up their argument: As of the late 1980s, spending on government represented more than 40 percent of the nation's Gross Domestic Product. And they considered national stagnation to be the inevitable result.

"And so, in the State Sector Act of 1988 and the Public Finance Act of 1989, the reformers set out to replace the old system with an enterprise that looked as much as possible like a successful private corporation...

"Budgets would be based on specific sets of 'outputs,' purchased from the departments by Parliament in order to meet a department's clearly stated strategic objectives...New Zealand's infamous jobs mill — its civil service system — was completely dismantled, and CEs were cut loose to do their own hiring and firing, purchasing and contracting."

The experiment, however, has not had definitive results. Governing notes that the jury is still out on whether Christchurch has been completely successful.

In another issue of Governing, the magazine reports that some localities are using incorporation to ward off money-

hungry localities who lust after more tax money. According to the article, "Until a few years ago, people in unincorporated parts of Arapahoe County, Colorado, didn't want much from government. In fact, they preferred having no government at all. But when the city of Greenwood Village moved to annex a large swath of their commercial land, they came together in a surprising burst of civic activism.

In a region where citizens' allegiances had never run beyond the local level, they held 100 regional town meetings to argue that forming their own city would be preferable to "taxation without representation." Volunteers spent most Saturdays for two-and-a-half years button-holing neighbors at grocery stores to discuss the details of annexation and incorporation.

The idea caught on: Even though most residents had moved to the area to escape city government and high taxes, yards sprouted with 19,000 signs, and mailboxes and bulletin boards were blanketed with 250,000 brochures extolling the proposal to create a new level of government."

Luckily for this town, citizens had the option of incorporating instead of fighting a costly and expensive court battle. Such battles are usually expensive, if North Carolina is any example, because the cities have deep pockets and not only tax the annexed residents, but bury their lawyers in endless amounts of legal paperwork.

The town understands the responsibility that comes with freedom and liberty: "And they are trying to accomplish this with no established bureaucracy, almost no professional help and a public known mostly for its hostility to government.

Even some of the most ardent advocates of incorporation see bumps in the road ahead. "We used to think of ourselves as the Wild West:

We prided ourselves on our freedom and minimal government intrusion in our lives," says John Brackney, an Arapahoe County commissioner and one of the early proponents of incorporation. "Now, we have agreed it makes sense to form a city, but there are going to be huge battles about what kind of government we have."

According to some residents, "we must govern ourselves" or "somebody else will." Since incorporation they are endeavoring to foster citizen involvement. They reject the professionalism that has affected government since the progressive era.

They want to craft a local government that the average citizen can understand. The campaign slogan during the September 2000 campaign for incorporation said it all: "Yes [for the] City of Centennial. Pull it together before we get pulled." CJ

To view the entire text of these articles, visit the Governing magazine website at <http://www.governing.com>.

Raleigh Police Chief Jane Perlov:
A New Stop for City's Top Cop

By ERIK ROOT

Associate Editor

RALEIGH

CJ: Tell us about where you came from, how you got involved in police work and how you came to Raleigh.

Perlov: I was born and raised in New York City. I am the middle kid of three girls, which kind of makes me the rebel, I guess. It is probably how I ended up in this career.

I wasn't really destined to become a cop. I thought I was destined to go to college. It probably comes as a shock to my family because I don't come from a police or civil service family.

In 1981 I joined the New York City Police Department and rose up the ranks. New York has promotion exams, straight exams, through the rank of captain. I ended up getting the promotions mostly working around uptown Manhattan. When I made captain I was sent down to Times Square (midtown). I was the executive officer of the command, which is the biggest in the city. We have 76 different commands in New York.

I didn't really want to leave uptown Manhattan, but it was an amazing eye-opening experience for me. I got to participate in the revitalization of Times Square. I was really the only captain assigned to patrol from 6 at night to 2 in the morning Tuesday through Saturday, so I got to see all the interesting grimy sides of Times Square. I really thought that I made a contribution to what we did down there.

After that, Bill Bratton came to New York as police commissioner and challenged women for the first time. He put us in jobs not that he knew we could succeed in and we knew we could succeed in, but jobs that would really challenge us to see what we could do. He moved five of us into precinct commands, which is really what a person aimed for in the New York City Police Department. That was really the ultimate goal. You really want to be the captain of your own ship. Bratton really pushed responsibility to us. For the first time as well we had accountability systems, which we never had to really prevent crime. That guides my philosophy now. So I got my first command and ended up getting a husband out of that command, which is good.

CJ: I don't want to side track you, but is it a more aggressive approach to prevent crime?

Perlov: Oh, absolutely. It is really the difference between being a report taker and a crime stopper. It was aggressive policing. And it was controversial.

Bill Bratton really started that. He used something called COMSTAT, which is using computerized crime mapping. I use it here actually. We pin-map the crimes in a city and map crimes by time of day and day of week. This is really proactive and allows us to move our resources to where we see trends starting before it becomes an awful pattern or before they really get a stronghold in the area.

We didn't have to go through all the red tape. We could take what we needed whether it was narcotics, or vice, or mounted units and put them where the problem was. We would be held responsible for creating a plan. If crime went up, that was OK as long as we had a plan to attack

it. It really taught us how to think and for the first time we were allowed to think. It was an exciting time to be in policing.

CJ: Back to our historical background.

Perlov: Well, from Times Square I was transferred to the 30th Precinct, which had just gone through a huge scandal — every 20 years in New York they have corruption scandals on a cycle almost. There were about 30 officers arrested in the scandal from drug dealing to stealing money to perjury. It was in a high-crime area and it demoralized the community and the police department. There was no trust anywhere and Bratton sent me there.

CJ: That exhibits confidence in you, though.

Perlov: It was. It is interesting because that was my first command. It was a great time in my career. It was very challenging. It was a 24-hour-a-day job to try and restore confidence and motivate our officers to get out there and work again. I think we accomplished that.

Everyone was shocked when I left New York because I was at the top of my game and the highest-ranking woman. But while I was in New York I spoke at a seminar on women in government at Harvard. I was invited with two other speakers — one of them was Jane Swift, who was running for lieutenant governor of Massachusetts at the time.

In December I was out at a crime scene and I got paged to call the governor's office in Massachusetts. I have no political ties at all. My first thought was who did we lock up, whose kid did we arrest? I came back to the office and I called back and it was Jane Swift.

She wanted me to consider becoming their secretary of public safety. I didn't really know what it was, I told them I would think about it. I went on the Internet to find out what it was. It was a once-in-a-lifetime thing. I had about 10,000 employees. It was getting to be three years in the position and I was really missing being a cop, so I looked to see what was out there and the job in Raleigh popped up. I had only heard good things about the area and the department. So, here I am.

CJ: How have things changed for policing after September 11th?

Perlov: I got sworn in on September 17, only a few days after the WTC. I was like everybody else was, though I did lose some friends from the department that day.

We have found ourselves to be the frontline now in the war on terrorism. Our job completely flip-flopped from what it was the week before. Our whole vision has changed to include preventing terrorists and looking for terrorists. Working closely with federal agencies is also very new. There really has never been the partnership between agencies there is now.

Being in a new city with a new job and having to deal with the new circumstances made me have to learn very quickly. I think that was a good way to start. I have never waited for something to happen; when the time comes to respond, the time to prepare is gone. It is very simple but I firmly believe that. It really guides me. CJ



Police Chief Jane Perlov

From Cherokee to Currituck

Cities Ignore Finding That Workers Prefer to Drive Their Cars

By ERIK ROOT
Assistant Editor

RALEIGH
According to the *Herald-Sun* of Durham, the U.S. Census Bureau "Census 2000 Supplementary Survey" found that well over 90 percent of people working outside the home drive to work. Those that drive to work do so alone. Predictably, public transit officials argue that the census points out the need for extensive public transportation programs to move people from their cars and onto buses and trains. However, they omit the fact that there are plenty of public transportation choices available and that people are still choosing their cars for transportation.

Nevertheless, officials for the Triangle Transit Authority claim that just proves there needs to be more buses that run more frequently.

Raleigh's roundabouts

Raleigh is considering building roundabouts down Hillsborough Street to slow traffic near North Carolina State University. According to the *Wall Street Journal*, the trend of some cities to replace stoplights with "roundabouts" has not solved traffic problems but created more hassles.

In Clearwater, Fla., officials replaced many intersections with roundabouts at a cost of \$8 million. They replaced the intersections to cope with increased beach-bound traffic in the tourist-rich community. They also argued that the roundabouts would

provide an "artistic entry point for visitors" to the area. All the art did was create more traffic problems. According to the story, motorists do not know which car has the right-of-way. The roundabouts have caused 500 accidents. Drivers collided with the center dividers at an average of five times a week. Single-car accidents also increased. Big trucks run over curbs and hit the center dividers as well, damaging the artistic centerpieces. Noise pollution also has increased as motorists' tires screech to avoid collisions.

Residents also hear more horns honking for the same reason. Harry Campbell, Orlando transportation engineer, said the success of roundabouts depends on how they are used. But, he said, sometimes simple stop signs, which cost thousands of dollars less than roundabouts, are safer and better for traffic flow than roundabouts.

Privatizing in Carolina Beach

The Carolina Beach Police Advisory Committee is recommending to members of the town council that they contract out parking enforcement and collections, according to the *Island Gazette* of Carolina Beach.

Though they have not been awarded a

contract, as a part of the proposal, Lanier Parking says it would increase the "pay stations" in the town. They argue those stations are more consumer-friendly. As opposed to parking meters, pay stations accept paper money, not just coins, making them more convenient.

Schools contract out, too

Winston-Salem/Forsyth County Schools has signed an agreement that turns over to Chatwells School Dining Services food service management, reports the *Kernville News*.

On the collegiate level *The Wilmington Morning Star* reports that UNC-Wilmington has signed a contract for Barnes and Noble to take over its campus bookstore. The university reportedly has increased its revenue as a

result. "Certainly, at a personal level, no one likes the idea of having to outsource university business operations and lay off current university employees, some of whom have served the university for a number of years. However, we need to keep in mind that the operation of a bookstore is an unrelated business enterprise, not directly linked to the university's academic mission," said Dick Scott, associate vice chancellor for business affairs. According to the contract, Barnes and Noble assures UNCW

\$500,000 over the next five years. Barnes and Noble's bid beat out two other proposals.

Housing authority under fire

Similar to the events that have transpired in Wilmington over the past few years, Durham is having its own problems with its housing authority, the *Herald-Sun* of Durham reports.

The No. 2 executive, Charles Smith, of the Durham Housing Authority, was barred from involvement in housing programs in Pennsylvania and Delaware because he mishandled funds.

After a Housing and Urban Development audit, Smith was found to have mis-spent \$1.7 million. Smith could face federal charges if officials decide to pursue that avenue.

However the scandal also involves Finance Director Edward Farrow. Federal investigators have charged Farrow with embezzling almost \$54,000 in a conspiracy that also involved three outside associates and a nonexistent consulting firm.

Similar to the Wilmington case, the misuse of funds involves, in part, a school renovation project. The position for which Durham hired Smith carries an annual salary of \$70,000 a year.

The editorial pages of the same paper conclude that "this matter is disgusting. There is a smell about it. But it's a smell that none of our leaders seems to notice because there is no accountability." *CF*

"We need to keep in mind the operation of a bookstore is an unrelated business...not directly linked to the university's academic mission."



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National Review Ad

From the Liberty Library

• *Shakedown: Exposing the Real Jesse Jackson* was released by Regnery Publishing in early March and gained immediate national attention. Author and investigative reporter Kenneth Timmerman calls Jackson a modern day highway robber who cries "racism" to steal from individuals, corporations, and government, to give to himself. Timmerman examines Jackson's machine, finding cronies willing to break ranks, and uncovers a sordid tale of greed, ambition, and corruption from a self-proclaimed minister who has no qualms about poisoning American race relations for personal gain. More information at www.regnery.com on this title.

• Shepherd College Professor Anders Henriksson has compiled *NON CAMPUS MENTIS: World History According to College Students*, a collection of shocking mistakes and hysterical bloopers culled from the history term papers and exams of students at over 30 colleges. The book covers nearly all historical periods, including the dawn of religion: Judaism was the first monolithic religion. It had one big God named 'Yahoo.' The mother of Jesus was Mary, who was different from other women because of her immaculate contraption. Great historical figures: Machiavelli, who was often unemployed, wrote *The Prince* to get a job with Richard Nixon. The social order: Upper Class, Middle Class, Working Class and Lowest Poor Scum. And celebrated conflicts: This was known as the 'Blintz Krieg.' The French huddled up and threw sneers at the Germans. Hitler's attack on Russia was secretly called 'Operation Barbarella.'...Hitler, who had become depressed for some reason, crawled under Berlin. Here he had his wife Evita put to sleep, and then shot himself in the bonker. For more yuks, see the publisher's website at www.workman.com.

• Loyola (Md.) College economics professor Thomas J. DiLorenzo has written *The Real Lincoln: A New Look at Abraham Lincoln, His Agenda, and an Unnecessary War*, which studies a side of Lincoln not told in many history books and overshadowed by the immense Lincoln legend. Through his research and documentation, DiLorenzo portrays the sixteenth president as a man who devoted his political career to revolutionizing the American form of government from one that was very limited in scope and highly decentralized—as the Founding Fathers intended—to a highly centralized, activist state. More on DiLorenzo's book at www.randomhouse.com.

• Matthew Robinson, the managing editor at *Human Events*, is the author of *Mobocracy: How the Media's Obsession with Polling Twists the News, Alters Elections, and Undermines Democracy*. The book uncovers how the media's obsession with polling drives public policy, subverts elections, and decides what we see on the evening news. Robinson reveals how our country's democratic process has been corrupted by the mob rule of an ill-informed electorate whose opinions are trumpeted at the expense of thoughtful reporting. www.prima-publishing.com has more details. CJ

Book Review

Race to the Top Elevates Globalization of Freedom

• Tomas Larsson, *The Race to the Top*, Cato Institute, 2001, 164pp., \$18.95

By GEORGE C. LEEF
Contributing Editor

RALEIGH
The inveterate complainers who jump at any opportunity to smash windows to protest globalization are fond of saying that globalization means "a race to the bottom." Supposedly, unfettered worldwide trade and competition are bad because they will drive down wages, living standards, environmental conditions, and so on. Just as Karl Marx tried to frighten people with the prophesy that laissez-faire capitalism would reduce wages to the level of bare subsistence, so do antiglobalists try to frighten people with the prophesy that laissez-faire capitalism will impoverish nearly everyone except a few plutocrats.

Marx was famously wrong, of course, and so are the antiglobalists. Economists have demonstrated why, in theory, the wider the extent of the market, the greater will be the benefits of specialization and trade. That argument convinces a few people, but most don't grasp theoretical arguments. Far more persuasive for most people are individual stories where they can readily see the impact that freedom (or its absence) has.

Author saw effects of free trade

Enter Swedish journalist Tomas Larsson with his book *The Race to the Top*. Larsson has actually lived in a number of the nations that the rock-throwers say they intend to save from the horrors of globalization, and his observations on the actual rather than the imagined effects of foreign investment and trade are devastating to the antiglobalist position. Freedom, it turns out, begins not a universal race to the bottom, but instead a race to the top that is especially beneficial for the world's desperately poor. In the



course of the book, hand-wringers like John Gray come off looking ridiculous.

Brazil is a country the antiglobalists often point to, claiming that its experience proves that the uncontrolled market leads to "economic polarization" manifesting itself in "special enclaves for the rich and stashing the poor in prison." Reality is far different, Larsson shows. Despite an extraordinary degree of governmental interference with free markets — high tariffs protect inefficient state enterprises and a fat public sector drains resources away from workers and entrepreneurs — where economic freedom has been able to seep in, it has made a tremendous difference. Larsson quotes another journalist intimately familiar with Brazil: "I know people who were literally starving 10 years ago, who now have both fridges and computers."

Thailand is another country supposedly threatened by globalization. Larsson spent years there and understands its situ-

ation well. Again, it's a case of capitalism struggling against the clumsy meddling of government. "The country's rulers have been more concerned with building up prestigious heavy industry than with making proper jobs possible for young people," he writes. Trade and investment are stifled by "all manner of taxes and regulations that fend off foreign goods and capital." A high minimum wage keeps low-skilled workers from a chance at improving their lot in life. Critics who cite Thailand as evidence of the harm of globalization have it all wrong, Larsson argues. The antimarket rhetoric is again proven to be shallow and ill-informed.

Destruction of the status quo

The recurring theme in the book is the antagonism between the expanding opportunities globalization brings to people and the efforts of elites to shut down those opportunities to protect their comfortable status quo. One of Larsson's most telling insights is the role of information in economic liberalization. "A free (and professional) press is one of the key institutions that enable individuals and countries to take advantage of the opportunities presented by the global economy — and to avoid its pitfalls," he writes. Unfortunately, "of the five countries receiving the largest net income from multilateral aid organizations like the World Bank and International Monetary Fund, not one enjoys a free press." Why, our author wonders, shouldn't press freedom be made a condition for such aid?

The antiglobalists (and statisticians of all varieties) spin out elaborate, deceptive webs to snare the gullible into believing that freedom is dangerous and undesirable. *The Race to the Top* stands for the opposite idea. "Freedom is good for everybody," Larsson said.

If you won't settle for overheated rhetoric and ignorant rants about globalization, but would like to know the truth, this is a book you will want to read. CJ

Book Review

A Salute to Marshall's Life of George Washington

• John Marshall, *The Life of George Washington*, Indianapolis, Liberty Fund 2000. 514 pp. \$25 hardcover. \$12 paper.

By ERIK ROOT
Assistant Editor

RALEIGH
Liberty Fund is the keeper of the classics, or more particularly, the American classics. The publisher has consistently nurtured the embers of American political thought by publishing some of the great works of the Founding. And so Liberty has recently released, after a more than 140-year absence, *The Life of George Washington* by Chief Justice John Marshall.

As Boston College professor Robert Faulkner writes in a pithy foreword, Marshall's work was the first serious biography of Washington to appear — just eight years after his death. If Liberty Fund keeps the American classics alive, Marshall's style is more classical (or ancient) in the proper sense of the word. Faulkner draws our attention to a letter Marshall wrote Gouverneur Morris in 1826 "on 'the inferiority of modern to ancient history' [because] it is not 'written by practical statesmen' who have actually 'engaged in the great & interesting events' they wrote about."

The Life of George Washington was originally a multivolume work. However, the

first releases of it were so riddled with errors that Marshall polished it into a one-volume 1835 edition that could be used more readily in schools.

Marshall's account is more than just a biography; it is also a political history. Hence, controversy surrounds Marshall's history. In a sense it is like the extant versions of the history of Rome authored by Titus Livius. Livius was a republican who emphasized the moral superiority of ancient Rome while living in the time of empire. Augustus Caesar made disparaging remarks about that great author by calling him "Pompeian" — Pompey might be said to have been the last great hope of Roman republicanism, but he fell at the hands of Caesar (the father of Augustus). Marshall had his detractor as well and that happened to be none other than Thomas Jefferson.

Faulkner directs our attention to the Jeffersonian challenge, which is included in his *Anas* under the title "Explanations." According to Jefferson, "Marshall...puts an attractive shine on Hamilton and the few and their accomplishments, but it is silent and cold as to the rights of humanity." It is the age-old partisan conflict between Jefferson, the republican, and Hamilton, the perhaps unfairly labeled Caesarian.

While such debates are interesting, the resurrection of *The Life of George Washington*

offers the reader an account of the father of our country. Marshall spends the first two-thirds of the book on Washington's generalship. The second half of the book is dedicated to the creation of the republic and its early growth under Washington as president. With the termination of the war, Washington was truly a popular figure. Nevertheless, he did not carry with him the ego accompanied by politicians in modernity. Marshall describes a humble man who did not seek the office, but accepted it as a duty.

In part three, Marshall embarks on character sketches not only of Washington but other figures. If republican government is to survive, it must have those of the highest character representing it. When he wrote of Washington, Marshall said, "trusting to the reflecting good sense of the nation, he had the magnanimity to pursue its real interests in opposition to its temporary prejudices; and in more instances than one we find him committing his whole popularity to hazard, and pursuing steadily the course dictated by a sense of duty, in opposition to a torrent which would have overwhelmed a man of ordinary firmness." Washington had the fortitude to resist the enticements of passionate opinion opting for a more deliberative course. For these reasons, and several others, Marshall's Washington was truly the indispensable man. CJ

Book Review

Lobbyist Park's 'Voodoo Science' Casts an Impotent Spell

• Robert Park: *Voodoo Science*, Oxford University Press, 2000, 230pp., \$25

By PATRICK J. MICHAELS

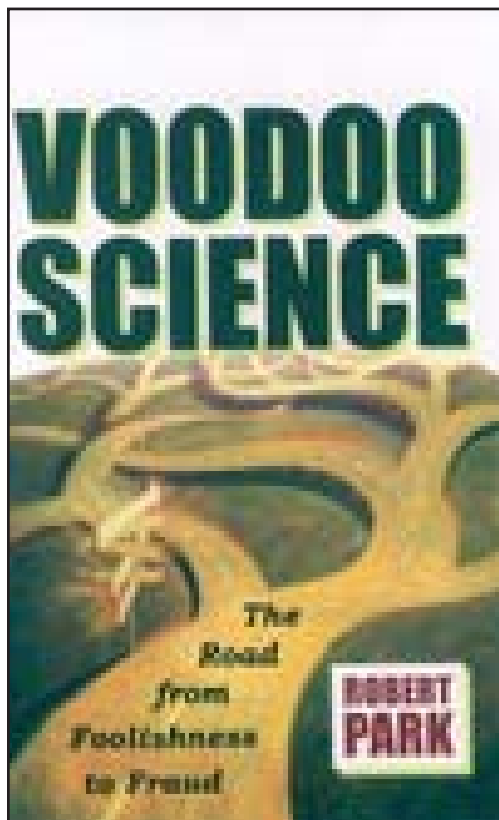
Guest Contributor

CHARLOTTESVILLE, VA.

I really wanted to like Robert Park's *Voodoo Science: The Road from Foolishness to Fraud* a lot more than I did. It's a pretty good book about how bad science manages to prosper and replicate, despite failure after failure, and for that much I recommend a purchase. But it simply does not go far enough and ultimately reveals a naivete that I found shocking from a Washington insider like Park, who is the American Physical Society's chief lobbyist in the nation's capital." (He also directs the Washington office of the American Physical Society," the liner says. That's close enough for me.) I am heavily mired in the morass of global-warming science, where there's plenty of voodoo, and I was hoping that, as a physicist, Park would go there.

But he didn't. Instead, his first shots are easy and obvious ones against perpetual-motion machines and high-output "cold fusion," a la Stanley Pons and Martin Fleischmann. He holds these as archetypes of "pathological science," which is when, according to Park, scientists fool themselves. It doesn't hurt, he notes, that the media aren't up to making critical distinctions and that sensational stories get more viewers than mundane ones.

Then there's "Junk Science," in which the motif of science is used to deceive, "pseudoscience," in which the rhetoric of science is used illogically and deceptively (as in Deepak Chopra's purposeful



conflation of quantum theory and aging) and outright fraud. All of these he collects under the notion of "Voodoo Science."

Author picked easy targets

There are plenty of targets out there, and Park takes full advantage of that. Homeopathy. Alternative Medicine. ESP, parapsychology. But why? Everyone with a worthwhile college education (an increasingly small fraction of the population) knows these are bunkum. Why not go after

the big Kahuna: the phenomenal exaggeration of the magnitude and implications of global warming, consciously promoted by a large scientific community. Now that would be a good subject for a book about weird science!

Instead, Park seems to think everything is OK in the global warming world, and that the science is just going to sort itself out. As an example, he doesn't well represent the out-and-out problem between global satellite data and global warming models. Someone without special knowledge of this field would conclude, from reading Park, that an error was found in the satellite data that invalidated their assault on the gloom-and-doom paradigm, when in fact the error has been corrected and the annual average satellite data still show no statistically significant warming in its 23-year history.

This gigantic omission is because Park really didn't want to rock the global warming boat. In Washington, scientific relevance is defined by the amount of money doled out — be it to members of the American Physical Society or to the American Meteorological Society, and this induces profound distortions on the normal scientific process. I was desperately hoping that Park would discuss that point at length, but he didn't. Instead, he chose a long-winded (and somewhat inaccurate) assault on antiballistic missile defense and Edward Teller. This included the whopper that the 1986 Reykjavik Summit between President Ronald Reagan and Premier Mikhail Gorbachev was a total failure.

What happened at Reykjavik is that both parties had agreed to some considerable reductions in nuclear forces. As the

meeting broke up, Gorbachev added one condition: We would agree to stop working on an antinuclear defense. Reagan walked away.

Gorbachev returned to Moscow and informed the Central Committee that they had to compete technologically with the Americans. The Soviet Union fell apart, and soon after they were forced to "tear down that wall." If Park thinks this is a "total failure," I can't imagine how he would define "success."

Secrecy and money

Basically, Park is saying that the secrecy surrounding ABM and related defenses is inimical to the normal process of science, and that those under the shroud have financial incentives to be less than candid in order to continue receiving taxpayer largesse.

So which distorts more — money or secrecy? That would have been a good question. Which causes more voodoo, oodles of politicized dollars, or security clearances?

Face it, neither is very healthy. Instead of going to this core, which is the fountainhead of much scientific voodoo, especially the global climate hysteria, Park took the easy shots. Too bad, because I think he knows a lot about the way science gets politically carved up in Washington that he, too, is keeping secret.

At any rate, Park's book is a good read for the easy targets like perpetual motion machines and cold fusion. But for the more interesting objectives, like the creation of voodoo science by the Public Choice process, well, I'm, working on it. *CF*

Book Review

Larson's Internal Improvements Misses the Boat on Privatization

• John Lauritz Larson: *Internal Improvement: National Public Works and the Promise of Popular Government in the Early United States*, University of North Carolina Press, 2001. 324 pp., \$55 (cloth), \$19.95 (paper)

By BURTON FOLSOM, JR.

Guest Contributor

RALEIGH

In 1805, Thomas Jefferson, in his second inaugural address, focused attention on the limited government of his presidency: "[I]t may be the pleasure and the pride of an American to ask, What farmer, what mechanic, what laborer ever sees a taxgatherer of the United States?" Little did Jefferson know that the issue of "internal improvements at federal expense" would unleash the taxgatherers during his second term to support massive canal building from the coast of Maine to Athens, Georgia.

Professor John Larson of Purdue University sympathizes with plans, especially the Gallatin Plan of 1808, to unite America with a network of federally funded canals, postroads, and other improvements. What's more, Larson finds such extra-Constitutional actions consistent with republican ideals.

"It is my contention," Larson argues, "that the positive use of government power for popular constructive purposes, such as public works of internal improvement, never was proscribed by republicanism..."

He commends, for example, "[George] Washington's vision of a rising empire, guided from the center by benevolent government and striving toward some splendid republican future..." By contrast, those

"capitalists" who wanted to build internal improvements with private funds Larson dismisses as localistic, obstructionist, and narrowly partisan.

Larson laments that the latter group usually won the congressional battles in the early 1800s and prevented the national planning of America's transportation network. The states then began building their own canals. Much of this state-directed construction, Larson concedes, was a failure, but he still prefers state planning to private enterprise. He spends many pages describing the Erie Canal and commending the New York legislature for funding it. Since the Erie Canal brought in millions of dollars profit in tolls, Larson sees it as an example of what could have happened nationally if we had tried public planning.

Despite an abundance of research, Larson's analysis is often superficial and weak. The first problem is with typology. Both planners and capitalists wanted internal improvements — the question was how to fund them.

The Founders refused to grant the federal government the power to tax generally in order to build canals locally. Presidents Jefferson and Monroe, among others, urged the planners to pass a constitutional amendment before going forward with their schemes.

Larson's second problem is that national planning is hard to impose on a na-

tion with a representative government. What if voters change their minds on where they want canals? Or, if they want railroads, whether they want them built with expensive T-rails or cheaper strap-iron rails. Strong changes in the composition of Congress — not to mention the inherent problems of voter self-interest, overly bureaucratic planning boards, and the almost daily adjustments necessary with new technologies — make any national plan almost impossible to centrally direct.

Larson's third problem is that the internal improvements ultimately built by the various state governments were usually inferior to the ones built by private enterprise. Larson described the typical government-run canal when he said, "Early projects often failed, soaking up great sums of investment capital while yielding little or no general benefit."

State after state — Illinois, Indiana, Ohio, Michigan, among others — tried to build transportation networks only to watch them collapse ignominiously through mismanagement, poor planning, miscalculated funding, and partisan politics. Pennsylvania tried to copy the Erie Canal only to run up such catastrophic debt that the state had to declare bankruptcy. Even New York ran into debt because other canals it built were all unprofitable and soaked up the capital gained by the success of the Erie Canal.

Gov. Stevens T. Mason, who presided

over the failed canals and railroads in Michigan, eventually called the fever to build at state expense the "false spirit of the age." Upstate New York, with its excellent and atypical geography, topography, and river system, was a natural choice and the Erie Canal would have been profitable whether built by state or private funds. States that followed the Erie Canal example were later eager to privatize their failed transportation system.

Author wrong on privatization

Larson is simply wrong when he says that in Michigan (and, by implication, elsewhere), "it was with great reluctance that voters embraced the privatization of their transportation networks." In fact, Michigan voters went to the polls with gusto in 1851 to amend the state constitution to say "the [s]tate shall not be a party to or interested in any work of internal improvement..."

After the canal era, national planning and federal subsidies in transportation continued to fail. Private enterprise consistently worked better in the steamship business, in the building of the transcontinental railroads, and in developing the airplane. *Internal Improvement* contains useful information on early transportation, but its interpretation is unsupportable. *CF*

Burton Folsom, Jr. is historian in residence at the Center for the American Idea in Houston, Texas. He is the author of *The Myth of the Robber Barons*.

Despite an abundance of research, Larson's analysis is often superficial and weak. The first problem is with typology.

Editorials

BUDGET BOMB

Government not at fault, you are

As North Carolina sinks ever southward in its budgetary morass both state politicians and leading media mouthpieces continue their campaigns to mislead the citizens of the Old North State into an almost ritual acceptance of big government and high taxes. Facing, again, an annual budget shortfall in excess of \$1 billion the adherents of statism in Raleigh continue to seek additional resources rather than any serious control or restriction of programs upon which funds are spent, regardless of their usefulness. Or uselessness.

Former Gov. Jim Hunt set the stage for this mess by assiduously avoiding the central task of political leadership in his refusal to make hard choices about taxes and spending while offering succor to the satisfaction of his own political interests, short-term and self-interested as they were. Mike Easley, party to Hunt's recklessness and a contributor in his own right to our state's squalid fiscal condition, was the fighting force behind the state's losing lawsuits, which caused much of today's distress.

Many who make excuses for this ongoing incompetence by the powers that be, including liberalism's statewide newsletter, *The News & Observer* of Raleigh, are worse than disingenuous in promulgating lame excuses for the travesty they have wrought. In their view, it is invariably the fault of our state's taxpayers for failing to pony up enough of their incomes to the coffers of the king rather than the fault of the Jones Street royalists who refuse to control their appetite for the people's property.

Apples and oranges do not an orchard make

Curious arguments are being made to justify this money-grab. For example, *The News & Observer*, through its editorial page editor Steve Ford, compares 16-month revenue projections in North Carolina of a \$1.9 billion shortfall to Virginia's estimated deficit of \$3.9 billion through mid-2004. Thus he pretends our 16-month problem compares with Virginia's estimated 28-month shortfall. And so he claims that "it's hard not to conclude that we may have done something right when we're in better shape than the innately conservative Old Dominion."

Let us offer a primer in dissection and budgetary pathology. There is a 12-month gap between the above referenced Virginia and North Carolina budget numbers. This is more dishonest than it is disingenuous. And the argument is that Virginia's apples have ripened while somehow North Carolina's oranges have rotted on the vine. Yet, according to the National Association of State Budget Officers, if one looks at the numbers for fiscal 2002 the differences actually favor North Carolina over Virginia by \$400 million. We grant that these numbers are fluid and North Carolina's present predicament indicates this. But this is part of the point. Even dealing with honest estimates, they are just that, estimates. And to extrapolate based on the incongruent comparison suggested by Ford indicates

more the talents of a carnival crystal ball gazer than that of a serious analyst. But then, all too many partisans in our budgetary politics seem to be enamored of Miss Cleo's prodigious talents. It gets worse.

If one accepts the argument proffered by *The News & Observer*, and further accepts the state government's assumed 4.9 percent growth in state revenue with our current year deficit most recently estimated at about \$1.2 billion, and then extrapolates that within the same time frame as Ford uses to compare North Carolina to Virginia, that means one might reasonably estimate a budgetary shortfall in North Carolina over the period of 2000 through 2004 of over \$5 billion. Thus, contrary to the *N&O's* shell shuffling, Virginia, held up as a bad example by Ford, looks to be in better shape than North Carolina by about \$1 billion. In denial of this, some insist on offering this suggestion to the people of North Carolina: If you don't like the way state government is trashing our state's finances, well you can just take a hike and go live in Virginia.

End the charade now

Snideness aside, North Carolina is not alone as 37 other states around the nation contribute to an estimated \$40 billion shortfall with deficits ranging from \$11.5 million in South Dakota to California, which went from a \$12 billion surplus last fiscal year to a \$17 billion shortfall this year. In nearly every instance, governments are shifting funding from one year to the next without truly changing policy and thus simply putting off the day of reckoning.

We must note nonetheless that North Carolina's budget debate is not advanced by sophomoric bromides and rhetorical shuffling by those who believe the size and reach of our state government is just dandy — if only North Carolina's citizens would step up to the plate and feed the leviathan. It may seem a little old-fashioned to point out that when families face reduced income they must cut expenses. The John Locke Foundation's budget analysts previously offered a viable plan to balance the budget through both tax and spending cuts without materially affecting necessary services. But so long as the powers that be fail to display honesty with the citizens of North Carolina, the problems will only be shuffled to the next act. It's time to stop the shuffling and get real.

HABLA INGLÉS?

Our language should define our culture

In 1908 playwright Israel Zangwell wrote a play called *The Melting Pot* describing America as "God's crucible...where the races of Europe are melting and reforming!" Of course, our immigration patterns have changed and immigrants, legal and illegal, now come predominantly from Latin America, Asia, and to a lesser de-

gree the remnants of the Soviet Union. In any event, the term is more often than not intended as a description of acceptance, assimilation, and homogenization than it is a formula that results in any loss of ethnic identity.

Let there be no misunderstanding: We should do what we can within our private lives to sustain, indeed enliven, our particular cultural origins and traditions. But no matter how "multicultural" our population, it is critical to the success of the American idea that those who wish to be a part of this inspiring mosaic must accept certain attributes and cultural guideposts as central to the American experience. In this respect, while in private life and relatively cloistered communities — whether it is the old Little Italy of New York City, or the various Jewish, Greek, Chinese, Hispanic, and other ethnic enclaves scattered throughout the nation — the maintenance of one's cultural heritage is a

wonderful element of the American tableau, it is not enough to sustain a unified polity. One should also learn to speak English. It is the language of both our nation and of international commerce. This is inescapable.

With North Carolina's dramatically increasing Hispanic population, we are faced with a dilemma having no easy solution. Our state's Hispanic population grew nearly fivefold from 1990 to 2000, from 77,000 to almost 379,000. As a result, many small communities such as Selma and Siler City have experienced dramatic changes. Chatham and Johnston counties are among the most dramatically affected. And as reported by the *News & Record* of Greensboro, a recent U.S. Census Bureau survey notes that "of the 542,000 state residents who speak a language other than English at home, 29 percent do not speak English at all or do not speak English 'well.' "

Accommodation, si. Acquiescence, no

Accommodation to linguistic transition is one thing. Acquiescence to linguistic separatism is quite another. With complaints such as that of Herla de Cruz of Selma that "discrimination begins with the fact that (the police) don't speak Spanish," we have the beginnings of a Canadian-style Francophone division that can sunder our culture.

North Carolina is now under threat of federal sanction — and losing \$4.5 billion in federal funds — if it does not employ more Spanish-speaking interpreters in its health care and social service agencies. The lack of such interpreters is allegedly a violation of the 1964 Civil Rights Act and therefore, it is said, unconstitutional.

Forget for now the constitutionally suspect premises of that analysis. If one does accept that the provision of interpreters is a "civil right" then we have an insurmountably expensive problem. The implication is that *any* individual of *any* linguistic disposition is entitled to be provided with a publicly funded interpreter so that he may efficiently avail himself of access to taxpayer dollars, an absurdity in *extremis*.

To suggest that the refusal of immigrants, many of them here illegally, to assimilate into the American "melting pot" is a result of their being denied their "civil rights" indicates a severe policy revision is in order.

The notion that it is a federally guaranteed right, indeed a constitutional right, to always speak in one's own language regardless of the circumstances or expected benefits — and demand that others learn to speak in a language other than English to pander to such desires — is to say that we no longer strive for the ideal of *e pluribus unum*, or "out of many, one." It more nearly suggests Al Gore's infamously ignorant and clumsy locution uttered some years ago, the crippling and divisive idea that we must "out of one, (form) many."

As it has been central to the development of our culture and the genius of our enterprise, immigration is generally a positive good. While we do not here propose any particular solutions to the problems endemic to an officially sanctioned bilingualism or the problems associated with illegal immigration, we also know the issue is neither cut nor dried.

We further recognize that those issues tangential to immigration and cultural assimilation foster great passion and some consternation while current policy simultaneously offers little with respect to either constitutional probity or true naturalization.

But we cannot, as a nation or a state, realistically accommodate the linguistic desires and demands of each immigrant population. Outside of their own homes and familiar communities, immigrants need to learn to adapt to America and its language, not the other way around. Because it is here that they have chosen to live and work. Legally or not.

TRADING PLACES

"Bipartisan" commissions allow escape

The campaign-finance reformers finally got their wish with the passage of a new federal bill last month banning soft money and restricting the free speech rights of independent groups, ranging from the National Abortion Rights Action League to the National Rifle Association, to participate in the democratic process.

Actually, many opponents of campaign-finance reform also got what they wanted. The new bill increases the individual limit on hard-money contributions to federal candidates from \$1,000 to \$2,000 (it's already \$4,000 for state-level candidates in North Carolina). This will aid a great deal in raising the kind of cash necessary to run a modern campaign without having to spend an inordinate amount of time building sand castles one grain at a time.

More importantly, reform skeptics got a test case that will surely go to the U.S. Supreme Court — and that, many believe, will result in a stronger jurisprudence protecting our First Amendment rights against encroachment by John McCain, Richard Gephardt, and the rest of the speech police.

Mixed effects in N.C.

In North Carolina, the practical effects of the new finance law will probably be mixed. As state parties will still be allowed to raise soft money at \$10,000 a pop, they'll be where some of the new action is. That means that the North Carolina Democratic and Republican party establishments may gain some power at the expense of their Washington counterparts.

Furthermore, large contributors seeking to influence the political process will look for new avenues to do so, such as supporting public-affairs organizations already existing in North Carolina or starting new ones ("voter-registration" and "citizen-involvement" charities are some of the front groups the Democrats will found or expand, while Republicans will direct their donors' money to issue-oriented groups).

Because political matters and the population of our state and national is growing, campaign spending will continue to rise, the excitable will continue to complain, and the rest of us will simply find it a little harder to track who is giving money to whom, and why. That's because donors with big bank accounts will be spending their money more at the state level and in independent-expenditure efforts rather than giving the cash directly to the national parties to deploy as needed (which is easily spotted by the press and nonprofit watchdogs).

Corporate executives are one clear winner from the bill, however, because they will feel less pressure to give big money to state parties or independent groups than they previously did to the president's national party (either Clinton's or Bush's). Again, if they have a real dog in a political fight, they'll still find ways to participate in the process. But they may have a better excuse to say no when the national fundraisers come calling. That's bully for them, but the benefits to the rest of us are somewhat unclear, unless the savings is passed along in the form of higher interest and capital gains.

Bottom line: campaign finance reform is a sham, and everyone in the game knows it. As long as politics matters, as long as one person can use the process to do something to or steal something from another, those with access to financial resources will seek to use them to protect themselves or to gain advantage. Oh, and the tooth fairy isn't real, either. Sorry, Mr. McCain.

DISTRICT REDUX

Redistricting battle in high gear

High drama now envelopes the issue of legislative redistricting, in an unfolding debate that may also bring a much needed adjustment to North Carolina's politics. On March 7 the state Supreme Court unanimously ordered stay regarding the previously planned primary election date, a stay originally issued by a lower court on the legal finding that the newly drawn districts are unconstitutional. The high court is expected to issue its ruling this month.

Our state's constitution is not an ambiguous document.

Article II, Section 3(3), says "no county shall be divided in the formation of a senate district." Article II, Section 4(3) stipulates that "no county shall be divided in the formation of a representative district." So when state legislators drafted the redistricting guidelines recently promulgated one can only surmise they were more concerned with political expediency than legal or constitutional probity.

It is a measure of the integrity of Superior Court Judge Knox Jenkins that he rendered a clear decision in favor of the strict text of the North Carolina Constitution. It is also obviously wishful thinking to proffer the idea that our elected representatives — *in toto* — would do the same. But those in control of the process obviously care less about the rule of law and its guiding document than they do about covering their own behinds.

While we make no supposition that the partisan tinge to redistricting would have been less if a different political party had been in power this year, we do believe — as share most North Carolinians do — that drawing political boundaries ought to be about more than gaming the system.

Politicians by nature seek to acquire and secure power.

More often than not, they will subvert any constitutional or legal order to enable their reign. In North Carolina, it was the Democrats. In other states where Republicans controlled the legislature, they typically pursued a similar partisan course. At least in North Carolina there might be a neutral rule restricting this abuse — if our leaders are willing to read and adhere to the constitution of our state.

Which brings us home to where we should always reside, comfortably or not. Constitutions are drafted, debated, and ratified for a purpose; to define the strictures of law and the constructs of civil government.

For too long now, whether the issue is redistricting or the overwrought activism of the U.S. Supreme Court's various ruling over the years, our legislators and our courts have viewed constitutional strictures as impediments to desired action rather than restraints against usurious and tyrannical conduct.

For now, we should be proud of North Carolina's courts. And the legislature, until it remedies this matter in a constitutionally acceptable fashion, should hang its head in shame.

CJ

On Hyperbole and Hyperventilation

Having taken several dramatic steps to avoid it — pilfering \$200 million from local governments, tapping reserves, passing one of the largest state tax increases in history — Gov. Mike Easley and the North Carolina General Assembly are finally talking about budgetary Armageddon.

That is, they are considering the elimination of 1 percent of state-employee positions in North Carolina.

Not exactly the fiscal equivalent of nuclear explosion, I grant you.

We live in a state where dozens of individual companies have laid off far more workers than that (in percentage terms) in a single day. We live in a state with the highest unemployment rate in the Southeast, generated almost totally by private-sector job losses, and where distressed counties such as Cleveland, Nash, and Catawba have jobless rates nearing 10 percent.

So when the Easley administration's preliminary budget reductions for FY 2002-03 came out in late March, some of us out here in the real world had a bit of a hard time getting all worked up about them. No one wants to see a good employee lose his or her job, but come on — the hyperbole and hyperventilation about state reductions-in-force were too much to take given the dismaying economic situation that taxpaying families and businesses have experienced during the past 18 months.

Last September, when state leaders raised taxes by more than \$1 billion over two years in a failed attempt to close the budget deficit, they exhibited little concern for the many private-sector workers affected by that action, either through reduced wages or unemployment. Nor has Easley expressed much remorse for his decision last month to withhold city and county revenues, which will likely affect the ranks of local government employees.

Wrong number to target

Now, I would be the first to argue that budget-cutters who focus on the number of jobs in state government are targeting the wrong number. In the areas where state action is necessary and productive, I think we should be fully staffed with skilled, effective employees who are adequately compensated and motivated to serve the public well.

The primary problem with North Carolina's government bloat isn't that good programs are overstaffed. The problem is that we spend too much money on nonessential programs.

We shouldn't eliminate hundreds of prison guards — as Easley's preliminary reduction plans suggest — in order to fund programs such as the failed Global TransPark, corporate subsidies, and university slush funds. We shouldn't chop needed positions at our community colleges in a irrational attempt to hold

down tuition increases that are, in fact, too small. And we shouldn't compromise public health and safety while indefensibly leaving alone pots of money like the overfunded Hurricane Floyd reserve and proceeds from the national tobacco settlement.

Time to reengineer

North Carolina's fiscal crisis demands the same sort of rigorous thinking and innovative reengineering that have characterized the private sector over the past two decades.

Our state has added new programs without eliminating old and outdated ones. Policymakers have spent a distressingly small amount of time attempting to measure the outcomes of well-intended but often poorly designed programs.

With annual rates of spending growth in recent years of about 6 percent to 7 percent — far more than needed just to keep up with rising prices and population — state government has developed a lot of slack in the rope than can be pulled without harming its core services.

Still, let's put the potential job losses in perspective. According to the preliminary budget plans, the governor is considering the elimination of as many as 1,600 positions in the agencies headed by his appointees, though about half of those are currently vacant. Community colleges have also warned that a 10 percent cut in appropriations would knock out 800 full-time positions, plus some part-time instructors. There are no layoffs currently contemplated in the ranks of teachers and university employees.

If you assume that all of these positions were, in fact, sliced out of the budget — and I think a lot of this is merely another scarce tactic to justify Easley's silly lottery scheme or another round of legislative tax increases — the result would be to reduce the number of full-time-equivalent positions funded by the state by about 3,700, or 1.4 percent. Remember, many of these positions aren't filled, so you are talking about an even smaller number of actual employees let go.

Assume further that the public schools and UNC system also end up eliminating positions, say an additional 1,000 (which is probably on the high side given the Easley administration's stated intentions about protecting the classroom). What would a government workforce with 4,700 fewer positions look like?

Pretty much like it did in 1999.

Hood is president of the John Locke Foundation, publisher of Carolina Journal, and author of Investor Politics: The New Force That Will Transform American Government, Business, and Politics in the Twenty-First Century, published in 2001 by the Philadelphia-based Templeton Foundation Press.

John Hood

Editorial Briefs

Consumers ignore "green" appeals

After a decade of trying to sell their wares under environmentally friendly advertising banners, many consumer-products makers have come to the conclusion that "green" appeals don't motivate potential purchasers to buy. About 41 percent of consumers say they don't purchase green products because they fear the products won't work as well, according to market researchers RoperASW.

Shoppers will pay for convenience much more readily than for ideology, marketing experts report. Seventy percent of baby-food shoppers said they would rather have plastic than glass jars. Recycling rates for plastic soda bottles are about one-third of what they were in 1995 and the number of single-serve bottles on the shelves more than doubled to 18 billion in 2000.

In 1995, about 15,000 products marketed claimed environmental benefits, but today only 29 percent of shoppers have recently bought a product because advertising on the label claimed it was environmentally safe or biodegradable.

Younger and wealthier Americans are more likely to be swayed by green advertising. But even their ranks are reportedly dwindling.

Tax laws discriminate against couples

Federal tax laws systematically discriminate against two-earner couples, according to a study by the National Center for Policy Analysis.

This is a widespread problem, since today, 70 percent of married women, and 60 percent of women with children younger than age 6, are working.

The author of the study, **Edward J. McCaffery**, says that more than half of two-earner households suffer a marriage penalty, but that's just the tip of the iceberg.

The marriage penalty is not really a tax on marriage. Instead, it is a tax on two-earner couples. The spouse earning a lower wage — usually the wife — is automatically taxed at the higher income earner's tax rate. When taxes are combined with the extra expenses of leaving home, the average married woman gets to keep only about one-third of what she earns.

Social Security, meanwhile, is great for women who don't work because they receive benefits on their husband's contributions; however, women entering the labor market get very little in return for the Social Security taxes they pay.

In general, employers cannot offer a choice between wages and benefits, and this take-it-or-leave-it approach penalizes women who already have health insurance and other benefits through their husband's employer.

Obesity highest among health costs

In terms of medical costs, obesity turns out to be worse than smoking or alcohol abuse and "is like aging 20 years," when measured by the onset of chronic health problems, according to **Roland Sturm**, the author of a Rand Corp. study on the subject.

According to the study, which appears in *Health Affairs*, the average adult's health care costs was about \$1,500 per year.

Obesity added \$395 to annual per-person health-care service costs, based on a survey of 10,000 people. Smoking added \$230 and problem drinking cost \$150.

That compares with \$225 attributable to the process of aging 20 years. Simply being overweight without being obese costs \$125 annually, on average.

Medical experts calculate that about one in three Americans is overweight — and one in five is obese based on the body-mass index. The BMI is an individual's weight divided by height squared.

Between 1991 and 2000, obesity in the United States rose 60 percent while smoking rates have been cut about in half since 1964. CJ

N.C. Must Reverse Course on Economy

By **DR. ROY CORDATO**
Contributing Editor

North Carolina is being hit hard by a recession. Unemployment has risen from 3.9 percent to 6.3 percent in one year, the third largest increase in the United States and the state's highest rate since 1984.

Unfortunately, Gov. Mike Easley's and Lt. Gov. Beverly Perdue's approach to the problem will make things worse. Their first instinct is to have the state picking winners and micromanaging the economy, a policy that is doomed to failure. As Perdue wrote recently in the *Charlotte Observer*, "government needs to...develop a strategic economic development plan that clearly establishes the framework for a 21st-century economy in North Carolina...we must begin with the investments and priorities we make in 2002."

There is a standard joke that you can lay all the economists in the world end to end and never reach a conclusion. But when it comes to assessing the efficacy of state development policies such as tax incentives and subsidies, economists agree, they don't work. According to the Council of State Governments, "past studies reveal no statistical evidence that business incentives...create jobs." And a recent survey of North Carolina's policies in the journal *Policy Sciences* concluded that when internationally owned companies were asked to rank factors that attracted them to the state or would keep them from leaving, economic development policies were consistently at the bottom.

Economic theory matches the empirical evidence. The state cannot subsidize one business activity without displacing others. This basic principle, taught in the first weeks of every introductory economics class, goes unacknowledged by Easley and his presumably well-schooled economic advisers.

Subsidies require taxation

For the state to directly subsidize a business or industry, it must first take the money out of the private sector through taxation. Businesses and consumers in other parts of the state's economy are injured. The same story can be told for tax breaks. If it is assumed that state government is maintaining spending, tax favors to one business must be offset with higher taxes elsewhere. If the government is constrained to spend less, it means that the tax breaks could have been spread over the population at large. Again, the rest of the economy is shortchanged.

This principle is more subtle with government loan guarantees to faltering or upstart businesses. In these cases, the state reduces the risk to lending institutions by guaranteeing the loans at market interest rates, effectively providing a loan subsidy. Such programs are not costless even if the loans are paid back. The funds that go to the subsidized business would have gone to someone else — an entrepreneur starting a new business or a couple wanting to buy a new home. The loan guarantee will displace other economic activity that would have been taking place.

So why are politicians so attracted to these programs?

All programs that subsidize some businesses and industries at the expense of others ... should be eliminated.

The reason is that the real costs are hidden from the general population while the benefits are obvious. The economic activity that is stifled never occurs. No one sees the people that don't get hired because sales and income taxes have gone up, in part to pay for the hundreds of millions of dollars that "economic development" programs are costing the state. In reality though, consumers with disposable income create business opportunities and taxes that reduce disposable income destroy them.

There is no secret about how best to create economic growth and new jobs. The state should provide an overall environment where businesses are left free to take advantage of new opportunities and where consumers are left with the maximum amount of disposable income, so that those opportunities can be created in the first place. This means low taxes and a reduced regulatory burden.

End corporate welfare

The focus of economic policy should be to dismantle the corporate welfare state. We should abolish the William S. Lee Act, the Global Transpark Authority, and the Golden LEAF Foundation. All programs that subsidize some businesses and industries at the expense of others, including subsidies to the tourist and sports industries, the seafood industry, and international trade should be eliminated. The money that is saved should be given back to taxpayers in the form of generalized tax cuts, including self-employment taxes and the corporate income tax, which is paid for with lower wages and higher prices. Instead, the Easley administration has taken the state in the opposite direction. It has raised, not lowered taxes, during this recession and has increased the corporate welfare budget by \$15 million.

Easley and Perdue should seek to reverse the cycle of corporate dependency and show the world that North Carolina no longer is willing to punish some businesses and consumers so that others may flourish. CJ

The Case for a Competitive System in Public Schools

By MICHAEL WALDEN

Contributing Editor

RALEIGH

The U.S. Supreme Court is hearing a case involving the use of vouchers in K-12 education. Vouchers are a mechanism by which parents are provided a monetary amount per child that can be spent at the school of the parent's choice. Among other factors, the Supreme Court will consider whether vouchers violate the First Amendment. While this is a crucially important issue, my focus is on another aspect of vouchers, that they are a way of instituting more competition in the provision of K-12 education. And greater competition, I argue, will improve both the quality and cost-effectiveness of K-12 education.

Essential role of competition

What's so important about competition? Isn't competition an ivory-tower concept that has little practical relevance to the real world, and especially to today's real work of education?

Let me talk about competition in general before applying it to schools. Competition is probably the single most important concept in economic behavior. Competition benefits the economy in four major ways.

First, competition keeps businesses focused on providing consumers what they want. Further, progress in meeting consumers' needs and desires is constantly pushed by competition. A new "business on the block" is always looking for ways to "build a better mousetrap" and satisfy consumers in a better way than existing businesses. The consumer is constantly being courted and romanced by businesses in a competitive system.

Second, prices and profit rates are kept in check by competition. When no other business is available to take away customers, a business can charge higher prices and earn higher profit rates. Competition forces businesses to "compete on price," which keeps profit rates lower. And, as a side benefit, this encourages competitive firms to use their supplies more efficiently.

Third, competition encourages variety and discourages a "one size fits all" marketplace. Consumers differ in their preferences, and competition provides the platform for allowing businesses to address these differences.

Fourth, competition provides an inherent and automatic method of accountability and improvement. Businesses that don't deliver to consumers will see their sales and profits decline, and those businesses may disappear. Businesses that best please consumers will be rewarded with increased sales and profits. Also, that success will serve as a signal to other businesses to copy the successful procedures, products, and services. In this way, competition leads to unsuccessful ways being rapidly discarded and successful ways being quickly adopted and spread.

The competitive system certainly isn't without problems and abuses — what system isn't? Situations can arise where businesses don't deliver on their promises or where outright fraud takes place. Sensible standards and laws are needed to address these abuses, including the ability of consumers to seek redress and compensation in court.

But the best form of business regulation is that which takes place at the cash register. Dishonest firms eventually won't hear the ring of money hitting the cash register.

Competition is so well accepted as beneficial to the economy that it is generally a practice of government, especially the federal government, to encourage it over other market structures. In recent decades, several monopolies have been broken up to encourage competition, and collusive agreements between businesses have been illegal for almost a century.

Competition and school

So how can competition help schools? It can help schools in each of the ways it helps the general economy. If individual schools must compete for students (read customers) and for resources, there will be a constant focus by the schools to meet the educational performance desired by the students and their parents. In this competitive system, it will be clear who is paying the bills — the parents — so lines of communication between schools and parents will be open and constant.

With the pursestrings closely held by parents, and with parents free to consider alternatives, there will be an overwhelming incentive for schools to use their limited resources in ways that best meet the educational desires of students and parents. Programs, materials, and equipment will be constantly scrutinized for effectiveness in meeting the school's objectives. Spending that isn't contributing to the objectives will be redirected.

Competition will encourage variety in instructional methods and elimination of top-down imposition of the same instructional methods. Child experts tell us all children don't learn in the same way. Competition will motivate schools to offer alternative teaching methods if these methods can produce greater achievement by students, and hence satisfaction, by parents. In fact, entire schools may develop around specific instructional methods.

Competition will provide a constant "check" on how well schools are performing. Schools that aren't performing, as evaluated by parents, will see their student numbers and revenues fall. On the other hand, schools that are performing will see their student numbers and revenues rise. Further, successful schools will be copied by other schools, thus spreading the success.

There will be a bonus from the competitive systems for teachers, too. "Good teachers," who have a talent for developing success in students, will be "in demand," and the

bidding for such teachers will result in significantly higher pay for them. Therefore, competition will result in greater variation in teacher pay between "good teachers" and other teachers. The opportunity to earn significantly higher pay will be a strong motivator for teachers to emulate the style and techniques of outstanding teachers.

Challenges

Opponents of bringing competition to K-12 schools will insist today's public schools are doing everything cited in the above paragraphs — meeting parents' goals, using resources efficiently, offering alternative teaching methods, holding schools and teachers accountable, and rewarding good teachers.

Let me address this challenge to competition in two ways. First, let me state that the large majority of teachers, administrators, and support staff working in today's public schools are dedicated and hard-working. They are working very hard to make students excel. Teachers and their colleagues aren't the issue. The issue is whether the market structure in which they work can be changed to improve outcomes and increase satisfaction.

Second, I argue there is a quantum difference between the motivation and incentives resulting from a directive issued by central office school administrators (for example, directing schools to "use resources carefully") and that resulting from knowing your customers (students) can move to an alternative school if your school isn't performing. Businesses operating in a competitive environment don't need memos to focus them on cost-effectiveness and measured performance. The challenge of attracting customers keeps businesses focused. The same will be true of schools in a competitive system.

Certainly, many issues will need to be addressed in bringing competition to K-12 education. Schools can be accredited just as we do colleges and universities. Transportation of children to schools will be handled in a decentralized, rather than centralized, manner. We may want to vary the size of a voucher with specific characteristics of the child to make sure schools compete for students with differing learning abilities and backgrounds.

Competition is used to put food on our tables, to build our homes, to put clothes on our backs, and even to educate students in colleges and universities. Competition has served consumers in these markets well. It can equally well serve the parents and students in elementary and secondary education. CJ

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State's Highway Policy: Still on the Wrong Road

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

Motorists traveling across North Carolina in the next few years may sense that more road maintenance work than usual is being done. You would not be imagining things — the General Assembly has made nearly a half-billion dollars available over the next three years for roadwork. While the maintenance certainly is welcome news, the situation also highlights North Carolina's persistent misallocation of road money. Until road priorities are determined by sound engineering practice and not politics, such transfers cannot address the state's larger underlying problem.

It's no secret that North Carolina has not done a good job of maintaining its road network for at least the last decade. The problem was highlighted in a 1998 performance review of the Department of Transportation, which noted that the agency had just over half the money each year it needed to meet its own resurfacing goals.

The result of such underfunding is predictable: Road conditions deteriorate. Drivers, of course, experience bumpier rides on streets that have more potholes in them. And there is no lack of state roads with potholes and patch jobs. Even roads in the state's primary network are being resurfaced only about every 16 years on average instead of every 12 years, as is recommended. Overall, 41 percent of the state's roads are in fair or poor condition.

Just as troubling as the number of roads needing work is their distribution. Recently only one county, Gates, with more than 15 percent of its roads rated in poor condition, was east of Forsyth County, compared to 18 such counties west of Guilford. Clearly the state's allocation formula has provided good roads for some North Carolinians, but not others. It is also difficult to find any justification why more than one-fourth of the roads in Rowan County in 1998 had deteriorated into poor condition, when the state average was 7.9 percent.

While road maintenance has been grossly underfunded, another fund has run a large unspent surplus. In 1989, the state increased the gas tax and certain fees to build more roads. This extra money goes into the specially established Highway Trust Fund. In the grand political tradition, the trust fund offered something for just about everyone. Sixty-two percent of the money goes for 28 intrastate road projects specified by the Assembly, while 25.1 percent goes to seven urban loop projects. The remaining 13 percent is split evenly between paving dirt roads and giving extra money to cities for their own roads. Once the projects are complete, the extra taxes will end. All other state road projects in the state continue to be funded through the existing highway fund.

The list of trust fund projects certainly reflects the political realities of 1989 — a grand tradeoff to ensure votes from both urban and rural areas. A funding formula even controls how money for the intrastate is distributed across

the state. In practice, it assures that the western and eastern parts of the state get more road funding sooner than could be justified by either population or road usage.

One major disadvantage of this approach has become increasingly obvious in recent years. Just because funds are available for intrastate projects now doesn't mean the specified projects actually can currently use that level of funding. Many projects have hit snags or are still in the planning stages. The trust fund needs only about half of its current balance of about \$800 million. This has allowed the legislature to put \$153 million this fiscal year into maintenance, with an additional \$317 million to follow over the next two years.

At the same time, the state has a huge backlog of highway fund projects. A 1998 audit noted that the state was facing a \$2.1 billion shortfall for projects in its seven-year plan. All identified projects on DOT's books would take 26 years to complete at 1998 funding levels.

Such inequities and funding shortfalls are hardly surprising when good roads are regarded not as a basic service provided by the state but rather a prize to be won through political favors. This political process, however, does not do a good job of ensuring that the road dollars are spent where they will do the most good. Until good economic and engineering practice take precedence over small-time politics, the current transfers to road maintenance notwithstanding, North Carolina drivers will be hitting a lot more potholes than they need to. CJ

Olympics Inspire A New Wave of Public Parks

Kayaking comes to Charlotte and Raleigh, skiing (the snow kind) to Wilmington, and curling to Rocky Mount

"Charlotte Whitewater Park will bring a mountain rafting or kayaking experience to an uptown urban environment. The idea was launched during the U.S. Olympic team trials by a small but inspired group that included U.S. Olympic athletes, coaches, and a few residents of Charlotte. The question was simple: 'Why not build the best artificial rafting/kayaking facility — similar to the Olympic whitewater stadium in Australia — here in the United States?' From that beginning, for several months we researched the idea of building a world class 'artificial river' and explored such things as location, costs, benefits to the community, and so on."

— Web page for the Charlotte Whitewater Park proposal, www.charlottewhitewater.com

City of Wilmington to build ski slope

(Bulletin Services wire report)

WILMINGTON — Citing the recently concluded Winter Olympics in Salt Lake City as their inspiration, members of the Wilmington City Council unanimously approved the Wilmington Ski Park project.

"It was really simple," Mayor Harper Peterson said. "I asked the council if they could think of a reason not to build a world-class, snow-covered mountain in downtown Wilmington, just like they have in Nepal, and they couldn't."

Peterson said the council researched the proposal's costs, mountain placement, and community benefits, before breaking for lunch.

"I was craving a snow cone," one council member said. "I took that as a sign."

Peterson admits the project will cause a few temporary problems, especially in terms of traffic — with rerouting as well as drivers bottle-necking to gawk, shake their heads, and tsk-tsk at the gigantic peak under construction. But, he says, in the long run "Wilmington will have the



An artificial river carved through downtown Charlotte would likely attract kayak enthusiasts, so why not build one?

complete tourism package! Can you imagine surfing the waves in the morning, then slipping on a parka and hitting the slopes in the afternoon?"

Construction on "Mount Wilski" is slated to begin in early June.

Citizen's Olympic-sized dream comes true as Rocky Mount approves curling park

ROCKY MOUNT (BS wire) — When Rocky Mount native Golda Mettle first caught sight of Olympic curling action, she was riveted to her television set. She's nearly worn out her videotapes of it already, she says. Since then, she's devoured everything she can read about the sport, which despite being a national obsession in Canada is relatively unheard-of in the United States.

Then the question struck her: "Why not bring curling to Rocky Mount?" So she did some research and, with the

help of her daughter Sylva, an architect, designed what she promised the city council would be "a world-class curling facility just like they have in Moose Jaw."

To her delight, the council approved her idea for the Rocky Mount Curling Facility and Park almost unanimously. A lone negative vote was cast by Councilman Judd French, who said he "has relatives in Canada and has seen how curling devastates communities."

"When they approved my curling park, I was so happy," Mettle beamed. "I did a little dance in my street, jumping up and down, victoriously waving about my itty-bitty broom."

Raleigh approves water park that supporters say "won't be a thing like Charlotte's"

RALEIGH (BS wire) — Environmentalists cheered as the Raleigh City Council narrowly approved the Raleigh Whitewater Park. Calling the vote "a great day for Raleigh," Mayor Charles Meeker praised the council for "bringing a mountain rafting or kayaking experience to an uptown urban environment."

"This water park won't be a thing like Charlotte's," Meeker promised. "We're going to use it for Earth-friendly purposes."

Before the vote, Meeker had met with Cary Mayor Glen Lang to discuss the possibility of using an artificial river through Raleigh to ease traffic problems.

"Our idea was simple: Why not use it for mass transit?" Meeker asked. "After all, you can't kayak on the Outer Loop, can you? Didn't think so. In your face, Shanahan!"

Lang said the meeting with Meeker was productive. "Yes, yes, the meeting with Meeker was productive," Lang said. "Can we talk about me now?"

Both mayors predicted that rapids transit would become the wave of the future for Wake County. *CF*



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