

Vanishing Dreams: N.C. Citizens Suffer Higher Taxes

North Carolinians losing their homes, businesses to expanded government

By **DONNA MARTINEZ**
Associate Editor

When Dick Carter lost his wife, Janet, to lung cancer last November, he was left alone to grieve for his soul mate of 24 years and to endure life-threatening challenges to his own well-being. Colon cancer, diabetes, and heart ailments are attacking the 79-year-old's body, but failing health is only one of the serious worries facing this National Guard and Navy veteran. Carter, who lives in Wilmington, says he is under siege by North Carolina's increasing tax burden and may be forced to draw out the equity in the home he and Janet shared, just to survive.

"The people who pile these taxes on us have little or no regard for people who are aged," Carter said. "How far can it go in this country before people realize it can't go any further?"

It might be easy for some to dismiss Carter's predicament as the exception rather than the rule, but the numbers bear out his case. North Carolina, once considered a low-tax state, now carries the highest individual and corporate income tax rates in the Southeast. When combined state and local taxes are considered, only Georgia has a heavier burden within the region. Nationally, North Carolina now has the 25th highest state and local taxes, according to the Washington-based Tax Foundation. That represents a huge jump up the list from 1998, when the state's overall tax burden ranked 36th.

The curse of property taxes

Carter blames his dilemma mostly on his property taxes, which have more than tripled in 20 years, but he also points the finger at sales and other taxes eating away at his financial health. He's quick to say that taxes don't increase without sponsors, and this retiree doesn't hide his disdain for public officials who support and enact them.

Carter was too ill to join his friends from the New Hanover County chapter of Citizens for a Sound Economy for the April 15 Tax Day rally at the Legislative Building



Dick Arney speaks at CSE annual anti-tax day rally on Halifax Mall in Raleigh.

in Raleigh. While his body is weak, his resolve is strong to make sure elected officials know their votes to increase taxes have serious, long-term consequences on the people forced to endure them.

A participant in last year's rally, Carter happily tells how wonderful he felt when confronting legislators with his call for less government and lower taxes. His words, and those of countless others before him, went unheeded. The 2001-'03 budget passed by the General Assembly included tax increases of \$1.2 billion. This year, the House passed a \$15 billion budget for the 2003-2004 biennium that exacts still more from taxpayers — about \$860 million over the two years — by failing to allow "temporary" sales and income taxes to expire June 30 as promised when passed in 2001.

After a lifetime of work in aerospace and aviation, Carter lives on his Social Security benefit and a modest flow of other income. He said it's no longer enough to keep pace with the rising tide of taxes.

Carter recalls that his New Hanover County property taxes were \$413 in 1983, the year he and his beloved Janet bought their home. Not long after that, they were annexed into the City of Wilmington, a move that brought additional levies. By 2002, Carter's combined bill was \$1,370, or about \$114 per month. He owns his home free and clear, but to Carter, the condition of property ownership offers little or no pro-

tection from the government.

"If you don't pay taxes, they take it (property) away from you, so you really don't own it at all," he said. Consequently, Carter believes property taxes are stripping hard-working North Carolinians of the assets they've worked a lifetime to acquire. "Personal property ownership has virtually ceased to exist in our country," he said in a voice dripping with anger.

He's not alone in his frustration. A recent Gallup poll revealed that 38 percent of adults identify the local property tax as the worst, least-fair tax, beating out income, sales, and Social Security taxes for the dubious distinction. That's up sharply from a 1994 poll, the last time Gallup asked the question, in which property and federal income taxes competed for honors as the public's No. 1 tax enemy.

One national expert reacted to the poll results by saying that unfunded federal and state mandates are the reason local politicians are raising property taxes. "Property taxes have been going up around the country and maybe this is a cumulative reaction to that," Larry Naake, executive director of the National Association of Counties, told *USA Today* in an April 14 story.

Whatever the reason, it's no consolation to Carter, whose concerns about health

Hundreds of taxpayers rally in Raleigh to protest N.C.'s unchecked spending

By **PAUL CHESSER**
Associate Editor

Beyond its notoriety as the deadline for filing federal and state returns, April 15 brought significant activity on state tax issues in Raleigh.

The House Finance Committee debated a 45-cent increase on cigarette taxes, but dropped the idea.

The panel also discussed whether to extend two "temporary" tax increases that were scheduled to expire in July. It decided to continue for two more years a half-cent sales tax and a half-percent increase in the income tax rate on the highest income earners.

The committee increased the child tax credit and raised the standard deduction for couples, which would eliminate the "marriage penalty." Legislators promised both tax breaks two years ago, but killed them in the budget process.

The revenue plan was passed April 17 by the full House when it approved the state budget.

CSE Day

While lawmakers debated revenue, almost 450 antitax activists from across the state congregated outside the Legislative Building for North Carolina Citizens for a Sound Economy's annual CSE Day on April 15. After a barbecue lunch and several speeches, including one by Dick Arney, former U.S. House majority leader, NCCSE's grass-roots activists flooded General Assembly offices to meet their representatives.

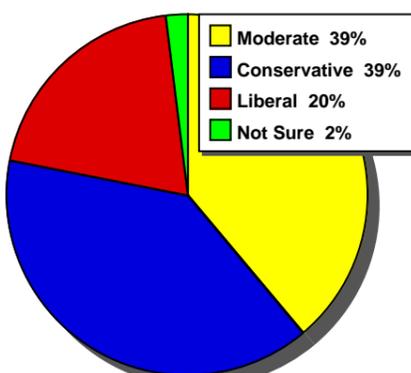
Arney retired from the U.S. House in 2002 after serving 18 years. He looked back to 1994 when Republicans won the House majority on the strength of the Contract with America, and said "we got off to a good start."

But he said the principles the GOP held about less government and lower taxes were short-lived. "We started drinkin' that backsliders' wine," Arney said.

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North Carolinians' Political Philosophy



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ON THE COVER

• Tear-jerking stories about victims of cuts in the state budget are commonplace in the media these days. Now read about some real-life North Carolinians who suffer from an onerous tax burden. *Page 1*

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• In an apparent violation of North Carolina Public Records Law, an economic development agency refuses to release information on some of its operations. *Page 4*

• Calling himself "an equal opportunity offender," editorial cartoonist Doug Marlette spoke at a John Locke Foundation luncheon on March 31 in Raleigh. *Page 5*

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• Lindalyn Kakadelis writes that the complicated, course-driven teacher certification process is often the greatest barrier preventing some of the best people from choosing the teaching profession. *Page 7*

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• The effects of the war on terror and the aftermath of Sept. 11 on universities have been subtle but significant. In some respects, universities have been asked to contribute to U.S. security efforts in ways other sectors could not. *Page 10*

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• Leftists comprise only 10 percent of the American population yet wield a disproportionate amount of power because of attention their positions in society garner, author Dan Flynn says. *Page 12*

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PARTING SHOT

• Jon Sanders's mole has uncovered what might be UNC-CH's book selection for this year's Summer Reading Program. *Page 24*

Club for Growth's Stephen Moore to Speak at June Luncheon

On June 17 the John Locke Foundation will sponsor a Headliner luncheon featuring Stephen Moore, president of the influential Club for Growth in Washington.

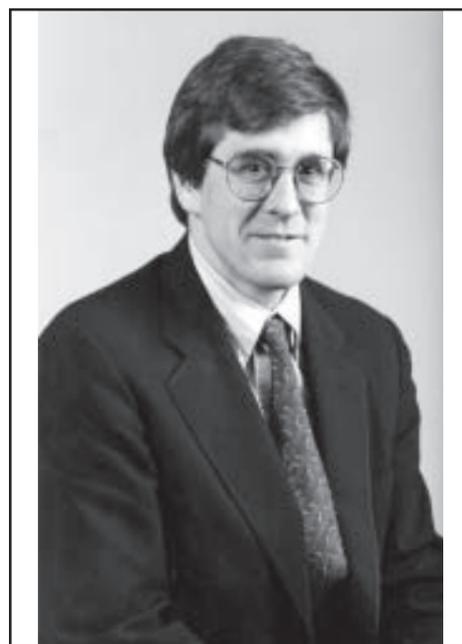
Moore is also a contributing editor of *National Review*. He previously was the Cato Institute's director of fiscal policy studies, and he continues to serve as a Cato senior fellow.

He is the coauthor of *It's Getting Better All the Time: 100 Greatest Trends of the Past 100 Years*, and author of *Government: America's #1 Growth Industry*.

Moore served as a senior economist at the Joint Economic Committee under Chairman Dick Arme of Texas. There, he advised Arme on budget, tax, and competitiveness issues. He was also an architect of the Arme flat-tax proposal.

From 1983 through 1987, Moore was the Grover M. Hermann fellow of budgetary affairs at the Heritage Foundation. He has worked on two presidential commissions. In 1988, he was a special consultant to the National Economic Commission. In 1987, he was research director of President Ronald Reagan's commission on privatization.

Moore also serves on the economic board of advisors for *Time* magazine. He is a regular contributor to *The Wall Street Journal*, *Human Events*, and *Reader's Digest*. Moore has appeared on such television shows as CNN's "Inside Politics," "Crossfire," and "Moneyline," "NBC's Nightly News," "Fox Morning News," and "The McLaughlin Group." The Associated Press recently wrote, "Moore has earned the wide respect of economists for his many forays into the entrails of taxation and budget matters."



Stephen Moore of the Club for Growth

Moore is also the author of *Still an Open Door? U.S. Immigration Policy and the American Economy* (American University Press, 1994); and *Privatization: A Strategy for Taming the Deficit* (The Heritage Foundation, 1988). He is also the editor of *Restoring the Dream: What House Republicans Plan to Do Now to Strengthen the Family, Balance the Budget, and Replace Welfare* (Times Mirror, 1995).

Moore is a graduate of the University of Illinois and holds a masters degree in economics from George Mason University.

On March 18, Moore testified in support of President Bush's tax proposal, before the subcommittee on Oversight and Investigation under the U.S. House Committee on Financial Services.

"President Bush's tax cut has the potential to substantially increase economic growth, boost the stock market, and increase business investment," Moore said. "The jewel of the president's tax plan is the elimination of the dividend tax on individuals. Another key economic growth provision of the tax plan is the acceleration of income tax rate reductions.

"Contrary to concerns that the Bush tax cut is 'too big and too bold,' I believe that the president's plan would be even more stimulative for economic growth if it were expanded to include several provisions," Moore said. "First, the income tax rate should be consolidated down to 3 tax rates: 10 percent, 20 percent, and 30 percent. Second, tax-free IRA savings accounts should be vastly expanded, in much the same manner as the White House has suggested. Super-saver IRA accounts should be established with a cap of \$20,000 per year per individual. Third, the capital gains tax should be lowered to 10 percent on all new investment."

The cost of the luncheon featuring Moore, at the Brownstone Hotel in Raleigh at noon, is \$20 per person. For more information or to preregister, contact Thomas Croom at (919)828-3876 or events@johnlocke.org.

Shaftesbury Society

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

Vanishing Dreams: Taxpayers Sacrifice for Sake of Revenue

Continued From Page 1

and finances force him to scrutinize every penny he spends. "I'm selective on any purchases, food included," he said. He drives a 14-year-old car and has put off needed home maintenance, decisions he made partly because of a story he heard last year about a woman who moved out of her house because she couldn't pay her taxes.

"It's very hard to feel comfortable," said the man who spent years helping the less-fortunate. He created a foundation in the 1980s to collect and donate much-needed medical equipment to Costa Rican hospitals.

Now that he's looking to officials for tax relief, he can't understand why his message doesn't seem to resonate. "They (public officials) must know what they're doing to people," he said.

While Carter personifies the effect higher property taxes have on many North Carolinians, Betsy Talley can demonstrate how a seemingly small increase in sales tax can have devastating results on a small business.

Driven out of business by taxes

As Dick and Janet Carter shared their last remaining weeks together, Betsy and her husband lost their battle against North Carolina's high sales tax rates. In September, the couple closed their furniture store and laid off all their employees.

"I got out because of taxes and regulations. It just wasn't worth it anymore," she said.

Talley said she used to relish the challenge and opportunity of the retail sector. In the mid-to-late 1990s she opened Ocean Highway Furniture in Ocean Isle Beach, about eight miles from the South Carolina border.

Brunswick County is beautiful, she said, and the market for furniture was healthy along the coast, thanks to full-time retirees from the north and those with homes for rent during the busy summer beach season. Because coastal weather takes a toll on furniture and homes, Talley enjoyed and relied on repeat business.

That is, until customers discovered the sales tax rate a few miles down the road in South Carolina was substantially lower.



Betsy Talley



Katherine Haney



Bill and Clare Huber

Talley was forced to tax purchases at 6.5 percent. In South Carolina, her customers could buy furniture that was taxed at only 5 percent. On a \$5,000 purchase, Talley's customers could save \$75 in taxes by simply buying in South Carolina. Over time the difference had the obvious negative effect on Talley's business.

"Why should they (customers) buy from me when it's cheaper right there?" she asked, shrugging her shoulders and staring down at her hands.

Talley didn't close the doors without a good fight. She lowered prices and courted customers, but eventually, the cause was lost.

"It (the sales tax) cost me business and cut my profit. If I wanted a return customer I would have to play games, and it took the joy out of it," she said. Finally, after five years in business, Talley called it quits and terminated her five employees. She said she simply couldn't compete with the tax code.

"They think you're not going to notice," Talley said of legislators who increase the sales tax rate. But she and her husband not only noticed, they believe North Carolina politicians only know one direction when it comes to the sales tax. "How long before it is another half cent higher?" Talley asked.

If Gov. Mike Easley and some legislators get their way, it could happen soon. Talley laughs at the "temporary" label applied to the sales tax increase that's scheduled to expire June 30 but is likely to be extended. "That's what they say about them all," she said sarcastically.

Talley has more than just a bad taste left in her mouth from her sales tax experience. She's also got her tax bill as a vivid reminder.

"I'm borrowing money to pay my personal and business taxes for the year," she said. "We're some of those 'rich' people (Sen. Tom) Daschle talks about."

Despite the disappointment over her business, Talley remains feisty and upbeat. She thinks something happens to legislators once they're elected and face pressure from lobbyists and powerful groups.

"They develop an inside-the-Raleigh-beltway mentality. We need to get their attention as a group at least once a year," she said. That's why she's an avid supporter and participant in the Citizens for a Sound Economy annual tax rally.

Hiding behind "the children"

Katherine Haney of Cary agrees with Talley, but thinks isolation from the real world isn't the only problem afflicting legislators who vote to raise taxes. She cites the much talked about "education lottery" as an illustration of how some try to manipulate citizens into "helping the children."

"They play on emotions rather than logic. I think they try to make us feel guilty," said the 32-year-old member of CSE's Wake county chapter. She attended the event a day after filing her federal and state income tax returns, an experience she called "extremely painful."

Among Haney's concerns are the state's marginal income tax rates for individuals,

which top out at 8.25 percent. Proponents of the high rates say North Carolina needs the additional revenue, but there is increasing evidence that the state's 2001 and 2002 tax increases are holding back economic recovery.

According to the U.S. Bureau of Economic Analysis, from the third quarter of 2001 through the third quarter of 2002, North Carolina's government income outpaced the regional average while its private-sector growth fell below average.

Haney provides a case study for those who believe high taxes rob the private sector of investment capital. "I would be paying down my home equity loan if my income taxes were cheaper," Haney said, explaining why she advocates lowering rates, as well as overhauling the entire state budget and the way it is created.

"Everyone wants their program to go through. They never prioritize. Well, you know what? We don't have the money," she said of the state's elected leaders who advocate for increased spending.

Haney emphasized it shouldn't be that hard to understand what needs to be done. Just ask 12-year-old Clare Huber of Huntersville, who attended the tax rally with her dad, Bill.

"When there are less taxes, people have more money to spend. Then businesses can grow and they can hire more employees. So, the economy grows," explained the sixth-grade student at Metrolina Regional Scholars Academy in Charlotte.

Maybe Clare should visit with state legislators. cj

Citizens for a Sound Economy Rally Against Wasteful State Spending

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The Republican from Texas said he left Congress because he was spending too much time with people "who didn't have the right commitment to the 'freedom agenda.'"

Tax code too complicated

A passionate advocate for a flat-rate income tax for all earners, Army said that tax reform is the chief component to that agenda. He bemoaned the current complicated tax code.

"You take a look at today — April 15," Army said, "it's a pretty bad day in life."

He said that at midnight millions of taxpayers would mail their returns to the IRS in fear and worry that they made a mistake without realizing it.

Worse, Army said, is that the IRS doesn't understand its own rules. "We've got a tax

code that is crazy," he said.

He also advocated Social Security reform as part of the "freedom agenda," and recommended that policymakers create "a decent and honest retirement system" where citizens have control over their savings and can invest in the free market.

Building upon the themes of tax reform and retirement freedom, Army also called for an end to "death taxes." He said retirees shouldn't have to leave their savings to the government when they pass away.

"Wouldn't it be nice if they could give it all to their kids?" Army said.

He couldn't resist politicking, either. He commended North Carolina voters for electing Elizabeth Dole to the Senate.

Army also praised Rep. Richard Burr, who is the White House-backed Republican candidate to challenge for the Senate seat now held by John Edwards.

"I believe you can trade up in this next election," he said.

Army had critical words for Gov. Mike Easley, whom he said ran his 2000 campaign on a promise to not raise taxes. Army said the governor's actions to delay the sunset on sales taxes and income tax increases diminished Easley's credibility.

Fiery words from Sen. Smith

In an earlier speech, State Sen. Fred Smith, R-Johnston, criticized wasteful spending in state government. He said the state needs to stop funding unpaid positions in the government, and needs to stop funding nonprofit organizations that are not tracked or audited.

"That is not effective and efficient government," Smith said.

He was also skeptical of Easley's proposed statute for spending caps, noting that statutes had set up the state Highway Trust Fund and the Tobacco Trust Fund.

"Their statutes did not stop the bureau-

crats from taking that money," Smith said.

Meanwhile, the John Locke Foundation questioned the wisdom of the budget that the state House passed April 17.

In a Spotlight briefing paper, the foundation looked at state spending trends and potential budget savings not included in the House plan, which in its first year reimposed \$384 million in "temporary" tax increases originally passed in 2001 and represented a 4.3 percent increase in authorized General Fund spending.

"North Carolina taxpayers are unlikely to welcome the House's effort," said John Hood, president of the foundation.

"With an economic recovery weak by historical standards and failing to generate significant job growth, North Carolina is in need of significant tax relief rather than another two years of tax increases."

Hood compared the House plan to that proposed earlier in the year by Easley. The differences, he concluded, were slight. cj

Around the State

• Two members of North Carolina's delegation to the U.S. Senate and House responded immediately to the fall of Baghdad on April 9. In a floor statement, Democratic Sen. John Edwards expressed concern about America's place in the world. "America faces the enormous challenge of helping the Iraqi people rebuild their lives in peace and prosperity," he said. "If we do this right, we have a chance to ensure that the United States occupies a place of respect and admiration in the world." Edwards advocated the repair of U.S. relationships with its traditional allies. "I am concerned that some would move us in the opposite direction, attempting to punish allies that disagreed with us on Iraq," he said. "This is wrong."

Edwards also questioned President Bush's will to complete the Iraq mission. "The president has spoken about his commitment to Iraq's future, and pledged that America will be there to help," Edwards said. "We must hold him to these commitments, especially because in Afghanistan the president's rhetoric about winning the peace looks more and more like an empty promise."

Rep. David Price, D-4th, said the apparent end of Saddam Hussein's reign is a "cause for celebration." But like Edwards he added words of caution. "As we rebuild Iraq, we must also rebuild our relationships in the Middle East and with the international community," Price said in a press release. "A strong, multilateral effort will be critical to our ongoing war on terrorism and to peacemaking and democratization in the region."

• Superior Court Judge Knox V. Jenkins of Smithfield said in a filing for the state Supreme Court on April 17 that his House redistricting decision last year did not meet the standards set by the court in its ruling on new districts. Jenkins said he did not have time to correct all the flaws in a previous plan approved by the Democratic-controlled General Assembly, which he had used as a model, *The News & Observer* of Raleigh reported. Jenkins said, however, that his plan still brought the House districts "closer to those standards than the Democrats' plan had."

• *The News & Observer* of Raleigh reported that BB&T Corp. will construct a 100,000-square-foot building in Wilson to house a loan-processing center. The N.C. Department of Commerce said the project will create 300 jobs. The Winston-Salem-based bank will receive a \$300,000 incentive from the One North Carolina Fund, which Gov. Mike Easley uses at his discretion to bring business to the state. In addition, city and county governments will also kick in \$300,000. "This is an example of why these incentives are important," Commerce Department spokesman Tad Boggs said. But the newspaper reported that BB&T officials said the bank would have pursued the project without the government's money, because it wanted to consolidate 2,000 employees in the area from other loan processing centers. CJ

Newspapers unable to find records of youth foundation**Questions Arise Over Nonprofit's Finances**

By DON CARRINGTON
Associate Publisher

RALEIGH

The director of a Warren County nonprofit substance abuse program that has received at least \$1.8 million from state taxpayers has refused repeated requests to turn over public financial records as required by law. An investigation by *Carolina Journal* indicates that the records probably don't exist.

Another newspaper, the *Littleton Observer*, which serves Warren and Halifax counties, reported that it also was unable to obtain financial records of the John A. Hyman Memorial Youth Foundation and that the organization doesn't appear to be serving any clients.

Eddie W. Lawrence, director of the foundation, told *CJ* he did not have the required IRS Form 990, Return of Organization Exempt From Income Tax. "Congressman (Frank) Ballance is chair of that (Hyman Foundation), and he has someone working on pulling the 990s together," Lawrence said. "It will be Congressman Ballance you need to speak with."

Hal Sharpe, publisher of the *Littleton Observer*, told *CJ* that both Lawrence and Ballance have refused to respond to numerous requests for information about the foundation.

Tax-exempt nonprofits that have annual receipts greater than \$25,000 are required to annually file Form 990 with the IRS. The information contained on the form includes the names and salaries of officers, the source of funds, and the expenditures by category. Copies of the past three years are to be made available to the public on demand, at the organization's place of business during normal business hours.



Rep. Frank Ballance

Records on the foundation, which was started in 1985, have been difficult to locate. But *CJ* has determined that for the past six years the foundation, named after Hyman, the first black in North Carolina to be elected to Congress, has received at least \$1.49 million in total funding from state government. For the three years before then it received \$100,000 per year.

The grants are awarded through the N.C. Department of Correction. Correction Department officials categorize the money as a "pass through," which means that the department writes the check but takes no responsibility for program oversight or outcomes.

In addition to his role with the foundation, Lawrence works a full-time state-government job based in Raleigh. Since 1985 he has been the director of the North Carolina Human Relations Commission. His current annual salary is \$66,351.

On March 26, Lawrence appeared before the Joint Appropriations subcommittee on Justice and Public Safety to ask for continued funding for the substance-abuse program. For the next fiscal year he asked for \$250,000 for the program, which is the main activity of the foundation.

Lawrence presented information to the committee stating that for the fiscal year ending June 30, 2002 the sole source of funds for the foundation was \$225,000 from the Department of Correction. Expenditures included \$112,550 for salaries, \$75,346 for "prevention mini-grants," and \$3,000 for rent. The previous year's information obtained by *CJ* included \$37,550 for rent. *CJ* has been unable to determine whether the rent was for the space at Lawrence's church.

Lawrence's report also said the foundation has served more than 5,000 clients and awarded numerous prevention grants to aid families in the development of youth.

Gov. Mike Easley's proposed 2003-'04 budget would terminate funding for the Hyman Foundation and three other nonprofits getting funds through the Correction Department. At press time the most recent version of the House budget contained funding for all four programs.

On April 9, *CJ* reached Lawrence again at his state office. "We will get back with you. I called Congressman Ballance on that today and we will get back with you. I will give you a call on when you could get the records. This is not the time to discuss this." After repeated questioning, he refused to make any records available at the foundation's office.

Lawrence said the foundation's office is located within the Greenwood Baptist Church building in Warren County. In addition to his state government job and his job with the foundation, Lawrence is also the church's pastor. Ballance's 2002 campaign biography says he is a member of that church and is chairman of the Deacon Board.

CJ contacted Ballance's office in Washington on April 10, but received no answer about the foundation.

On April 11, Ballance called *CJ* to say that an accountant was working on the foundation's 990s. When asked directly whether the foundation had ever filed a 990 form, Ballance would not answer the question but said the information would be available the following week.

According to IRS regulations, a tax-exempt organization that fails to file a required return is subject to a penalty of \$20 a day for each day the failure continues. The maximum penalty for any one return is the lesser of \$10,000 or 5 percent of the organization's gross receipts for the year.

Visit www.carolinajournal.com to read about further developments on this story. CJ

Economic Agency Refuses to Release Some Records

By PAUL CHESSER
Associate Editor

RALEIGH

In an apparent violation of North Carolina Public Records Law, an economic development agency refuses to release information on some of its operations.

Carolina Journal has attempted to obtain financial information about the Northeastern NC Regional Economic Development Partnership, but the partnership's lawyer, Ernest Pearson, said his client is not a public agency and is not subject to the public records law.

Pearson's statement contradicts the opinions of the attorney general's office and a lawyer for the North Carolina Press Association. "This is clearly an agency of the government," said Amanda Martin, general counsel to the NCPA. "I see no reason that they're not."

Similarly, a 1999 opinion issued by the state attorney general, which was requested by NC's Northeast Partnership (the abbreviated name for the economic development agency), determined that "every item received or generated in the course of (the partnership's) ordinary business is a public record, and must be disclosed upon request..."

Despite his argument, Pearson said that NC's Northeast Partnership would respond to some of the requests in accordance with the Public Records Act.

The Northeast Partnership is at the cen-

ter of allegations made by Raleigh businessman William Horton of The DFI Group, who said partnership President Rick Watson conspired to thwart his ethanol projects in eastern North Carolina.

Between 1997 and 2001 the partnership received at least 97 percent of its \$7.7 million in revenue, not including savings and investment interest, from taxpayer funds — almost all of it from the state — according to its tax returns for those years.

The Northeast Partnership was established by the General Assembly in 1993 as a commission, to be "located administratively in the Department of Commerce" but to exercise its "powers and duties" independent of the department. In a July 1994 special meeting, the Northeastern NC Regional Economic Development Commission declared "it would no longer be affiliated with the Department of Commerce...but would begin operating on its (sic) own." The attorney general's 1999 opinion determined that the renamed Northeast Partnership, formerly the Commission, "was not authorized to remove itself from the Department in 1994" and that the organization was subject to the public records law.

Public records law allow agencies to recover costs for copies of documents requested. In cases where significant clerical or supervisory assistance is required, agencies may charge a "reasonable" fee based on actual labor costs.

In a written response to *CJ*'s requests,

Pearson claimed that gathering "special projects" information reported on the partnership's tax returns requires "a great deal of staff time," because employees would "have to go to multiples sources on their records and files." Pearson requested that *CJ* deposit \$1,000 into the partnership's client trust account before undertaking the work, an amount he estimated would be the labor cost for fulfilling the request.

However, *CJ* requested only payees, dates, amounts, and purpose of payments — information most organizations keep documented in their accounting ledgers. Also, the Assembly required the partnership to report its itemized expenditures for 1998-1999 to the Fiscal Research Division and the Department of Commerce.

Pearson denied the request for documents related to Horton's ethanol project, based on the exemption allowed in the public records law about "frustrating the purpose of attracting a particular business." When Horton filed his civil action, Watson offered to *CJ* his entire file on DFI if Horton would sign a consent statement. Horton has since said he would do so, apparently rendering the statute exemption irrelevant, but Pearson still denied the request.

"I would tend to think that alleviates the propriety of that excuse," Martin said. "I don't think from any public policy standpoint there would be any reason to withhold it, if the proponent of the project has given his consent." CJ

Calls himself an 'equal opportunity offender'

Pulitzer Cartoonist Marlette Talks About His 30 Years of Drawings

By PAUL CHESSER
Associate Editor

Calling himself "an equal opportunity offender," Pulitzer Prize-winning editorial cartoonist Doug Marlette says many people prefer that he be seen and not heard.

But considering his experiences, a lot of those people probably preferred he be heard rather than have his cartoons seen.

Marlette, a resident of Hillsborough, showed a sampling from his 30 years in cartooning, and told the story behind some of them at a John Locke Foundation luncheon March 31.

Categorized as liberal by his syndicate, Tribune Media Services, Marlette displayed his ability to parody the extremes of all political beliefs.

"I've been ticking people off for 30 years," Marlette said.

Some cartoons hit targets, like President George W. Bush's language-butcher and alleged lack of intellect, but they also lampooned former President Bill Clinton's philandering. In one cartoon Bush brandishes a sword and rattles rocks in his head, while at his side Defense Secretary Donald Rumsfeld tells him, "The saber, George—just rattle the saber." Meanwhile, drawn next to the Lincoln Memorial and Jefferson Memorial, Marlette proposes a monument to commemorate Clinton: A giant zipper.

While he demonstrated his ability to

insult people, Marlette also showed poignant work that he said brought outpourings of praise. A sketch of the symbolic U.S. bald eagle, a teardrop falling from its eye as it gazes into space, brought thousands of requests for copies after the 1986 shuttle Challenger disaster.

More recently, after the Sept. 11, 2001 terrorist attacks, Marlette depicted a mournful Statue of Liberty fallen on her knees off her pedestal, face in hands.

But Marlette's forte for parody has clearly outweighed his occasional power to move. As with all editorial cartoonists, politics and current events are Marlette's most popular targets. Geriatric Sens. Jesse Helms of North Carolina and Strom Thurmond of South Carolina form the "Incontinental Congress." A psychiatrist tells his bovine patient that he wouldn't call him a "Mad Cow," but just a "cow with issues."

Marlette has invoked his most stinging commentary when he aims at religious institutions and figureheads—the area that has gotten him in the most trouble. At the height of the Praise the Lord Club scandals, Rev. Jerry Falwell demanded an apology



Pulitzer Prize-winning editorial cartoonist Doug Marlette speaks to a John Locke Foundation luncheon in Raleigh.

longer a fetus—we cannot protect you!"

However, his most scathing rebuke came after he depicted a man in an Arab headdress driving a rental truck with a nuclear missile as cargo. The caption said, "What Would Mohammed Drive?"

Marlette said the piece "prompted a firestorm of reaction" from Muslims, which was orchestrated by the Council on American-Islamic Relations. The organization, which likens itself to "a Muslim NAACP," has on several occasions come to the defense of militant Islamic terrorists.

Marlette said he and his home-base newspaper, the *Tallahassee Democrat*, received more than 4,500 angry e-mails in the week after the cartoon ran, and "quite a few threatened mutilation and death." He said the volume of messages clogged their computer servers.

Marlette said many of the messages came from Muslim intellectuals and scholars, but their wisdom failed to translate to American values.

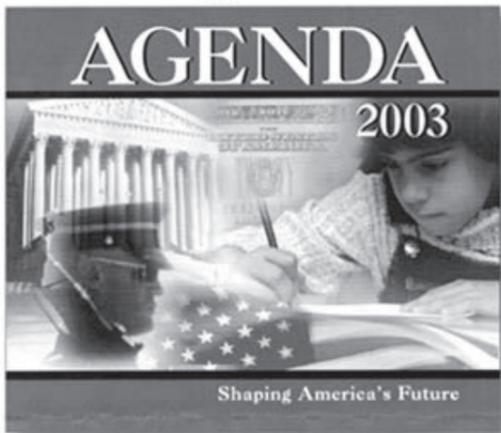
"None of them had a feel for the First Amendment," Marlette said.

He said he told his Muslim critics that "we don't apologize for opinions," but the *Democrat*, which allowed the cartoon on its website only briefly, had different views.

"My editor caved in to the political correctness," Marlette said.

He answered the criticism with a drawing of the Statue of Liberty, with "free speech" inscribed on her tablet and her head covered in a burqa.

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

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NC News in Brief

• The Wake County school board adopted the proposed Wake school reassignment plan April 1, despite opposition from a number of parent and civic groups. In a 7-1 vote, the board decided to move 2,360 students to different Wake county schools for next year. Wake board member Jeff York opposed the plan, but failed to garner enough votes to make changes in the Holly Springs reassignments, according to *The News & Observer* of Raleigh.

As maps presented to the Wake County Board of Commissioners during March meetings demonstrated, the moves scatter students across towns and across the county. Assignment By Choice advocates warned that the current county method of reassignment is likely to cause even more disruption for families and students in 2004-'05, when a large number of new schools open, and up to 10,000 students may be reassigned in Wake County.

• With budget dollars increasingly scarce and budget demands growing, the Smart Start funding program is up for possible budget cuts, according to a report in *The News & Observer* of Raleigh. Smart Start is not the only program in health and human services that may face reductions, but it shares a clientele with at least one of Gov. Mike Easley's most favored initiatives, More at Four.

"It seems that there are a lot of programs that meet in the middle," said Rep. Jeffrey Barnhart, R-Cabarrus. Barnhart cochairs the House Appropriations subcommittee on health and human services. Barnhart asked whether More at Four, or other programs with apparent overlap, could be merged. Administrative costs might be saved, and standards for determining who qualifies for assistance better managed, according to the *N&O's* article.

"We need to help those who sincerely need help," Barnhart said. "But we have a tendency in government to get carried away. We can't stay on this track."

Smart Start is a funding mechanism for a variety of family and child care programs throughout the state. Possible funding irregularities have led to audits of the program and its financial administration. There have been "repeated findings on audits" of the Smart Start program, Barnhart said. The press release from the report, released in April, said that state auditors "found that Smart Start does not keep records on individual children that would allow their educational progress to be tracked."

The Frank Porter Graham Center at UNC has endorsed Smart Start's effectiveness in at least one major study, but its findings may be influenced by its own involvement in the Smart Start program, according to the state auditor. It has been involved with Smart Start since the program was begun. The auditor's report recommends an independent review of FPG's evaluation of Smart Start. *CJ*

Twenty Years Later: A Nation Still at Risk?

Hoover Institution study looks at changes since 1980s school reform movement

By KAREN PALASEK

Assistant Editor

RALEIGH

The National Commission on Excellence in Education reported in 1983 in "A Nation at Risk" that the "intellectual, moral and spiritual strengths of our people" were in trouble. The follow-up study, "Our Schools and Our Future: are we still at risk?" examines the changes that have taken place since 1983, and what they mean in present-day American education.

The original findings of the Excellence Commission described American education as beset by a "rising tide of mediocrity." In the 2003 volume, produced by the Koret Task Force on K-12 Education, in conjunction with the Hoover Institution, Paul E. Peterson writes on the "tide" metaphor. "Mediocrity can seep into our educational system in just this same insidious way — imperceptibly, an inch at a time, without definitive scientific proof of its causes or consequences."

According to Peterson, a senior fellow at Hoover, Harvard professor, and senior editor of *Education Next*, mediocrity is still on the rise. In his view, the original recommendations of the Excellence Commission were adopted piecemeal, when at all, with practically no significant effect.

A nation at risk

"If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war." This could have been written in 2003, but in fact came from the original *A Nation at Risk* report. The findings from the 1983 study commented on school conditions in four categories: content, expectations, time, and teaching/teachers.

The Commission reported that "Secondary school curricula have been homogenized, diluted, and diffused to the point that they no longer have a central purpose." By 1981, when the report was commissioned, students were abandoning rigorous courses in favor of "general track" options. The percentage of American high school students who completed academic courses beyond the bare minimum ranged from a high of 31 percent for intermediate algebra, to a low of 6 percent for calculus. Foreign language and geography were also undersubscribed.

The Excellence Commission couched their findings in terms of abilities and skills, which should follow from rigorous coursework and examinations. Compared to students in other countries, U.S. students took softer courses, and were getting off too easily on exams. In 1983, the commission reported that 20 percent of all public colleges in the United States were obligated to admit all high school graduates from their state. Students had little incentive to perform well, or to try more demanding subjects.

On the issue of competency, they said "Minimum competency examinations... fall short of what is needed, as the 'minimum' tends to become the 'maximum,' thus lowering educational standards for all."

Instructional time was inadequate, the report said. U.S. students spent about six hours per day times 180 days per year in school, vs. their British counterparts, spending eight hours per day times 200 to 220

days per year.

A typical school week in U.S. high schools consisted of 17 to 22 hours of academic instruction time per week.

As for teachers, the commissioners found that most came from the bottom 20 percent of their high school and college classes, and spent up to 41 percent of their time in college on classes in "educational methods" rather than academic subjects. The average national salary of \$17,000, \$34,411 in 2003 dollars, was too low, they said. And the shortfall in key math and science graduates was persistent.

Solution—round one

The commission recommended a focus on basics for high school, measurable standards for tracking progress, more time devoted to academics, and higher standards for teaching staff.

English, math, science, social studies, and computer science were identified as the "five new basics." Foreign languages and personal-occupational skills rounded out the picture by teaching subjects in the arts and vocational areas. Instead of taking up to 25 percent of high school credits in remedial, physical and health ed, and personal development courses (marriage skills, etc.), the curriculum would refocus on solid content areas.

Students should expect more homework, tougher grading, and more course requirements, the commission said. Schools should teach study skills. Attendance and behavior codes should protect academic time and reduce disruptions. Most importantly, promotion and graduation should be based on mastery, the commission said, "rather than by rigid adherence to age."

The report followed through with a number of changes the investigators believed would improve the quality of teachers and teaching. The first item they recommended was that teachers "demonstrate competence in an academic discipline." Other ideas included raising salaries, establishing an 11-month contract, and getting help with administrative tasks and discipline. The commission was not reluctant to recommend going outside the teaching profession per se to obtain scientists, mathematicians, and other experts in hard-to-cover academic areas.

The final recommendations noted the need for leadership and fiscal support to carry through the reforms. State, local, and federal governments each had a role to play, as did parents and educators. The idea was that it would take a coordinated effort to create the kinds of changes they thought were critical. Parents in particular must have, according to them, "an intolerance for the shoddy and second-rate masquerading as good enough."

Still at risk

Why didn't the proposals of the Excellence Commission transform American education? After 20 years, we are still trying to accomplish a wholesale revolution in American schools.

The Koret Task Force found that the recommendations from the first report were never really adopted. The 1983 report said, "History is not kind to idlers. The time is long past when America's destiny was assured simply by an abundance of natural



resources and inexhaustible human enthusiasm... We live among determined, well-educated, and strongly-motivated competitors." It's still true today.

Education reform failed for three reasons, according to the Koret Task Force. The first is successful resistance to change from the K-12 education establishment. "Organized adult interests of the K-12 public education system," including the two big teacher unions, have deflected significant change. The commission threatened to reduce the power of these interests, and they rallied to prevent that. The original commission disbanded after it issued its report, yet unions have been very active.

A second failure, according to the 2003 study, was the inability to influence education schools. Education schools "own" the future teacher workforce. They have controlled the ideas, standards, and methodology of education students for decades. As a result, ed school philosophies, not reform policies, dominate the profession. Since 1983, the task force found that these schools have become even "softer" on subject mastery for teachers. Attending conventions and workshops, acquiring credit hours in education courses, and other 'ed' activities have a much bigger payoff in today's profession than scholarly study.

"Our Schools and Our Future" reports that many Americans, particularly suburban and middle-class families, are complacent about the status quo. Minority parents may be less complacent today. And many minority children have already acquired the most expensive education possible — they are among the high school graduates who cannot read, write, or calculate on the most fundamental level.

The task force concludes that the nation is still at risk. Little improvement has occurred since 1970. America's typically strong economy has masked the full impact of poor education so far. Achievement gaps, however, are "as wide as ever."

The Koret group endorses standards-based reform. The momentum for the No Child Left Behind Act, as a blueprint for that reform, will no doubt increase as a result of the new findings. A significant part of real reform will depend upon the transparency of information between schools and the public, the group says. Competition in the form of charters, vouchers, or other choices "must be in place" for the other pieces to work." Accountability, choice, and transparency are the essential trinity of principles by which to reconstruct America's schools," the group concludes. *CJ*

State approval for county's exemption necessary

Wake County Commissioners Approve Resolution to Increase Charter Schools

By KAREN PALASEK

Assistant Editor

Anticharter school interests brought out some heavy hitters March 17 at the Wake County Board of Commissioners meeting. After waiting several hours during the commission's action agenda, 14 parents, citizens, and administrators signed in for the opportunity to spend three minutes addressing the board. That's the normal time constraint at public hearings, and commissioners don't respond to the statements offered by the speakers.

The Charter School Limitation Exemption for Wake County brought 14 speakers to the podium. Among them were Wake County School Supt. Bill McNeal; Wake County School Board member Tom Oxholm; Charlotte Turpin, president of the North Carolina Association of Educators; and Al Perry, president of the Raleigh-Wake Citizens Association. All four opposed the expansion of charter schools, citing budgetary harm to regular public schools and a loss of "the cream" of the student population if students opted for the new charters.

Ten citizens made statements in support of allowing Wake County to add 10 charter schools per year from 2004 through 2009. Many said they support the mission of public schools, but saw charters as a way to control the county's budget without sacrificing services. Bill Carraway of Apex reminded the board that last November's elections were a notice to elected officials to "reign in county government and expenditures and [do] not raise our taxes."

Other speakers advised the county to enact measures that would lower costs and expressed a desire to have Wake County increase its investment in public schools. Charter school operators do not receive public funding for capital investments. Charters must lease or build space for schools with private dollars. Truman Newberry of Raleigh recalled

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the board recommendation three years ago to add charter schools. That recommendation "had an impact on the school bond issue" Newberry said. Dave Duncan of Assignment By Choice called private investment in public schools "a welcome blessing." "Let's invite additional investment and academic excellence into our community," he said.

Amanda Mixon and Theresa Fernandez voiced some additional concerns. "Public schools are losing market share" because of the compulsory busing plan Wake County uses to create socioeconomic balance, Mixon said. "Student flight is a definite reality in Wake County," she said. Mixon displayed the current reassignment map in an effort to demonstrate the complexity of the plan. Since 1996, public schools have lost 17 percent of their clientele to other schooling options, Mixon said.

Fernandez, who emigrated from Cuba and gained U.S. citizenship, stressed the innovative nature of charters, especially for immigrant families. Charters bring parents "into the focus," she said, and provide "a quick tool to reach out" to those students who don't feel immediately at home in their new country.

Commissioner Tony Gurley recommended that the board adopt the resolution. The board is urging Wake County's legislative delegation to introduce a bill lifting the cap on charter schools in the county. Gurley and Commissioners Herb Council, Joe Bryan, Kenn Gardner, and Phil Jeffreys voted for the resolution. Commissioners Harold Webb and Betty Lou Ward voted that the commission reject a move to offer a charter expansion bill.

In passing the resolution, the commissioners noted increasing demands placed on schools by population growth in the county and potential budget savings as private entrepreneurs pick up capital costs. The commissioners warned that they will be watchful of school demographics in any new charters that open in the county. *CJ*

Bills Would Curb N.C. Standardized Tests

Measures say benchmark scores are not public records under statutes

By KAREN PALASEK

Assistant Editor

Sen. Steven Metcalf, D-Buncombe, introduced a bill that would prevent the State Board of Education from introducing any standardized tests into North Carolina schools unless they are required by the No Child Left Behind Act. *The News & Observer* of Raleigh reported that the bill was prompted by "growing concerns that public school students are being exposed to too much standardized testing that takes away from classroom instructional time."

When asked by the N.C. Education Alliance how much classroom time is affected by standardized testing, Metcalf's staff said that they really did not know.

Another provision of the bill addresses annual competency testing in grades three through 12. According to the bill's provisions, "Students who fail to attain the required minimum standard for graduation in the ninth grade shall be given remedial instruction and additional opportunities to take the test up to and including the last month of the twelfth grade," giving students at least three years to attain what appears to be ninth-grade proficiency. Ninth-grade students enrolled in special education or those officially eligible for special education "may be excluded from the testing programs."

Parents who are hoping that academic progress measurements would be opened to public review will be disappointed. The Senate bill stipulates that third-grade baseline measurements, taken 12 months before the third-grade end-of-grade tests, "are not public records as provided in Chapter 132 of the General Statutes."

The bill gives the board the power to develop proficiency benchmarks, but eliminates language allowing for the creation of a high-school exit exam.

The Senate bill was proposed as a companion to House Bill 678. The House bill instructs that the State Board of

RALEIGH

Education shall "involve and survey" parents, teachers, and the public to "help develop academic content standard priorities and usefulness of the content standards." According to Reps. Rick Glazier, D-Cumberland, and Margaret Dickson, D-Cumberland, primary sponsors of the bill, revised content standards in core academic areas should promote high expectations and in-depth content, be measurable whenever possible, and be clear to both parents and teachers, among other goals.

The language of H678 on remedial work and retesting is the same as that used in S699. Students have until the last semester of the 12th grade to pass the ninth-grade proficiency exam. How this would align with the progress requirement in the No Child Left Behind Act is unclear.

Part of H678 claims to include parent and public participation through surveys and a review of content standards. But parents and the public will be excluded from oversight in the assessment process. Baseline measurements would remain secret, in language excluding them from public record status under the General Statutes.

Under H801, high school students who fail one competency test may get a chance to try another. H801 would allow the state board to substitute a nationally standardized test, or an alternative test of equal difficulty, for the state test. The Alternatives to School Competency Test bill was sponsored by Reps. Alex Warner, D-Cumberland, and Marvin Lucas, D-Cumberland.

Elementary and middle-school students could also be relieved of state end-of-grade testing. In S957, introduced by Sen. Tom Apodaca, R-Henderson, a nationally standardized test would replace the current state-devised exams. Testing would take place over a total period of five days out of the school year. That's the standard amount of time required to complete the full battery of the Iowa Test of Basic Skills, the Stanford test, and other similar nationally standardized instruments. According to the *Asheville Citizen-Times*, school officials' resistance is expected. *CJ*

New Certification Of Teachers' Quality

The No Child Left Behind Act imposes more federal regulations than ever in U.S. history. This law-based reform effort has the potential to force change, if only the Department of Education stands firm and resists the diluting efforts of the education status quo. The complicated, course-driven teacher certification process is often the greatest barrier preventing some of the best and brightest people from choosing the teaching profession.

Consistently you hear whining from the establishment, and even the State Board of Education, about the "impossible" regulations imposed. No one discusses the requirements imposed by the state, which makes the federal requirements difficult. The quagmire of teacher licensure in North



Lindalyn Kakadelis

Carolina, under the guise of "high-standards," is but one of these issues. In compliance with the No Child Left Behind Act, all teachers of core academic subjects must be "highly qualified" by 2006. It will be interesting to see whether the state licensure route will continue to be rigid, or will emerge to define "highly qualified" with flexibility and common sense.

There is a new certification process being developed by The American Board for Certification of Teacher Excellence (www.ABCTE.org). Congress specifically authorized this method within the No Child Left Behind Act. The American Board provides an innovative option for individuals who would be turned off by the hoops and hurdles of traditional teacher preparation and certification programs. Talented college graduates from fields other than education, or top-notch professionals from fields such as engineering or consulting, could demonstrate their readiness to teach through rigorous online assessments. The American Board Certification could augment the current "one way fits all" mentality.

The American Board has established a two-tiered certification program. The initial "passport certification" is targeted at recent undergraduates, midcareer changers, and those teachers who are currently certified under provisional licensure or who need certification in a new field. This certification is composed of two tests and a professional development component. The second tier, "master teacher certification," similarly tests candidates in subject-area knowledge. It also requires teachers to demonstrate classroom effectiveness over time, as determined by a longitudinal study of student academic achievement. This link between classroom experience and student gain distinguishes American Board Certification from other nationally recognized "master teacher" programs, making students, not process, the central focus.

U.S. Education Secretary Rod Paige endorsed this new certification route. Pennsylvania's State Board of Education defined "highly qualified" to include American Board Certification. The New Hampshire legislature is now considering a bill to treat this board-granted certification as equivalent to the state's own. Dr. Henry Johnson, North Carolina's previous deputy state superintendent, now state superintendent in Mississippi, said this certification process is an excellent way to ensure that teachers are the best that they can be.

Historically, the education establishment doesn't believe there should be any alternative certification unless they are the ones that manage it. That's their power base, another way they control the educational system. So far, North Carolina is not moving on this innovative way to place qualified teachers in the classrooms. The next time you hear about the "crisis" finding teachers, ask questions regarding the state's licensing process. *CJ*

Kakadelis is director of the N.C. Education Alliance

School News: Nation

• The *London Times* reports that American schools "have turned to a multi-ethnic London borough for help" to combat illiteracy. Haringey, the district that is the subject of the report, has attracted the attention of education specialists at the University of Pennsylvania because of Haringey's success in educating a population that includes speakers of more than 190 languages. Scattered among 66 primary schools, the children represent a large number of refugees, asylum-seekers, and travelers, according to the *Times*. The visitors from the university represent the Cornerstone Project, which tries to improve literacy efforts in the United States.

According to the representatives, the U.K. schools spend one "literacy hour" with the non-English speakers, versus the 80 to 90 minutes that American classrooms commit. But according to observer Judy Kennedy, "what British teachers achieve in that hour is more impressive." Schools in the United Kingdom "expect the same standards of all children, whether newly arrived immigrants or not," said Steven Prighozy, director of Cornerstone. Craig Woollard, Haringey's primary literary consultant, commented on the difference between what the American visitors reported and his borough's experience. "They told us that their overall impression is that they talk the talk, while we walk the walk," he said.

• In the early 1900s, Julius Rosenwald, who became president of Sears, Roebuck, and Co., befriended Booker T. Washington. Influenced by Washington's cause for the education of black students, Rosenwald eventually donated \$4.2 million toward the construction of black schools. In total, the black community also contributed \$4.7 million toward the construction of about 5,300 school buildings. Now, reports *USA Today*, the few remaining buildings are crumbling, and a move is afoot to preserve some of the schools as historic sites. The design of the "Rosenwald schools," which lacked electricity and plumbing, was copied extensively throughout the United States.

• The *Washington Post* reports that smaller is better, when it comes to high schools. In a book titled *High Schools on a Human Scale: How Small Schools Can Transform American Education*, Thomas Toch gives evidence that smaller schools have much smaller dropout rates than the typical high school — 3 percent in the experimental study — and much higher acceptance into colleges. Although the book draws on statistics gathered from the Urban Academy Laboratory High School, the lab school is not unique. The ideal school size, according to Toch, is a maximum of about 600 students.

The idea behind smaller schools is popular with Microsoft founder Bill Gates, the report says. Gates has committed \$400 million to the project. CJ

N.C. Department of Public Instruction conference

Closing of Achievement Gap Rises to Icon Status

By KAREN PALASEK

Assistant Editor

GREENSBORO

The achievement gap has become an icon in North Carolina education, complete with logo tote bags, pens, posters, and notepaper. As educators assembled for a recent conference in Greensboro, they received a whole set of amusing paraphernalia from the Department of Public Instruction.

Imprinted with the happy faces of children from different races, goodies displaying the conference theme — closing the achievement gap — reflect a sad fact. Public education has failed to advance academic achievement among black children in tandem with their white counterparts.

The N.C. Department of Public Instruction's two-and-a-half day conference was titled "Closing the Achievement Gap: Improving Minority and At-Risk Student Achievement." Several thousand educators filled the lobby and meeting floors of the Koury Convention Center from March 24-26. They gathered from around the state to hear about the causes, consequences, solutions, perspectives, and prospects for eliminating the gap between black-student and white-student achievement.

All registered participants received information packets, along with session schedules, evaluation forms, and certificates to verify attendance with the State Board of Education. North Carolina teachers are credited with 15 contact hours for attending the conference as a license renewal activity. Renewal hours are part of the requirement for maintaining a current teaching license in the state.

With more than 33 concurrent sessions in each time slot, more than 200 individual sessions in all, it was impossible to attend more than a small sample of presentations. Some focused on the implications of the No Child Left Behind Act for closing the gaps between racial groups. One detailed study examined issues that have awakened raw sensitivities in North Carolina education: desegregation and resegregation in North Carolina schools.

The playing field

Dr. Charles Clotfelter of Duke University opened the convention with what was officially a preconference lecture. His research was prepared with Helen Ladd and Jacob Vigdor of Duke University for the August 2002 Resegregation of Southern Schools conference at UNC-Chapel Hill. The title of the study is "Segregation and Resegregation in North Carolina's Public School Classrooms."

The research team wanted to look at trends in the racial mix of the state's schools. Research that links lower student performance to the racial and/or socioeconomic makeup of schools suggests that integration benefits nonwhite and poor students. Within a certain percentage, the same research argues that more affluent students, and white students, don't suffer academically from the association.

Predominantly minority schools and ones in poor neighborhoods do suffer, the research says, because they receive less-experienced teachers. Poorer schools typically have fewer available resources, including parent and community assistance, the research says.

The solution? Mix diverse students together to "even the playing field."

Clotfelter's work is unique because it uses data at the grade and the classroom level. The paper that he excerpted covers



Source: NC Dept. of Public Instruction

the years from 1994-'95 to 2000-'01. It reviews racial changes within schools and between schools in North Carolina. Essentially, Clotfelter describes the current academic playing field from the perspective of trends over time, looking more closely at what goes on inside schools than anyone has been able to look before.

Instead of dividing North Carolina into its 117 school districts for the study, 11 large areas were artificially constructed. Researchers included the five largest school districts — Mecklenburg, Wake, Guilford, Cumberland, and Forsyth — plus three subdivided geographic regions.

Separate urban and rural divisions created two coastal, two piedmont, and two mountain areas in the state, making 11 demographic regions in all.

Six main findings come out of the report. First, the degree of white/non-white segregation varies depending on where in the state one looks. In 2000-01, Guilford, Mecklenburg, and Forsyth had segregation levels above the state average. Clotfelter used a segregation gap index that captures the difference between black/white population ratios and the ratios that appear in schools.

Statewide, the gap is about 0.10, which is not highly segregated, even though the ideal would be zero.

Mecklenburg measured a 0.20, Guilford a 0.29, and Forsyth a 0.25, meaning those districts were at least 20 percent more segregated than the black/white population ratios would predict with no segregation at all. On the district level, in the regions where nonwhites made up 50 to 70 percent of the population, segregation appeared to be at its highest levels.

Classroom-by-classroom measures show how one room in a particular grade compares to another room in the same grade. The fourth-grade rooms were virtually identical. In the seventh and 10th grades, however, different classrooms had black/white ratios that varied considerably from room to room. The researchers believe that part of this finding is due to elective classes, as well as honors and other options, that may tend to track along racial lines. Whether for academic or for other reasons, the races tend to separate more dramatically in the upper-grade classrooms.

Two final observations deserve attention. First, segregation in neighborhoods exceeds school segregation throughout the state. And perhaps most important, the report stated that "...we find marked increases in segregation over the period." The percentage of nonwhite students in already "largely nonwhite districts" climbed about one-third between 1994-95 and 2000-01. The reported change is an average.

While Mecklenburg moved from a 0.12 in the index to a 0.20, Guilford moved from 0.24 to .29, and Forsyth experienced the largest change, from 0.07 to 0.25.

Plans for closing the gap

A number of presentations addressed the convergence of No Child Left Behind with North Carolina's plan for eliminating the achievement gap. One school that showed evidence of progress in this direction is Hodge Road Elementary School in Knightdale.

Its principal, Jamee Lynch, talked about the school's success using the Project Achieve model. In two years, overall student proficiency rose from 71 to 88 percent under the program. Over that same period, the number of students receiving free/reduced-price lunch rose from 35 to 48 percent.

Project Achieve employs a system of breaking down the objectives of the school year into short daily "focus lessons." Every seven days or so, students are given a brief assessment to check understanding. The assessments provide feedback for continued work or review, but aren't used to generate grades, Lynch said.

It's the preplanning that involves time, money, and effort in this system, since at least one semester of daily focus lesson plans must be completed before the school year begins. The good news is that once lesson planning is done, "the plans are transportable," Lynch said. Project Achieve involves a strong element of scripted "direct instruction," which means other schools could use the same plans.

No Child Left Behind, in a very real sense, was the federal government's answer to the achievement gap. The part of NCLB that is most relevant to the achievement gap is the progress requirement for racial subgroups.

According to Lynch, Hodge Road Elementary is serving as a model for other counties in the state because of its success, and hosts administrators who want to come and observe exactly what the school does. While Hodge Road Elementary hasn't fully broken down its reports into the NCLB racial subgroups, the school made progress in all groups using the Achieve approach.

Hodge Road Elementary School had 48 percent of students in the free/reduced lunch program last year. It also had about 13 percent of its student in special education (excluding gifted or talented kids). Under NCLB, high-poverty schools are not excused from testing and performance requirements. Nor are special-education students, though they may receive some accommodation from the school system. CJ

No Child Left Behind, in a very real sense, was the federal government's answer to the achievement gap.

Nearly 90,000 North Carolina children go to school with Mom

Home Education: From Exotic Locales To Kitchen-Table Chemistry

By KAREN PALASEK

Assistant Editor

RALEIGH
Asked how they manage to run a home, deal with the ordinary issues involved in raising children, and get their children through 12 years of college-preparatory education, most home-school moms probably cannot tell you exactly how it all happens. Yet home-educated children score, on average, in the 80th percentile or above on nationally standardized tests, says Dr. Brian D. Ray of the National Home Education Research.

Dr. Ray is president of the Salem, Ore.-based institute, and author of *Worldwide Guide to Homeschooling*. His is one of the latest studies to document the consistently high performance, and other characteristics, of home-schooled children. Increasingly, parents are taking their children's education personally and bringing them home to bring them up.

Between 1.9 million and 2.2 million children in the United States "go to school with mom." North Carolinians for Home Education, an organization for home-school information, estimates that as of March 2003, about 26,000 North Carolina families had registered as home schools. That translates into 86,000 to 90,000 home-schooled children statewide. Families home school for a variety of reasons, including religious or philosophical views, academic concerns, and negative experiences in regular schools.

Making it work as a family

Diane Allen of Fuquay-Varina, a certified science teacher who has a special interest in wildlife biology, conducts home school for her three children. Allen taught high school science until her second son, Tristan, was born, but she continued to work part time tutoring chemistry, biology, and math at Wake Tech.

When Allen's older son, Evan, reached second grade, she reached a decision point. "He didn't function at his best in a traditional classroom — too distracting," Allen said.

Years before, she had looked into home schooling, but backed away at the last minute. She decided the time had come to go ahead with her plan. She has continued that plan with Tristan and with Virginia, the youngest Allen child.

In the beginning, Allen took a structured approach, but adjusted with the tasks and ages of her children. "When they were



Alaska's southern coast becomes classroom for natural science studies

younger we had more of a schedule for doing certain things at certain times, but as they got older we just do more of what seems like the logical order on any given day," she said. "We are not morning people here, so our day doesn't start as early as the public school. On the other hand, the boys don't sleep through math because they didn't get enough sleep the night before."

The kitchen is "school central" in the Allen household. A microscope or dissecting pan may be set up on the counter for the boys, while Virginia works at the table on phonics, writing, or spelling. "I keep all the books on the downstairs book shelves for easy access, and the kids keep all their materials in a box that can be moved from room to room," Allen said. Virginia often chooses to work on the floor in the living room, but cannot resist squeezing in to see what the boys have discovered in their science work next door in the kitchen.

Backpacks hold school materials for days that involve activities away from home. Both Allen boys were admitted in to the highly selective junior curator program at the Raleigh Museum of Natural Science. Virginia is practicing with the home-school swim team at the Oberlin Road YWCA. Allen uses books on tape in the car to continue school time while they travel.

Home school has been a success for the Allen children. Evan is about to graduate from high school, bound for a wildlife management major in college. He is still deciding which college acceptance offer he will

choose. Tristan's interest in science will likely become a career pursuit as well. Virginia is still in the primary grades, and has a lot of time to decide what area of study she will conquer.

If the Allens have missed some traditional schooling experiences, they have had some unique ones, too. "One of the greatest advantages of home schooling is being able to pursue opportunities that occur spontaneously," Allen said. Both high school boys, who joined their dad on a work site, have studied the ecology of the Outer Banks. And Diane's mom treated the boys to a two-week tour through the southern waters and interior wildlife preserves of Alaska, including whale-watching, rafting, and a train trip across country to the Denali National Park. Not every school experience is this glamorous, but the Allens find that opportunities for learning abound. "I really do believe that the world is our classroom, and education is where you look for it," she said.

Moms with professional degrees or work experience usually exit the career track altogether, or suspend careers for the duration of their home school years. Allen is a qualified test administrator for the Woodcock-Johnson battery. It's a welcome source of income, but the job places heavy demands on an already heavy schedule.

Another home-school family decided that their goals were to travel with their children, and to include them in whatever business they pursued. They have suc-

ceeded in doing that, but the effort required would make most home schoolers balk.

Combining business and education

In 1989, Bob Farewell expanded his wife's hobby, sharing the titles of good books with friends, into a business. What began as a casual referral service, and expanded into selling a few extra copies of the best selections, eventually became Lifetime Books and Gifts. The catalog of books that the Farewells compiled for their business has expanded to a 600-plus page reference, dubbed "The Always Incomplete Resource Guide." At this point, they are trying to distill it into a smaller "best 500" list.

Home schoolers are avid collectors of good books, and the book shows that accompany home-school conventions offer vendors access to hundreds or thousands of home school families at a time. Based in Lake Wales, Fla., the Farewells began to realize that book sales were taking the Farewells farther from home. "There's a business opportunity here," Bob said of one of the early shows he attended with his wife. "Good, you do it," she replied.

Sixteen years later, the once-reluctant entrepreneurs have resolved the issues of teaching, travel, and business by putting them all together. They bought a luxury tour bus and converted it for family use. They tow 20,000 pounds of books in a trailer behind the bus.

They leave Florida in March, stop at 25 or more book shows all over the country, and return home in September. During their six months on the road, the four children and their two parents log 20,000 miles, while working, studying, and living together.

Bob Farewell is also a Civil War re-enactor, and his travels sometimes offer an opportunity to don the Confederate uniform and gear he owns. At the invitation of the John Locke Foundation, he came to Raleigh in April and recreated the experiences of a Confederate soldier at the Battle of Gettysburg.

He has also brought his children, re-enactors all, to Gettysburg to re-enact and experience the feel of the conflict. While the family moved in costume among the rocks and trees on a wooded hill, a passing tour bus stopped. Climbing down from the bus, passengers asked whether they could have their pictures taken with the family. "We're not here for a photo op," the Farewell kids replied, "we're doing school!" *CF*

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Course of the Month

Still fighting the last battle

An op-ed in *The News & Observer* of Raleigh pointed the way to this month's course — an undergraduate history seminar at the University of North Carolina at Chapel Hill:

HISTORY 90Z-10 GUERRILLA WARFARE

The course is taught by W.T. Generous Jr., an adjunct associate professor at UNC-CH. Its selection is based solely on the merits of what Generous wrote in the April 7 *N&O*.

In the president's predictions "that Iraqi citizens would be so pleased at liberation from Saddam Hussein's evil regime, they would swarm our troops like angels who had freed them from tyranny, I saw confirmation of a theory I've been teaching history students for many years," Generous wrote. Because "[i]n the streets of Italian, French, Belgian and Dutch cities, American forces were indeed raucously greeted as liberators from the Nazis," he wrote, "[w]hat postwar American foreign-policy makers learned from those moments was that 'the American military can do good.'

That, he wrote, "was the wrong lesson to take away from our victory in 1945." Back then the United States "certainly did liberate people. The political conflict was clear and they were clearly on the right side. Clearly in the right. Clearly. And the support they enjoyed from those formerly oppressed people was important as a contribution to the American victory of 1945."

But "[i]n Vietnam in the 1960s and '70s? No. In Iraq now? Not so."

Meanwhile, the following war dispatches were published around the time as Generous's piece:

- "Lance Cpl. Brian Cole, 20, of Kansas City, Kan., was bowled over by the 7-year-old girl who handed him a Christmas card with this painstakingly written text: 'Thank you for liberate us. And thank you for help us. You are a great army.' — Associated Press, April 7

- "A gathering of senior Army officers on Highway 9 in the city late this afternoon drew an upbeat crowd of more than 100, who alternated expressions of appreciation with petitions for help." Shouts from the crowd included "Thank you very much, Mr. Boss," "We love you United States," "Saddam donkey," and "Very happy. I love you George Bush." — *Washington Post*, April 7

- "Hundreds of kids were swarming us and kissing us," [Lieutenant Colonel Fred] Padilla said. "There were parents running up, so happy to have their kids back." — *Agence France Presse*, April 8

- "They began to chant in English. 'Stay! Stay! U.S.A.!'"

"The euphoria nearly spilled over into a riot. Children pulled at the Marines, jumped on their trucks, wanting to shake their hands, touch their cheeks. A single chicken hung in the butcher's window and still the residents wanted to give the Americans something, anything. Cigarette? Money?"

"You are owed a favor from the Iraqis," said Ibrahim Shouqyk." — *The New York Times*, April 8

(It seems unfair to include stories from April 9 or later.) CJ

The nation seeks academe's help

War on Terror Leads to Increased Demand For Colleges to Help Bolster U.S. Security

By JON SANDERS

Assistant Editor

RALEIGH

Beyond the publicity-seeking protests and the condescending "teach-ins," the effects of the war on terror and the aftermath of Sept. 11 on universities have been subtle but significant. In some respects, universities have been asked to contribute to U.S. security efforts in ways other sectors could not.

In his State of the Union address of this year, President Bush proposed beginning "Project Bioshield," which would be a "major research and production effort" to help the country fight bioterrorism. Bush requested \$6 billion from Congress to fund research and development of vaccines and treatments against anthrax, botulinum toxin, the Ebola virus, and other dangerous toxins.

The bioterror concern also affects university hospitals, because they have to train and prepare emergency responses for possible bioterror attacks. Such responses include pre-emptive strikes, so to speak, such as inoculations against smallpox.

The passage of the Homeland Security Act of 2002 opened the door for researchers at universities to receive millions of dollars to fund projects related to homeland security. Robert Lowman, UNC-CH associate vice chancellor for research, told *The Daily Tar Heel* of last September that, depending upon the funding elements used, UNC-CH faculty could receive as much as \$20 million in research projects.

Three researchers from N.C. State, one from UNC-CH, and one from Duke University were among the recipients of the \$27 million's worth of grants announced in March by the Department of Defense.

Information system database

The most pressing concern may be that of tracking foreign students. Under the now-defunct Immigration and Naturalization Services, hopelessly lax record-keeping allowed terrorists, including those responsible for Sept. 11, to slip into the nation unnoticed, taking advantage of the INS's offers of amnesty, student visas, marriage, status adjustments, and other offers.

A prime concern for universities is the Student and Exchange Visitor Information System, which is a massive database managed by the new Department of Homeland Security's Bureau of Citizenship and Immigration Services. The system was designed to reduce the United States's vulnerability



As President Bush watches, Vice President Dick Cheney swears in Tom Ridge as the secretary of the Department of Homeland Security in the Cross Hall Jan. 24. Ridge's wife, Michele, and children, Tom and Lesley, hold the Bible. White House photo by Paul Morse.

to immigration fraud, especially involving student visas.

The system was delayed in its scheduled implementation of Jan. 30, however, because universities found the system difficult to use. In March 2003 a Justice Department report cast doubt on the effectiveness of the system. Among the findings: The INS did not complete certification reviews of all institutions, the system's currently contains information only on new students as opposed to all foreign students, the INS did not adequately train or supervise adjudicators who decide whether an institution is genuine, no procedures to use the system for fraud detection had been developed, and the INS had not reviewed universities' record-keeping to sniff out any fraud that had occurred.

In a related matter, the FBI has actively sought more contact and interaction with campus police departments to further counterterrorism efforts.

Cyber Corps

UNC-Charlotte is one of only 11 schools in the United States offering the Federal Cyber Corps Scholarship for Service program, which trains students how to protect critical information in the digital age. NC A&T offers the Cyber Corps program by television through UNCC.

The program began during the Clinton administration over Y2K concerns, but after Sept. 11 its funding was greatly in-

creased. UNCC enrolled its first students in the fall 2001, and it has received \$150,000 in funding. In 2002, UNCC received a hefty increase in funding — more than \$2 million.

Students in the Cyber Corps have their tuition, books, room, and board paid for, receive a monthly stipend of \$1,000, work summer internships, and are expected to work in a U.S. agency for two years after graduation. To join the program, students must be U.S. citizens and have a GPA of at least 3.0. They likely need to procure national security clearance as well.

Along those lines, the Intelligence Authorization Act for fiscal 2003 authorized the CIA to create science and technology scholarships for graduate students. Recipients would need to procure security clearances of "secret" or above and also either be employed by or eligible for employment in an intelligence agency.

University study abroad programs have been dealing with greater uncertainty since the terror attacks, but so far the impact on recruitment appears to be minimal. Students' safety is, of course, the biggest concern, which would tend to depress recruitment. On the other hand, it appears that students' renewed interest in international events has offset that effect.

Currently, bills before the N.C. House and Senate would have UNC institutions or North Carolina community colleges charge only in-state tuition rates for students in the military. CJ

Professor Calls for Toppling Confederate Statue

By JON SANDERS

Assistant Editor

RALEIGH

Inspired by images of Saddam Hussein statues falling across Iraq, a professor of Communication Studies at the University of North Carolina at Chapel Hill has called for the toppling of a campus monument.

In a letter to *The Daily Tar Heel* on April 11, Gerald Horne said he "expected outrage to erupt in Chapel Hill."

His reason was "we are routinely told that the reason monuments to the thankfully departed Confederate States of America litter the landscape, including the

centerpiece of this campus, i.e. 'Silent Sam,' is because this is merely a monument to history and that depositing this monstrosity where it belongs in the nearest museum would be like stowing away history. Interesting.

"So where are the voices from this campus bellowing in outrage against Iraqis 'destroying their history' by destroying statues of their erstwhile leader?"

The 'Silent Sam' monument was presented to the university by the North Carolina Division of the United Daughters of the Confederacy and dedicated June 2, 1913, "To the Sons of the University who died for their beloved Southland 1861-1865."

Horne said that slavery, "the CSA cause," created more deaths than Hussein and that the war the CSA fought against the United States led to "far more deaths" than the Iraqi leader's war with America.

"Actually, I await the call by CSA defenders demanding construction of monuments in Iraq to Saddam Hussein, in the interests of 'history' of course," Horne wrote.

"Hence, if anything, rather than cheering the pulling down of statues in Iraq, residents of Chapel Hill should be insisting on removing these Confederate eyesores that dominate this campus, this state and this region." CJ

'Best of Carolina': Conservative Students Praise UNC's Superior Liberal-Arts Courses

By JON SANDERS
Assistant Editor

The March 2003 issue of *Carolina Review* advertises "The Best of Carolina." These are, according to CR staff, the best courses that the University of North Carolina at Chapel Hill has to offer.

The Best of Carolina has become a regular occasional feature of the independent student magazine, published by conservative UNC-CH students. The list is not intended to be comprehensive, as the magazine explains. CR relies on student input in compiling the feature.

Although the list is published by conservatives on campus, the courses are not chosen according to whether or how much they hew to a conservative ideology. As the magazine explains, its interest is in helping students to obtain a true liberal-arts education. Thus, they favor "rational and informed debate" over "ideological dogma, political correctness, fashion, and mob mentality."

"[O]ur purpose is to provide the campus with a list of the most academically stimulating, not easiest, courses," CR says.

To that end, here are CR's selections for the best courses at UNC-CH:

- Anth 40/ Folk 40 — Southern Style, Southern Culture (Prof. Glenn Hinson)
- Anth 121 — Culture and Personality (Prof. Robert Daniels)
- Business 140 — The Legal Environment of Business (Prof. Barry Roberts)
- Classics 21 — The Romans (Prof. Cecil Wooten)
- Classics 29 — Epic and Tragedy (Prof. Jim O'Hara)
- Classics 30 — The Heroic Journey (Prof. Kenneth Reckford)
- Classics 36 — Word Formation and Etymology (Norman Sandridge, Graduate Student)
- Communications 174 — War and Culture (Prof. Cori Dauber)
- Economics 10 — Intro to Economics (Prof. Ralph Byrns)
- Economics 132A — Macroeconomics (Prof. William Darity)
- Economics 180 — Economics of the Family (Prof. Boone Turchi)
- English 29 — Honors Types of Literature (Prof. Weldon Thornton)
- English 58 — Shakespeare (Prof. Alan Dessen; Prof. Larry Goldberg; Prof. Ritchie Kendall)
- History 17 — Twentieth Century Europe (Prof. Conrad Jarausch)
- History 53 — History of Rome (Prof. Richard Talbert)
- History 54 — Cathedral and Castle in Medieval England (Prof. Richard W. Pfaff)

"[O]ur purpose is to provide the campus with a list of the most academically stimulating, not easiest, courses."

- History 73 — The United States in World War II (Prof. Roger Lotchin)

- History 125 — Intellectual History of Europe, Early Period (Prof. John Headley)

- History 126 — Modern European Intellectual History (Prof. Lloyd Kramer)

- Honors 28 — Comedy and Satire (Prof. Kenneth Reckford)

- Honors 32 — Elements of Politics (Prof.

Larry Goldberg)

- Italian 14 — Accelerated Italian (Prof. Dino Cervigni)

- Journalism 11 — Introduction to Mass Media

- Journalism 142 — History of Mass Media (Prof. Donald Shaw)

- Music 42 — Masterpieces of Music (Prof. Jon Finson)

- Music 45 — Introduction to Jazz

- Philosophy 22 — Introduction to Ethics (Prof. Geoff Sayre-McCord)

- Physics 16 — How Things Work

(Prof. Richard Superfine)

- Physics 20 — Basic Concepts of Physics (Prof. Hendrik Van Dam)

- Political Science 41 — Intro to U.S. Government (Prof. George Rabinowitz)

- Political Science 42 — State and Local Government in the United States (Prof. Virginia Gray)

- Political Science 54 — Government and Politics of East Asia (Prof. James White)

- Political Science 63H — Classical and Medieval Political Theory (Prof. Susan Bickford)

- Political Science 70 — Public Opinion (Prof. Stuart Macdonald)

- Political Science 79 — Politics of the Supreme Court (Prof. Kevin McGuire)

- Political Science 86 — International Relations (Prof. Thomas Oatley)

- Poli 140 — International Political Economy (Prof. Thomas Oatley)

- Political Science 155 — The Constitution of the United States (Prof. Kevin McGuire)

- Political Science 157 — Civil Liberties Under the Constitution (Prof. Kevin McGuire)

- Religion 22 — Intro to New Testament Literature (Prof. Bart Ehrman)

- Religion 27 — History of Christian Tradition (Prof. Peter Kaufman)

Affirmative Action: My Grading Policy

Dear UNC-Wilmington Students: For years, my well-known opposition to "affirmative action" has been a source of great controversy across our campus, particularly among UNCW faculty. Many have assumed that my position on this topic has been a function of personal prejudice or "insensitivity" to the needs of various "disfranchised" groups on campus and in society in general. In reality, my opposition to affirmative action has been based on personal experience.

When I first applied for a job as a university professor, a well-meaning department chair at Memphis State University (now the University of Memphis) told me that I had no chance of getting a job in his department because the only other finalist for the position was a black male. When I took a job at UNCW a month later, I hoped that I had found an environment devoid of such blatant racial discrimination. Unfortunately, my experiences here have proved otherwise. It is my constitutionally protected opinion that I have experienced direct pressure from the administration to engage in both racial and gender discrimination as a member of various university search committees.

Furthermore, I have seen examples of salary discrimination based on affirmative action. For example, one department at UNCW hired a black female as an assistant professor in 1999 before she had finalized her dissertation. Despite her inexperience, she was paid more than two tenured white male associate professors in her department who had, of course, finished their dissertations. One had been teaching at UNCW for five years, the other for seven years.

Despite all of this, I have decided to abandon my long-standing opposition to affirmative action after listening to the oral arguments in the recent U.S. Supreme Court case challenging admissions policies at the University of Michigan. While listening to these recorded arguments, I learned that public universities have a "compelling interest in diversity" which supersedes simplistic notions of reverse discrimination. Now, because my views have changed, I am forced to alter my classroom grading policies.

Students in my classes will continue to have their final grades based principally on test performance. Students will also continue to have a portion of their grade determined by class participation and/or a final paper depending on the class in which they are enrolled (students, please consult your syllabus).

After I compute final averages, I will then implement the new aspect of the grading process modeled after existing affirmative action policies. Specifically, I will be computing a class average, which I will then compare to the individual performance of all white males enrolled in my classes. All white males who exceed the class average will have points deducted and added to the final averages of women and minorities. A student need not have ever engaged in discrimination in order to have points deducted. Nor must a student have ever been a victim of discrimination in order to receive additional points.

I expect that my new policy will be well-received by some, and poorly received by others. For those in the latter category, please contact Human Resources for further elaboration on the concept of affirmative action. You may also contact the Office of Campus Diversity for additional guidance.

I understand that many of you may consider my new position to be unprincipled. Please understand, however, that the university has long abandoned antiquated principles of "fairness" in favor of identity politics. Also understand that my job as a professor is to prepare you for the real world. After all, no one promised that life would always be fair.

Adams is a criminal justice professor at UNC-Wilmington.



CR's March issue featuring "The Best of Carolina."



Mike Adams

Bats in the Belltower

41 Professors Opposed to the War,
and One Who Isn't

Thirty-nine faculty members of Duke University were expected to reimburse Department of Cultural Anthropology funds they used illegally to purchase an antiwar advertisement in the *Duke Chronicle* on March 24.

The ad stated: "We wish to express our opposition to the U.S. bombing of Iraq, and affirm our solidarity with those students and student groups protesting the war. We consider this unilateral action by the U.S. government reckless, unjustifiable, and against the best interests in the international community, and urge the Duke community to find ways to engage in serious reflection and dialogue about this disturbing turn of events."

After listing the professors' names, it stated, "The ad is sponsored by the Department of Cultural Anthropology." Turns out that was a federal no-no, as Provost Peter Lange informed them.

As the *Chronicle* reported March 25, "Lange explained that it is against the University's responsibilities under the federal tax code for one of its divisions to pay for a political advertisement."

The heavily politicized Department of Cultural Anthropology is the non-moribund anthropology department at Duke. Earlier this year Duke decided to "reorganize" (read: "gut") the Department of Biological Anthropology and Anatomy, a highly respected program nationwide.

'Dear Squash Class'

A UNC-Chapel Hill student forwarded this email to *CAROLINA JOURNAL* from a "left-wing antiwar PE teacher":

Dear Squash Class,
I hope the poor attendance today was due to antiwar protesting. I am so opposed to this war that I sympathize with and admire those of you who went out to demonstrate.

But on Tuesday, Mar. 25, you must be at class to play your ladder matches or you will default.

Kinnaird speaks

In March N.C. Sen. Ellie Kinnaird, D-Orange, the white woman whom the diversityniks in Chapel Hill chose over black Sen. Howard Lee in the costliest race in Orange County history, addressed the UNC-Chapel Hill Young Democrats. According to *The Daily Tar Heel* of March 27, Kinnaird:

— "said 95 percent of the world is against the war," a statement with a margin of error of approximately [insert another number pulled out of thin air here] percent.

— suggested that for sake of consistency, the United States should also wage war on Egypt, Saudi Arabia, and China (well, in the words of the *DTH* report, "Kinnaird said the United States is inconsistent in foreign policy if its policy is to strive to remove ruthless dictators. All over the world there are terrible dictatorships, such as Egypt and the kingdom of Saudi Arabia, she said. She also stressed that China has many human rights violations and still is given the favored nation trade status.")

— said "It almost feels like it is an addiction. We bomb a little country every 10 years."

— said President Bush "has endangered all of us."

— expressed heartfelt concern for U.S. troops, because "they'd be very angry and sad" if they knew that "the prevalent antiwar sentiment in the United States" as well as in "95 percent of the world is undermining their cause."

'Hardly a threat'

Also at that meeting was John Hammond, a UNC professor of pathology and laboratory medicine, who announced that "The war has been sold... to the American public on half truths, sometimes outright lies and forged documents."

Hammond also discussed the bombing-a-little-country aspect. "What we're dealing with here is a third- to fourth-rate country," he said. "It's hardly a threat to its neighbors."

There were reportedly no Israelis, Kuwaitis, Iranians, or Kurds in the audience to offer rebuttal.

UNC-CH professor optimistic

Maha Alattar, UNC-CH professor of neurology, was featured in the *DTH* on March 28. Alattar was born in Baghdad, but her family fled in 1983.

"Five of Alattar's cousins already had been taken away from their parents and thrown in jail after Hussein's rise to power" in 1979, the *DTH* reported. "Her aunts and uncles had been deported forcibly across the border to Iran as a part of Hussein's ethnic cleansing."

Alattar is now a member of Women for a Free Iraq, "an organization to educate the U.S. public about the suffering of the Iraqi people."

Alattar said, "A million and a half Iraqis have been murdered, and another 24 million have been put in prison, but nobody has really emphasized the extreme suffering of the Iraqi people." She described Hussein's use of methods and torture to silence dissent in Iraq, and she also "said it is the oppression of Iraqis the United States doesn't see that is the worst."

The *DTH* reported also that Alattar and Women for a Free Iraq are optimistic for Iraq's future. "We have met with Vice President Dick Cheney and (National Security Adviser) Condoleezza Rice, and we have a good idea of the intentions for Iraq after the war," she said. "This Saddam is so evil and horrendous that anything will be better, but the plan is to create a democracy that respects the dignity of the people."

The *DTH* article concluded:
Alattar said that creation of a democracy will be hard work but that she is not suspicious of the outcome and wishes more people shared in her optimism.

"I want more people to be hopeful of the outcome and believe that this war will get rid of a horrible dictator and liberate 24 million Iraqi people," Alattar said.

"The Iraq I see 10 years from now will be democratic, prosperous. Children will be healthier, freer, and that will definitely be a positive thing."

Information about Women for a Free Iraq can be found online at www.womenforiraq.org. CJ

Author Tells UNC-Chapel Hill
'Why the Left Hates America'

By SUMMER HOOD
Editorial Intern

CHAPEL HILL

Leftists, such as those in Hollywood and academia, comprise only 10 percent of the American population yet they wield a disproportionate amount of power because of the attention and influence their positions in society garner, author Dan Flynn says.

Flynn, author of *Why the Left Hates America*, spoke at the Law Center of the University of Chapel Hill on March 25. He explained not only the book's title, but also who he considers the left to be.

Flynn asserted that the left is a political faction associated with but distinct from mainstream liberal ideology and the Democratic Party. The party affiliation of Hollywood is visible through its open and consistent support of Democratic candidates and politically liberal causes, such as the antiwar group Not in Our Name.

As for the bias of academia, Flynn cited recent surveys on party affiliation at college campuses, which show the ratio of Republican professors to Democratic professors is at best one to 10 and at worst, as in the History Department at UNC, one to 46. Such numbers are not coincidences to Flynn. He said they belie a deep-rooted establishment of liberal bias in American college departments.

This bias conflicts with the most popular campus watchword of late, diversity.

The inconsistency has caused him to question how a college community can claim diversity when only one viewpoint is represented. "They look like the United Nations, but they all think like a San Francisco coffee house," Flynn said. The only reason he was giving the lecture at UNC-CH was because a student group, not an administrator or professor, had invited him, he said.

This has been the rule in the majority of forums in which Flynn speaks. Animosity toward him has manifested itself in more sinister ways, he said. When Flynn spoke at the University of California at Berkeley, a group held a Nazi-style book burning during his lecture. At other places fire alarms were activated in the middle of his talk, his microphone was disconnected, and sometimes, audience members—including professors—drowned out his voice with jeers and chants.

Flynn described this as hatred under the guise of political dissent. Such hatred is best evident in one of the left's most frequently used forms of protest, burning the American flag, he said.

Explaining *Why the Left Hates America*, Flynn said, "America in practice refutes what the left touts in theory." Such theories claim that America is an economic failure and a disgrace in racial relations. Flynn argues that America has thrived under capitalism, flying in the face of socialism and communism, which the left espouses as ideals. CJ

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Awareness Weeks

Give Us a Week, We'll Take Off the Ignorance — Unless You're Evil

By JON SANDERS

Assistant Editor

Every week on a college campus is an opportunity to commemorate some issue. Unless one had a gift for the absurd, one would be hard pressed to dream up a campus "Awareness Week" that hadn't already been soberly promulgated somewhere. Not just weeks are honored, of course; some issues only merit special days, while others get entire months.

What are these weeks for? As any promotion will tell you, they are to "promote awareness" of the issue named in the week. Usually that's it — just the enthymematic "to promote awareness" of the issue.

Can't college activists complete a syllogism? They don't need to here. *Everybody on campus knows* that problems in the world stem from ignorance, so awareness of them means the problem will soon be solved. It's the sort of idea that makes one wonder why anyone bothers attending class, let alone take attendance in them. So long as the students are *aware* that they are enrolled in, say, electrical engineering... (note sounds-collegiate use of one-legged syllogism).

Where in blue blazes did this idea come from? It is an extension of the idea that human beings are perfectible, a seductive notion to the academic, who if he succumbs will believe human beings are perfectible through education. The sinister force in this worldview is ignorance, and all manifestations of evil are therefore outcroppings of ignorance. It's a view so prevalent on campus that it rarely needs voicing anymore; it's culturally ingrained.

It's why people aren't seen as merely having differences of opinion on campus, but rather moral battles — at least according to the prevailing view. One stands on the side of Good in the world; the other, Evil. Thomas Sowell described it in *The Vision of the Anointed*:

Those who accept this vision are deemed to be not merely factually correct but morally on a higher plane. Put differently, those who disagree with the prevailing vision are seen as being not merely in error, but in sin. For those who have this vision of the world, the anointed and the benighted do not argue on the same moral plane or play by the same cold rules of logic or evidence. The benighted are to be made "aware," to have their "consciousness raised," and the wistful hope is held out that they will "grow."

There are no 12-step problem-solving programs under this one-step view. Empirics and nuance are tools of the devil. Anything to "raise awareness" — no matter how absurd, logically self-defeating, or empirically unsound — works for Good.

One month of 'awareness'

Just in March, and just at N.C. State and UNC-Chapel Hill, the forces of Light were helped by the following (and these are not all of the events):

• **Women's Week 2003**, UNC-Chapel Hill, March 22-30. Events included:

— "Breast Casting," a "3-dimensional work of art made through the skillful application of plaster of paris to a woman's naked torso" that is "a woman-positive experience that celebrates the female form" — and "promotes awareness about breast health."

— "Wage Gap Bake Sale," an "Awareness raising event" selling baked goods "for different prices to women and men to account for the gap in men's and women's wages for comparable jobs."

— "These Hands Project, Clothesline Project..." visual presentations which will raise awareness about violence to women."

• **Human Rights Week**, N.C. State, March 24-28, held "to promote human rights and its awareness around the world" (*Technician*, March 28). Events included:

— "Wear[ing] your blue denim (jeans) today to show support for gays and lesbians, and support equal right for ALL people!"

— a symposium on "A Sustainable Future," where Sister Miriam Therese MacGillis announced that people "alter the basic chemistry, physical structures, geology and physics [sic — even the physics] of the planet without understanding the effects. It is not that human nature is evil or bad but that we are young and inexperienced in the cycle of life."

— Peggy McIntosh, denouncing a system of white and male privilege in America; "systematic change takes many decades,"



she has written (*Technician*, March 25), but it's possible "if we raise our daily consciousness on the perquisites of being light skinned."

— The "Tunnel of Oppression," which according to N.C. State will give students "a series of sensory experiences

related to oppressive situations, ...the opportunity to view and dialogue (sic) on various 'isms' such as racism, homelessness, sexism, homophobia, and body imagism, and others."

• **Human Rights Week**, UNC-Chapel Hill, March 31-April 4. According to *The Daily Tar Heel* April 1, events included a debate on the United Nations, discussion of human-rights abuses in China, a talk on "the exploitation of Africans in diamond mines versus hip hop's fascination with diamonds," and "Genderqueer," a "discussion about the way people think about their genders and whether people lean toward a particular gender identity or not." Reena Arora, cochairman of the Advocates for Human Rights Committee for the Campus Y, said of the week, "I guess, basically, it is to understand the importance of education and awareness."

• **Africa Week**, UNC-CH, March 24-29, UNC-CH. Events are African dance work-

shops, African cuisine sampling, and an African fashion show, all sponsored by the Organization for African Students' Interests and Solidarity, "dedicated to spreading awareness to our campus and the surrounding communities about the beauty of African Culture, to dispel stereotypes and myths, and to provide a social atmosphere in which Africans and non Africans can interact and learn from each other."

• **Agricultural Awareness Week**, March 17-21, N.C. State. During this week, according to its sponsor, the Alpha Zeta fraternity, "the Brickyard is covered with equipment, livestock, and displays" in order to "promote awareness and appreciation of agriculture on campus."

• **The White Ribbon Campaign**, March 24-28, UNC-CH. The *DTH* of March 24 said campaign chairman Sunil Nagaraj "said this week was about putting peer pressure on men to stop violence against women... The campaign's real purpose is to spread awareness, Nagaraj said."

No wonder a campus humorist at UNC-CH once declared it "Awareness Week." In the Sept. 4, 2002 *DTH*, Jim Doggett wrote, "unawareness about awareness week is disturbingly high." The new freshmen "know almost nothing about our five-day orgies of Pit-sitting and sit-ins, films and fliering, panel discussions and pot-lucks all devoted to celebrating, protesting or lamenting just about anything."

Doggett's solution? (Hint: It starts with an "a.")

CJ



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Town and Country

Sumptuous bash for legislators

State lawmakers descended on western North Carolina April 12-13 for a series of golf outings, fly-fishing, parties, and a free stay on the Biltmore Estate, the *Asheville Citizen-Times* reported.

The Asheville Area Chamber of Commerce is picking up the tab for much of the trip — at a cost of \$100,000 — in hopes of convincing legislators that western North Carolina is worth their attention.

"When the dollars are available, maybe they can help us," said K. Ray Bailey, president of Asheville-Buncombe Technical Community College. Bailey said he wants legislators to "know the value of community colleges when they have to make hard-core decisions."

Legislators likely will be doing nothing outside the rules in accepting the gifts, said Peggy Kerns, executive director of the Center for Ethics in Government. But the trend nationally "is moving away from such lavish events," Kerns said.

"Some states have gift restrictions on monetary value or require reporting by the legislature," she said. "In North Carolina, (ethical behavior) is based on someone's own ethical standards."

Asheville's legislative weekend came days before House lawmakers were scheduled to release their budget proposal.

State lawmakers toured Asheville landmarks such as the riverfront, Vance Memorial, the Thomas Wolfe House, and the Farmers Market.

Bill would allow electrofishing

A bill moving through the legislature would allow people to use electric shocks to stun and catch catfish on the Waccamaw and Lumber rivers in Columbus County, the *Fayetteville Observer* reported.

Rep. Dewey Hill of Columbus County said he wants to make the practice legal because fishermen in Columbus County have complained that the catfish are eating game fish. They want to get rid of as many catfish as they can.

The electrofishing technique sends a low current through the water, stunning the fish so that they float to the surface and can easily be scooped out. According to state officials, a low current brings up catfish, but not most other fish, because catfish are more sensitive to electricity.

John Pechmann of Fayetteville, chairman of the N.C. Wildlife Resources Commission and an avid fisherman, doesn't like Hill's plan. But Assistant Director Dick Hamilton said the agency is willing to experiment with the idea.

Hill took pointed questions on the concept from skeptical lawmakers when it was debated on the House floor. A similar bill ran through the Senate without discussion and passed 45-0.

Columbus County fishermen want the change, Hill said. "We're having a problem down there with the big fishes eating the little fishes," he said.

It has been a problem, Hamilton acknowledged. The state brought in flathead catfish, which are not native to North Carolina, in the 1960s as a game fish. CJ

City-County Consolidations Sputter in N.C.

Risks outweigh rewards and savings frequently fail to materialize, experts say

By KAREN WELSH
Contributing Editor

KINSTON

Consolidation, the buzz word circulating in a few regions of North Carolina, is much easier said than done, some city and county officials are finding out.

Although smaller areas, such as Gastonia County and Bessemer City, are grappling with ways to merge their governments, the most notable cities and counties trying to create regional homogeneous bureaucracies in North Carolina are New Hanover County-Wilmington in the Southeast and Mecklenburg County-Charlotte in the Piedmont.

In each case, the idea of merging the two entities and sharing costs and mainstreaming community services, programs, and policies has looked good on paper, but has met with less than an enthusiastic response from government officials and the general public.

'Absolutely no success'

David M. Lawrence, professor of public law and government at UNC-Chapel Hill's School of Government and an overall supporter of consolidation, said there has been "absolutely no success in North Carolina" on consolidation. "A lot of people think the merger of city and county makes a lot of sense in the abstract," he said. "But, it's extraordinarily difficult to build a coalition to pass it."

Lawrence said New Hanover County and Wilmington have tried to pass a referendum to consolidate in 1973, 1987, and 1995. Each attempt, however, failed.

This comes as no surprise to Milan J. Dluhy, chairman of the Department of Political Science at UNC-Wilmington. About 80 percent of referendums to consolidate fail nationwide, he said.

"It's an uphill fight to adopt consolidation," Dluhy said. "Right now, a double majority vote is required to pass in North Carolina. It's similar to the double veto in the U.N. Security Council. As long as their political, social, economic interests, and values differ, there will be no positive vote in both the city and county. It needs to be a concurrent majority in both to make it work."

William J. McCoy, retired director of the Urban Institute at UNC-Charlotte and the leader of a panel working toward regionalization of Mecklenburg County-Charlotte, said many government officials fear consolidation. The officials are afraid of losing power and try to stifle any movement toward merger.

"You always stir up a hornets nest when you start talking about consolidation," he said. "It hasn't happened here, and it isn't about to happen in the short run. It's a tough deal. It's a very hard political thing to do, and I don't see it happening in the future."

Towns want to keep their identity

One of the biggest issues, he said, is that political leaders in smaller communities within counties think they will lose their identity in a merger. "In the proposals that have floated here the other smaller towns aren't involved because they don't want to be," McCoy said. "They are afraid of losing their identity, and come hell or high water,

they are not going to support (consolidation)."

Another concern of consolidation, he said, is the fear people have of losing their government representation.

A study by the Research Foundation of the National Association of Industrial & Office Properties warned that the potential advantages of merging government "must be weighed against the reduction in citizen access to government and the dilution" of citizen representation that typically accompany mergers of single purpose service providers.

"Reducing the number of governments reduces citizen choices and compromises citizen preferences," the document said.

Democracy loses, consultant says

A report on the potential benefits and risks associated with merged governments by Wendell Cox, principal of Wendell Cox Consultancy in Belleville, Ill., said consolidated government entities were "anti-democratic."

In his report, Cox explained why the fears of the public may be warranted. He said smaller governments are more accountable and responsive to their citizens and are more attuned to their communities and neighborhoods.

Conversely, Cox said, larger government bodies face daunting challenges. Not only do they diminish the voice of smaller communities in their jurisdictions, he said, regional governments are less controllable, less successful in delivering quality public services to their residents, and are more susceptible to special-interest groups and interests.

Dluhy said land developers are one such special-interest group in North Carolina that is hoping for government mergers to take place. "Consolidation would help developers out," he said. "It would streamline land-use regulations and they wouldn't have to deal with different communities for land use. That's the name of the game. They wouldn't have to deal with a bunch of different jurisdictions — only one."

If developers succeed, they have a better chance of building and lining their pockets with cash, said authors Richard C. Feiock and Jered Carr in an article written on pri-

vate incentives and public entrepreneurs dealing with the promotion of city-county consolidation.

The authors said consolidation of governments often provides the vehicle to advance an economic development agenda. "Developers may promote centralization of government because they seek the empowered new government to build infrastructure and improve land to benefit the developer," they said.

There are other downsides to consolidated government. Lawrence said one sticky political issue in North Carolina is that most cities currently have nonpartisan elections, while most counties have partisan elections. He said it would be difficult to arrive at a consensus that would merge both entities into one voting process.

Dluhy said another potential pitfall of consolidation is dilution of the black vote because the majority of blacks live within city limits, where they have concentrated voting power.

Once all the residents in the county are brought together, he said the influence of a cohesive black vote could become obsolete.

"There is a racial undertone to creating a metro, and it is part of the structural consideration," Dluhy said. "There is a chance there wouldn't be any blacks on a new metro-commission because the vote would be at-large and there probably wouldn't be any blacks elected."

McCoy, Lawrence, and Dluhy agree that consolidation of cities and counties can be positive, but that it doesn't necessarily mean it will save

money. In fact, they said, studies have shown the cost for services in consolidated areas usually increase.

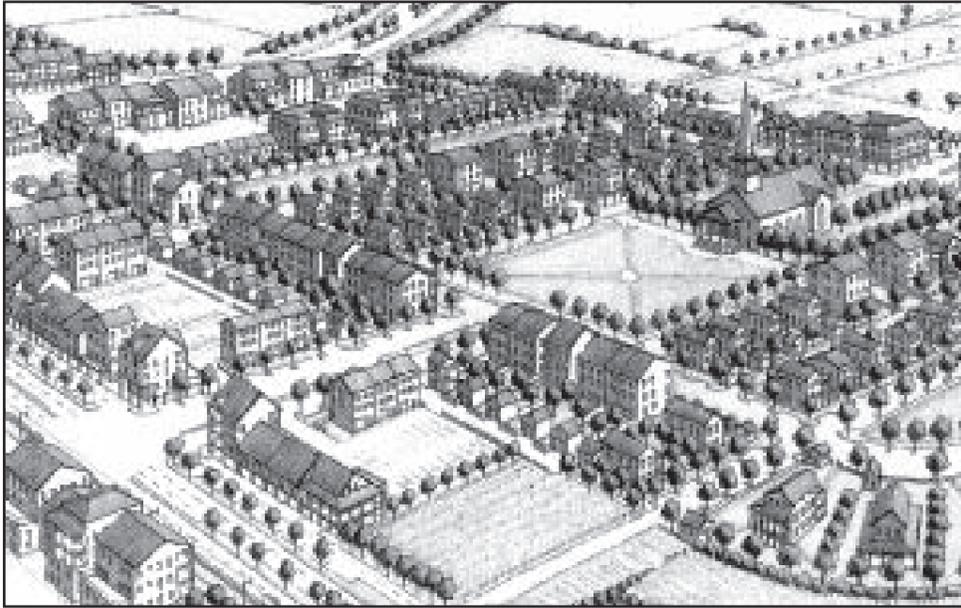
The experts also said the most successful consolidations of governments, such as Jacksonville and Duval County in Florida, have risen from extremely needy areas that once faced widespread political corruption. They said counties in North Carolina don't face that scenario today.

"The catalyst for consolidation is chaos or corruption," McCoy said. "There has to be something broke to fix it and [North Carolina] doesn't have that here. The reasons to consolidate aren't overwhelming enough to give up inertia to the opposition." CJ



Wilmington, shown at its waterfront, and New Hanover County have tried and failed to consolidate.

"You always stir up a hornets when you start talking consolidation. It hasn't happened here, and it isn't about to happen in the short run."



Huntersville is one of a number of towns to adopt new zoning regulations.

New rules extend beyond town borders

Localities Try to Channel Growth, Preserve Space North of Charlotte

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

A number of towns and counties are taking to steps to restrict growth in response to rapid development in the area north of Charlotte. An unusual aspect of many of the municipal rezoning efforts is their quest to preserve open space outside town borders while simultaneously they attempt to encourage growth along future transit corridors.

The most aggressive zoning changes have been by the towns of Huntersville and Davidson, situated just north of Charlotte in Mecklenburg County. Both experienced rapid growth in the 1990s, with Huntersville's population growing from just over 3,000 in 1990 to nearly 27,000 in 2001. Davidson experienced a population increase from 4,046 in 1990 to 7,331 in 2001.

Huntersville in February radically rezoned about 40 square miles of land over which it has zoning jurisdiction. Under the new rules, land previously designated as "open space" would be reclassified as either transitional or rural.

Rural parcels are subject to lower maximum housing densities than was previously the case, effectively reducing the salability and value of the property. Housing densities range from one house per three acres if the parcel has no open space, to 1.2 houses per acre with 60 percent open space. Transitional parcel are located nearer to town and are easier to develop.

A moratorium is already in place in Huntersville on large-scale residential development. The town also has adopted a special zoning district near the future commuter rail stops.

Davidson's new zoning rules, adopted last year, are generally similar in scope.

One feature common to both towns' rezoning is they extend beyond their borders. Under North Carolina law, municipalities' zoning authority may extend beyond their borders. As a result, landowners may be subject to new zoning restrictions from jurisdictions in which they do not live, and to whom they do not pay property taxes. Such landowners, as nonresidents, also cannot vote for the town council members acting on the rezoning.

Lake protection

New land-use restrictions are not limited to preserving open space. The major focus of a different set of rules is protecting water quality in the region.

Regulations aimed at providing buffer areas around lakes that supply drinking water certainly are not unique to the Mountain Island Lake reservoir that serves Charlotte and surrounding communities. The N.C. Department of Environmental and Natural Resources, for example, is proposing to make permanent a buffer zone on Lake James and the other lakes of the Catawba River as well as on the river's main channel downstream of Lake James.

What is different is the extent of the buffer zones; the DENR is requiring only 50-foot buffer zones on Lake James. Since 1993, Charlotte has required a 100-foot buffer zone on the lake from which it draws its drinking water and that for the other municipalities in the county.

The Mountain Island Marine Commission, an advisory board, has recently asked communities with zoning authority around the lake to adopt even stricter restrictions, including a ban on petroleum and chemical storage, private sewage-treatment plants, landfills, hazardous-waste storage, land farming of petroleum-contaminated soil, junkyards, and commercial agricultural operations within 1,000 feet of the lake.

Duke Energy and governmental facilities would be exempt from the proposed regulations.

Lincoln County ponders changes

Growth is not restricted to northern Mecklenburg County proper. Neighboring counties are also experiencing rapid growth as people seek cheaper housing and lower taxes while still being near Lake Norman or Mountain Island Lake. Several communities are considering zoning changes or other regulations in response.

The Lincoln County Commission and planning commission met recently to discuss the issue. The county is projected to grow from a population of about 65,000 now to over 100,000 by 2020.

Options the county is considering are boundaries on growth, impact fees, higher real estate transfer fees, a moratorium on development, and increasing minimum lot size. Minimum lot sizes in the county range from one-third of an acre to one acre.

Opinions were divided on how to best proceed. "The only way to stop growth is not having it to begin with," County Commissioner Carrol Mitchem said. "I hear a lot of people saying they're tired of all these houses. That would be an easy way to fix it." Mitchem favors minimum lot size of three or four acres. *CF*

Local Innovation Bulletin Board

Water System Privatization

Across the country, 94 percent of water systems are publicly controlled and most are owned or run by municipalities. But privatization is on the way. Over the last five years, hundreds of American communities—including Indianapolis and Milwaukee—have hired private companies to manage their waterworks.

The number of publicly owned systems operating under long-term contracts by private companies has increased from about 400 in 1997 to about 1,100 today. Privatization has become more attractive to cities because they face enormous costs to repair aging sewer pipes, treatment plants, and other infrastructure. Federal officials say the total cost of repairs could outstrip current spending by about \$500 billion in the next 20 years.

Utilities hope partnerships with private companies will generate savings and provide access to capital that would help them cope with such large bills.

Privatization advocates are concerned that the recent collapse of a water system privatization deal in Atlanta will be used by opponents to derail such efforts in other cities. The interest group Public Citizen has already begun citing the incident in its arguments against privatization. However, Adrian Moore, a privatization advocate at the Reason Institute, said the collapse of the deal was caused by unrealistic expectations of what the partnership could achieve.

Reported in the *New York Times*.

Housing demand vulnerable

After decades of fighting inflation, the Federal Reserve is worried it has a new, tougher problem to fight—deflation. Economist Gary Schilling said deflation could affect the housing market. Additionally, a further downturn in economic growth and attendant job losses would shrink housing demand.

The number of homeowners under 25 increased in the mid-1990s and lending standards have been tightened—thus, any significant income loss from layoffs will reduce demand for ownership, he said. The lower end of the market could become vulnerable, despite programs that require little or no downpayment to become a homeowner.

Potential buyers will remain renters and even some owners will become renters.

The delinquency rate on Federal Housing Administration mortgages has risen from 8 percent to 12 percent in the last five years. The delinquency rate on Veterans Affairs loans is now 8 percent, compared with only 3 percent on conventional home mortgages.

"The subprime market is one of the phenomena that's coming unglued. It's wrecked manufactured housing. It's making trouble in credit cards," he said.

Reported in the *Dallas Morning News*.

London toll roads

A new plan to ease congestion in the center of London went into effect in April. Mayor Ken Livingstone set a fee of \$8.10 for driving in the center of the capital on weekdays between 7 a.m. and 6:30 p.m. The aim of the plan is to ease congestion, not drive all cars from the road.

Vehicles in central London move no faster today than horse-drawn vehicles did 100 years ago. Even though only 15 percent of city-center travel is by car, the gridlock is endured by residents, commuters, and business. Estimates of the economic costs in lost time, wasted fuel, and increased vehicle operating costs tend to be in the range of 2 percent to 4 percent of gross domestic product. No other city has attempted a plan with anything approaching the size, scale, and complexity of the London congestion charge. About 50 million vehicle miles are traveled in the capital every day.

Motorists will have to pay to drive into or inside an area of about 10 square miles around the city (the financial district) and the West End. The zone will be policed by hundreds of fixed and mobile cameras that will automatically pick up vehicles' license plates. Computers will match the registrations with a database of drivers who have paid in advance. Those who have not paid by midnight will be fined about \$130.

Livingstone hopes the plan will cut traffic in the zone by 10 percent to 15 percent, reduce delays by 20 percent to 30 percent, and raise about \$2.1 million a year to invest in public transport and road programs.

Reported in the *Financial Times*. *CF*

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Malignant 'Smart Growth' In Portland, My Hometown

From all over the world, people visit my hometown of Portland, Ore., to learn the wonders of "smart-growth" planning. City officials ooh and ah over Portland's light rail; reporters photograph the region's urban-growth boundary; while planners exclaim over the city's high-density, transit-oriented developments.

Smart growth is less exciting to local residents. They have discovered that smart growth's promises to reduce congestion, provide affordable housing, and protect valuable open spaces are phoney. Many now realize that smart growth's true goals are to increase congestion, drive housing prices up, and develop as much urban open space as possible.

Dictatorial Metro

In 1992, planning advocates argued that only regional planning could save Portland from becoming like Los Angeles, the most congested, most polluted city in America. So Portland-area voters agreed to create Metro, a regional planning authority with near-dictatorial powers over land use and transportation planning in three counties and 24 cities.

Although Metro estimates that Portland's population will grow by 80 percent in the next few decades, it decided not to expand the region's urban-growth boundary by more than 6 percent. To accommodate everyone else, Metro gave population targets to each local city and mandated the construction of scores of high-density, mixed-use developments. To handle growing transportation demands, Metro proposed a 125-mile rail transit network, while it reduced roadway capacities through so-called "traffic calming."

To meet their population targets, local governments rezoned neighborhoods to much higher densities and promoted the development of farms, golf courses, and other open spaces. When voters turned down the construction of new light-rail lines, Metro decided to build them anyway, using various tax districts to fund the lines without a public vote.

Planners soon learned that developers wouldn't build high-density housing along transit corridors because there was little market for such housing. So Metro, Portland, and other local governments now offer tens of millions of dollars in subsidies to such developments.

The results are spectacular and nearly all negative. The tightness of the urban-growth boundary has sent land prices skyrocketing, and Portland went from being one of the nation's most affordable housing markets in 1990 to one of the five least affordable by 1996. The region's largest homebuilder recently announced that it was reducing its operations by one-half because the region was running out of buildable land.

At the same time, the construction of heavily subsidized high-density housing has soured the rental market.

So many apartments are on the market that vacancy rates are at near-record levels and one development along the light-rail line that received \$9 million in subsidies has already gone bankrupt.

Congestion is rapidly increasing, which turns out to be a part of Metro's plan. "Congestion," says Metro, "signals positive urban development."

Metro wants congestion in most areas to reach near-gridlock levels because relieving congestion "would eliminate transit rider-ship."

Metro spends more than half the region's surface transportation dollars on rail transit even though rails will carry only 1 percent of travel. In 1990, 92 percent of all passenger travel in the region was by auto. After its plans are all put into effect, Metro predicts that autos will still carry 88 percent of travel.

As a result, Metro says, the time people waste sitting in traffic will more than quadruple by 2020. Since cars pollute more in stop-and-go traffic, Metro says its plan will increase smog by 10 percent.

Urban open spaces are rapidly disappearing as cities rezone thousands of acres of farmlands, golf courses, and even city parks for high-density development. When voters agreed to give Metro \$135 million to buy parks and open spaces, 90 percent of the land it purchased was outside the urban-growth boundary.

In 1994, Metro looked at other U.S. urban areas to see which one was closest to its plan for Portland: a high-density region with few roads and lots of rail transit. It turned out that the highest density urban area in America also has the fewest miles of freeway per capita and is building one of the most expensive rail transit networks. What city is that? Believe it or not, it was Los Angeles, which turns out to be the epitome of smart growth. Metro concluded that Los Angeles "displays an investment pattern we desire to replicate" in Portland.

Oregonians are beginning to revolt against this form of social engineering. In 1998, they firmly rejected any further funding for light rail. In 2000, Oregon voted to force local government to compensate landowners when their zoning rules reduce property values. And in May 2002, nearly two out of three Portland-area voters passed a measure to limit neighborhood densification.

If you want to replicate Los Angeles in your community, then by all means follow Portland's smart-growth example. If your idea of a livable city is something other than Los Angeles, then you had better find another region to follow.

Randal O'Toole is senior economist with the Thoreau Institute (www.ti.org) and the author of *The Vanishing Automobile* and *Other Urban Myths*.



Randal O'Toole

From Cherokee to Currituck

Rocky Mount to Raise Taxes For Sports Complex, Arts Center

By MICHAEL LOWREY

Associate Editor

CHARLOTTE

The Rocky Mount City Council is expected to raise the city's property tax rate by two cents in the coming fiscal year to fund new arts and athletic facilities. The tax increase would come after a four-cent increase this year for the projects.

A \$12 million complex of baseball, softball, football, and soccer fields will be built at the site of the old municipal airport. In addition, the city has committed \$9.5 million toward the Imperial Centre project, a conversion of the old Imperial Tobacco building to house an arts center, theater, and children's museum. An additional \$10.5 million for the Imperial Centre is coming from other sources.

"The council is just following through on its plan," City Manager Steve Raper said to *The Rocky Mountain Telegram*. "The council implemented only part of the increase last year. Now they've agreed to proceed on with what they decided to do."

The property tax is not the only tax or fee that Rocky Mount is increasing. A storm-water fee also will go into effect this summer. A typical residential customer will be charged \$3.25 per month; the charge is higher for customers who have large areas impervious to water.

Concern that the city's combined tax and fee burden might be becoming too burdensome, the council also instructed Raper to see if it would be possible to reduce the city's garbage collection fees. The city charges households \$7.50 per month for garbage collection. The fee covers just over half the city's actual costs. The rest is paid for through the city's general fund.

"I think if we knock off 50 cents with the garbage fees, it will make things easier," Councilman Walt Wiggins said to the newspaper.

Greensboro panhandling ordinance

Greensboro is considering adopting restrictions on panhandling. A proposed ordinance would regulate how, where, and when someone could beg for money and require that they have a city license.

"We're focusing on the act, not the status of the person," Assistant City Attorney Clyde Albright said to the *News and Record* of Greensboro.

"In my opinion, we want the strongest (law) we can have and pass constitutional muster," Councilman Don Vaughan said to the newspaper.

"We drafted this largely as a result of complaints and concerns we heard from the business community," City Manager Ed Kitchen said. Several business owners, especially in the High Point Road area, were afraid that customers might avoid places frequented by panhandlers.

The proposed regulations would require that beggars:

- Apply to the city tax collector for a privilege license. The permit must be renewed every three months.
- Cannot panhandle before sunrise or after sunset.
- Cannot solicit at any bus or train stop or inside any bus or train.

- Cannot come within three feet of the person being solicited until that person has clearly indicated that he or she wants to donate.

- Cannot block the path of or follow the person being solicited.

- Cannot ask for money in groups of two or more people.

- Are not allowed to lie about the purpose of the donation or about their service in the military. They are not allowed to use profane language or gestures during or after soliciting someone.

Violators would generally be subject to a \$50 fine.

Charlotte uptown park

Consultants working with Mecklenburg County to design and develop a new uptown Charlotte park recently presented a surprise to county commissioners recently: The park as designed might not do what the county envisions it doing for a generation or more.

"The site that the county currently owns is really quite far away from the center of commercial value in downtown Charlotte,"

said Candace Damon, a New York-based economist working on the project. "I know it's a few short blocks, but if you try to walk the site, it feels very far away."

As a result, the consultants noted that the county's vision of the

park serving as a focal point for high-density, mixed-use development might not occur for 25 to 30 years. To overcome this, the consultants have recommended that the park extend three additional blocks to Charlotte's uptown core on Tryon Street.

The consultants have not identified specific parcels of land needed to realize their vision or provided a cost estimate. The county paid \$24 million in 2001 for the 7.8 acres it currently owns near Ericsson Stadium.

Several commissioners were stunned by the recommendation. "It's like me showing up in Ericsson Stadium [where the NFL's Carolina Panthers play] on a cold, rainy winter day in November and finding that they were playing baseball there instead of football," said commission Chairman Tom Cox. "It's so, so distant from what I have come to expect and have been committed to in that space down there."

"I'm going to really have to work up a huge effort to be open-minded about it, but I'm capable of doing that."

There is one major concern with the consultant's vision: money. Uptown Charlotte land is expensive.

"I realize that it's important for creative people to be creative, but I'm afraid there's a limit to the amount of money that government's going to dump into any particular project," Commissioner Bill James said to *The Charlotte Observer*.

The proposed park has been at the center of controversy before. The site had been previously recommended for a new arena for the NBA's Charlotte Hornets and the expansion team that now will replace the Hornets. However, the city and county were never able to agree on a plan that would allow both the arena and a park on the land. The city eventually selected a different, more costly, site for its new arena.

Dick Arme y Marches CSE's Troops Into Raleigh

Former majority leader of U.S. House pushes flat tax, supports president's plan to reduce taxes

By JENNA ASHLEY

Editorial Intern

RALEIGH

Dick Arme y, former majority leader of the U.S. House, visited Raleigh on April 15 for Citizens For A Sound Economy's Day at the Capital, where hundreds of activists met to protest tax increases in North Carolina's proposed budget. Arme y is the new cochairman of CSE nationally.

CJ: How is being involved with CSE different from your experiences being majority leader?

Arme y: Well, as majority leader for the first Republican majority in 40 years, I had a responsibility to all the other elected Republicans in the House to help them keep their seats. I was partially responsible for retaining that majority and for their re-election regardless of whether I liked their policies.

There were some Republicans, especially in the Northeast, who were perfectly comfortable raising taxes and never comfortable cutting taxes and always want to spend more money, but I had to help them get re-elected whether I liked it or not. I just got worn out from doing it.

As the chairman of CSE and as an activist, I can now prod those same Northeastern congressmen and encourage them into changing their ideas, coming over to our way of thinking about taxes and the budget. I can now speak with a clearer voice. I couldn't do that as majority leader because I was too busy getting them re-elected to be able to change their policies.

CJ: CSE sponsors the "Scrap the Tax Code" campaign nationally; do you think the same flat tax idea would work in North Carolina?

"The government can't run someone's life and investment better than that person can. We need to let Americans make that choice..."

Arme y: Treating every person the exact same way will work well anywhere in the United States. Treating all people equally is always a good idea.

Here's an example of why we need a change: Tonight there will be people, good, honest, hard-working people, standing in line at the post office waiting to send their taxes off before midnight, terrified that they've done something wrong. Our tax



Dick Arme y, national cochairman of Citizens for a Sound Economy.

codes are so complicated that the IRS doesn't understand them. So how can most people be expected to understand them?

Also, the tax burden here [in North Carolina] is just too high.

The biggest problem, as the Representative [Connie Wilson from Mecklenburg County] just said, is that the tax burden you impose on businesses is just too high and no one wants to relocate here. A flat tax will

work better — whether people live in North Carolina or anywhere else in the U.S. — because it's simple and because every single person is treated equally.

CJ: How do you feel about the president's proposed tax plan and budget?

Arme y: I think it's going in the right direction. Of course, some people in the House and in the Senate will want to change it, to lessen its effects. I think we've already seen that happening to a certain extent. But, I think it's definitely a step in the right direction.

I think the president has some great people backing him up in the House and

the Senate. I know that Elizabeth Dole and John Sununu will be great allies in the Senate to help push the president's plan through to give Americans some relief from their heavy tax burden.

CJ: Do you think the president's plan for personal investment and savings is adequate?

Arme y: Well, one thing I've noticed is that young people today are much better savers than any other generation. My children save more than I ever did at their age, so Americans are really preparing for their own retirement regardless of government policies.

I think Bush's plan to stop the double taxation of dividends is really a great way to help people save for the future. Allowing people to put more money in their IRAs for the future and for educating their children is also a step to giving people more control over their money and their future. President Bush is taking us in the right direction.

CJ: How close are we to a solution for the Social Security problem?

Arme y: I actually think we are really close to finding a solution. There are solutions out there for us to find and to use. We are just waiting for the political will to get it done. It's going to take some good, dedicated activists to help our politicians fix Social Security to make it solvent. I think Dole and Richard Burr will really take a stand on that issue together. Americans need choices. The government can't run someone's life and investment better than that person can. We just need to let Americans make that choice themselves. Like I said, we're getting really close. We just need some good people in Congress to get it done. *CJ*

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From the Liberty Library

• *The Company: A Short History of a Revolutionary Idea* argues that we cannot make sense of the past 400 years until we place that seemingly humble Victorian innovation, the joint-stock company, in the center of the frame. With trademark authority and wit, *Economist* editors John Micklethwait and Adrian Wooldridge reveal the company to be one of history's great catalysts, for good and for ill, a mighty engine for sucking in, recombining, and pumping out money, goods, people, and culture to every corner of the globe. Through its many mutations, the company has always incited controversy, and governments have always fought to rein it in. Today, though Marx may spin in his grave and anarchists riot in the streets, the company exercises an unparalleled influence on the globe, and understanding what this creature is and where it comes from has never been a more pressing matter. See www.randomhouse.com/modernlibrary for more information.

• Drawing on 347 on-the-record interviews and revelations from memos of government meetings, court filings, and other documents, Steven Brill gives a front-row seat in a real-life drama in *After: How America Confronted the Sept. 12 Era*. Players directly affected by the Sept. 11 terror attacks cross paths in a series of alliances and confrontations and fight for their own interests and their version of the public interest. The result is a story of Americans and their country who are not perfect, but because they were tough enough and anchored enough, were able to meet the awesome challenges they faced. More at www.simonsays.com.

• The rapid spread of the liberal market economy throughout the world poses a host of new and complex questions for the consideration of religious believers, as well as anyone concerned with the intersection of ethics and economics. Is the liberal market order, particularly as it affects the poor, fundamentally compatible with Christian moral and social teaching? Or is it in some ways in substantial tension with that tradition? In *Wealth, Poverty, and Human Destiny*, editors Doug Bandow and David L. Schindler bring together some of today's leading economists, theologians, and social critics—including Wendell Berry, Michael Novak, Richard John Neuhaus, and Max Stackhouse—to consider whether the triumph of capitalism is a cause for celebration or concern. Published by the Intercollegiate Studies Institute, see www.isi.org to learn more.

• The Middle East has changed dramatically during the last decade, Barry Rubin writes in *The Tragedy of the Middle East*. His book explains why the recent previous era came to end, and looks at the reinterpretation of the time of upheaval that the Middle East has just passed through. Rubin also evaluates how the historical experience of the period between the 1940s and the 1990s undermined the old system, and analyzes the region today to help explain future developments. More details at uk.cambridge.org. CJ

Book Review

Worlds Together, Worlds Apart: Mysterious History

• Robert L. Tignor, et al: *Worlds Together, Worlds Apart*; W.W. Norton & Co.; 2002; 462pp.; \$62.50

By ANDREW CLINE
Contributing Editor

MANCHESTER, N.H.

History books for college students are reputedly terrible. Do they merit that reputation? If *Worlds Together, Worlds Apart* is indicative, the answer is yes.

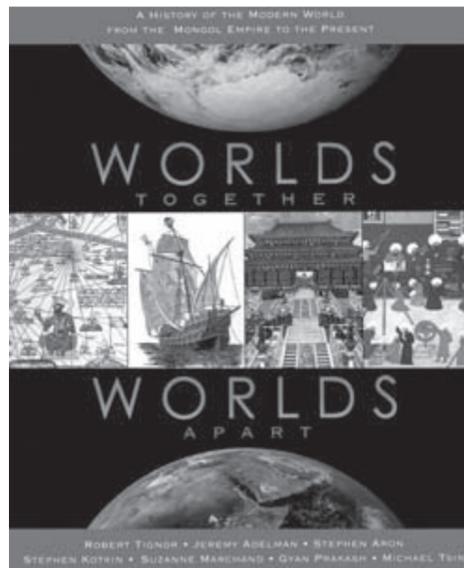
The authors of Norton's new world history textbook, set out to accomplish something they say no history text has done: teach world history from 1300, instead of 1492, to the present and shift the focus away from the West so that all the world's peoples are given "fair coverage."

Cramming 700 years of human history into 462 pages requires a great deal of labor to separate the wheat from the chaff. With a year and a half to fit into each page, many individuals, movements, battles, events, etc. won't make the cut or will be reduced to a passing mention. The seven Princeton University professors who wrote *Worlds Together, Worlds Apart* undertake this historical culling with gusto. They chop, snip, clip, and weave like hairdressers on speed, creating a strange narrative in which Thomas Jefferson seems less important than numerous popular entertainers.

Boy George In, Washington Out

Take the 20th century, for example. The authors carve out space for Nelson Mandela (mentioned on five pages), Nikolai Lenin (six pages), Adolf Hitler (eight pages), Mohandas Ghandi (eight pages), Joseph Stalin (10 pages), and Chairman Mao Tse-tung (11 pages), but also make room for figures (each allotted a mention on a single page), such as Boy George, Carmen Miranda, the Village People, Melissa Etheridge, Hideo Nomo, Malcolm X, Toni Morrison, Josephine Baker, the Black Panthers, Emperor Hirohito, Woodrow Wilson, Margaret Thatcher, Pope John Paul II, Lech Walesa, and British pop star Sting. It is difficult to see how students could get a coherent view of the century's crucial events from this kaleidoscopic presentation.

There was so much going on in the 20th



century that the authors obviously wouldn't have space to include everyone. They had to put Boy George and Carmen Miranda somewhere. So, naturally, they left out certain irrelevant figures. Among those not making the cut were J. Robert Oppenheimer, Albert Einstein, Enrico Fermi, Sam Walton, Duke Ellington, Golda Maier, and The Beatles. Of course, reggae musician Bob Marley is mentioned on two different pages and has his own photo.

There is no confusing *Worlds Together, Worlds Apart* for an old-fashioned, Western-centric textbook that uses out-of-date concepts such as balance and historical perspective. In this book, we are spared long passages on such figures as George Washington, whose entire presence in the book consists of a single reference in the cutline describing a painting of Simon Bolivar. The entry on Washington reads, "Bolivar wanted to transform the former colonies into modern republics, and used many of the icons of revolution from the rest of the Atlantic world — among his favorite models were George Washington and Napoleon Bonaparte."

Junking Washington leaves room for an entire page devoted to Ernesto "Che" Guevara. The text devotes more space to Guevara's death scene ("The executioner first shot the communist's arms and legs; with Che agonizing on the ground, biting his fist to stifle the cries...") than to Washington, Isaac Newton, and Michelangelo combined.

Book Review

Dependent on D.C.: Twight Reveals Loss of Liberty

• Charlotte Twight: *Dependent on D.C.: The Rise of Federal Control Over the Lives of Ordinary Americans*; St. Martin's Press/Palgrave 2002; \$26.95

By JAMES BOVARD
Guest Contributor

Charlotte Twight has written an excellent book to help Americans understand how the federal government is insidiously seizing control of their lives, year by year, edict by edict, emergency by emergency. Twight provides both a solid theoretical framework and bevy of examples to drive home the danger from Washington.

Twight, a professor of economics at Boise State University, highlights how, "from the perspective of individual liberty," the "authority to control, not the specific controls imposed at a particular point in time," is the key issue. Her concern is "not only the growth of dependence but also the growth of an ideology of dependence — the

normative judgment that broad governmental power creating pervasive dependence on government is desirable."

Twight shows how politicians and bureaucrats continually slant the playing field against individual freedom. Twight warns, "Deliberately manipulating our ability to stop their power quest, federal officials have used techniques that systematically increase people's personal costs of resistance."

Twight also shows how government grows by deception, showing how presidents, congressmen, and bureaucrats conned Americans into accepting Social Security. The Social Security Administration for decades told people that their taxes were being held in individual accounts; in reality, as soon as the money came in, politicians found ways to spend it.

Social Security Commissioner Stanford Ross conceded in 1979 that "the mythology of Social Security contributed greatly to its success... Strictly speaking, the system was never intended to return to individuals what they paid." Ross said that Americans should

Also given entire pages were The Communist Manifesto, Islamic rebels Abi Al-Qasim and Zaynab, the official 1993 declaration of war against the Mexican government by a group of peasants, and rantings on socialism and black power by the first president of Senegal.

Authors murder real history

The authors also spare us most specific dates, such as July 4, 1776. They dispense with such outdated concepts as the distinction between voluntary and involuntary transactions, saying "trade could also take the form of tribute to powerful rulers." And they point out how social forces shaped history, claiming that the Mongol conquests were caused by "population pressures."

Glossing over mass murder is a hallmark of this book. The Mongols were merely "terribly destructive," but positively so because they "deepened the connections" between cultures. Likewise, Mao, history's deadliest ruler, is summarized with, "many of Mao's ventures proved disastrous failures, but the Chinese model of an ongoing people's revolution provided much hope in the Third World."

One could go on and on with examples of how the authors of *Worlds Together, Worlds Apart* have turned history on its head, lionizing socialism and taking pot shots at free trade and capitalism. But by now you get the picture.

Studies show that history is no longer a required course at many colleges and universities. Maybe that's not a bad thing, if it means that students won't be subjected to material such as this.

The authors have written a book designed to draw students — our children — into their socialistic, guilt-ridden worldview. You had better make sure your children know the difference between George Washington and Che Guevara, because this book won't. Passing on that kind of knowledge is the best way to see that we keep our worlds apart from becoming worlds together. CJ

Andrew Cline is editorial page editor of The Union Leader and New Hampshire Sunday News.

forget the "myth" that Social Security is a pension plan and accept it as a tax to provide for the "vulnerable of our society."

One of the best parts of the book is the analysis and revelations about federal surveillance of average Americans. Twight drives home how the feds were already sticking their noses practically everywhere — even before Sept. 11, the Patriot Act, and Total Information Awareness.

Dependent on D.C. shows how the government has acquired far more arbitrary power in recent decades — and why that power is a dire threat to the Constitution and Americans' everyday life. "Having used political transaction-cost manipulation to build an institutional structure of vast governmental powers and ubiquitous dependence on government, we now await its full logical consequences," Twight says. CJ

James Bovard is author of *Terrorism & Tyranny: How Bush's Crusade is Sabotaging Freedom, Justice, and Peace and Lost Rights*.

Book Review

Rethinking the Great Depression: The New Deal and the Real Deal

• Gene Smiley: *Rethinking the Great Depression*; Ivan R. Dee Publishing; 2002; 169pp.; \$24.95

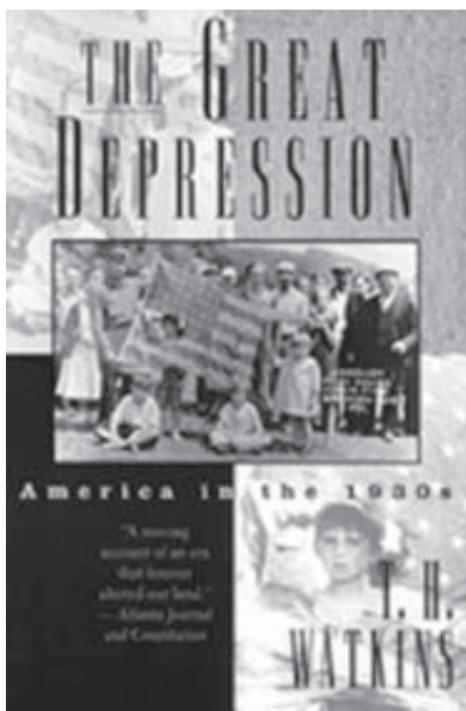
By GEORGE C. LEEF
Contributing Editor

WASHINGTON

Recently, I found myself in an email argument with a friend who is intelligent and well-educated — but not in economics. I had made the point that the best macro-economic policy is one of governmental nonintervention, since we will get the optimal use of resources merely by leaving people free to pursue their self-interest. He replied that he saw a flaw in my argument, namely the fact that we suffer through periodic episodes of economic recession and depression. Yes, we do have them, I replied, but stunned him with the argument that all such episodes are due to bad government policy, not any inherent problem in the market system. He'd never heard that before.

Erroneous economic beliefs are everywhere, and one of them is the "markets are prone to recession" notion. Scholars have been mounting an attack against it for many years, and the most recent contribution to the literature is Gene Smiley's *Rethinking the Great Depression: A New View of Its Causes and Consequences*. Smiley, a professor of economics at Marquette University, has written a very readable account of the Depression that pins the blame for its origin and duration on the blundering of government officials.

If the view propounded by Smiley is not entirely new — his sources show that the government-as-culprit view has been around for decades — his book does a splendid job of distilling earlier analysis into an



account that will leave apologists for federal economic management looking for places to hide.

New challenge to the New Deal

Smiley challenges the conventional thinking right away: "The Great Depression is often said to demonstrate the instability of market economies and the need for government oversight and direction. The evidence can no longer support such assumptions. Government efforts to control and direct the gold standard for national purposes brought on the depression. Once it began, government actions...caused it to be much longer and much more severe."

The old belief that the New Deal was needed to "prime the pump" of the faltering free market is about to take a pounding.

Some common, erroneous notions are quickly dispatched. For example, many people have been led to believe that the stock market crash was the crucial event, a crash brought on by the "irrational exuberance" of the 1920s (as Alan Greenspan might put it). Smiley points out that the stock market rose hand-in-hand with rising corporate profitability and that margin lending, often singled out as the culprit, had little or nothing to do with the rise of the market. "Margin requirements," he writes, "were no lower in the late twenties than in the early twenties or in previous decades."

Funny money caused Depression

The stock market didn't cause the economic debacle. Smiley argues that the onus belongs on the federal government's monetary policies. The chain of events is complicated, but the book explains in clear, jargon-free English that when the major European nations returned to the gold standard after World War I, they did so at exchange rates that prevailed before the war and its inflation. The resulting economic turbulence led to the adoption of a different system, the gold exchange standard, which obligated only the United States and Great Britain to exchange their currencies for gold. "Inexorably," Smiley writes, "the gold exchange standard began leading to deflation and economic contraction as countries sought to strengthen or maintain their monetary gold reserves."

Deflation of the U.S. money supply burst the economic balloon. Business activity began to slow and many banks experienced

trouble, some failing. The Hoover administration then stepped in with disastrous meddling — tax increases, high tariffs, and a policy of encouraging big business that it had a civic responsibility to keep purchasing power up by not reducing wages. The Federal Reserve System, established in 1913 to prevent economic recessions by giving the nation an "elastic" currency, failed miserably. The result was that a bad cold turned into severe pneumonia.

Hoover was crushed in the 1932 election, which put FDR in the White House. Smiley's dissection of the many New Deal programs is devastating. He points out, for example, that the National Recovery Administration merely cartelized businesses, with the biggest firms dominating the creation of the "codes of competition" for their own benefit. Also, the beginning of the Social Security system in 1936 hit business, and ultimately workers, with new taxes just at the time the economy was starting to recover.

In 1938, the economy suffered a severe contraction, thanks to more federal intervention and bungling: the wave of strikes unleashed by organized labor following the Supreme Court's cave in on the clearly unconstitutional National Labor Relations Act, and the Fed's deflationary policy, which, Smiley shows, reduced the money supply by 5.7 percent in 1937.

The author's conclusion: "What failed in the 1930s were governments, in their eagerness to direct economic activity to achieve political ends — ends that were often contradictory."

Rethinking the Great Depression is an excellent work for all who wish to correctly understand this terrible chapter in American history. *CF*

Book Review

Equal Rights for All: Factual Errors Taint Interesting Subject Matter

• Thomas E. Vass: *Equal Rights for All. Special Privileges for None. Principles of American Populism*; Unlimited Publishing; 2003; 241 pp.; \$14.99

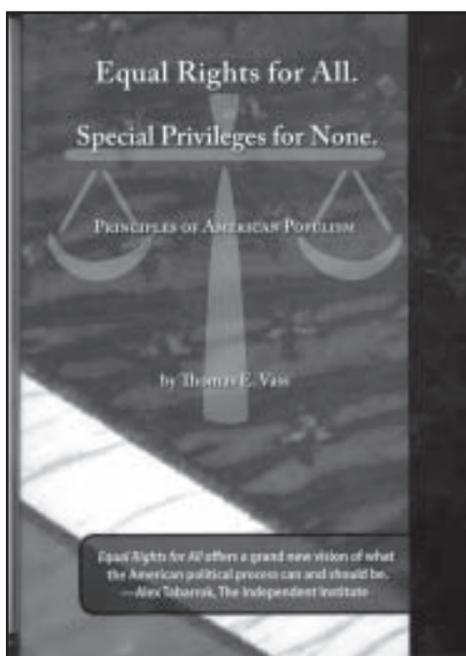
By GEORGE M. STEPHENS
Contributing Editor

RALEIGH

The book's title is derived from the slogan of the populist supporters of President Andrew Jackson in the 1830s, who wanted political reforms to curb the influence of the national bank, which they believed unfairly restricted the supply of money. Because of inflation, they could pay back their loans with cheap money. The movement continued for decades in reaction to what was felt to be exploitation of farmers by the big-city money interests and the railroads. The movement was particularly strong in North Carolina at the end of the 19th century.

It is described as "a movement of ordinary Americans trying to gain control over their lives and futures. At issue was not private ownership of wealth and property, but their concentration in a few hands. A wider distribution of private property through equalization of opportunities would correct this."

North Carolinian Leonidas Polk wrote in his *Progressive Farmer* magazine, "We do not wish to be rich but only want a reasonable chance that we may be able to achieve decent and respectable lives and educate our children." A thesis of the book is that a flawed, elitist design of the Constitution by James Madison frustrated these aims.



There were and are provisions in the Constitution designed to correct these problems. For example: the First Amendment right to press freedom, peaceably to assemble and to petition the government for a redress of grievances; that one may not be deprived of life, liberty without due process of law (Fifth Amendment); and the "privileges and immunities" of citizenship clause of the 14th Amendment, which also extended the due process clause of the Fifth Amendment to the states, not to mention the representation of all in a republican government, plus checks and balances against power.

In other words, Madison and the other Framers had the "little man," not an elite group, in mind as they drafted the document.

Author Thomas Vass notes that the Populist experience offers lessons in politics for the creation of third-party movements. Populist efforts at economic cooperative programs and reform of the banking system teach lessons about the free-enterprise system, and its emphasis on equal rights and individual freedom offers lessons about what holds societies together in joint cooperative constitutional democracies. These are good points.

The book's weaknesses are disorganization and factual errors. The lack of order makes it difficult to follow the main themes, and there are sections that barely relate to them, for example, one on human evolution and one on the brain. They sometimes cause the reader to lose the main point. The book would have profited from the services of a tough editor.

One serious factual error is equating the political ideas of Thomas Hobbes and John Locke. Hobbes gave men reasons to obey kings. Locke freed them to govern themselves.

Another error is attributing to Locke and Madison a preference for government by elites. He backs this up with, for instance: "The true distinction of the American government wrote Madison in the Federalist No. 71 'lies in the total exclusion of the people, in their collective capacity, from any share in the government.'"

Not only is this not Madison's philoso-

phy, it is wrong on the face of it. Federalist No. 71 was written by Alexander Hamilton, and the subject is the presidency. Vass says that in Federalist No. 39 Madison declared the democratic republic would "rest on the total exclusion of the people... from any share in government." On the contrary, in No. 39 Madison said government is "founded on the assent of the people."

"Government, and politics," according to this book, "was simply about maintaining power... the elites, who know what is good, will take care of the citizens. Madison's flaw would have it no other way." But there was no such flaw in Madison's political thinking.

As another example of mistakes, the author says, "Madison's solution to keeping the wealthy happy was to provide a mix of powers in which the wealthy could have their very own branch of government, called the Senate." This is wrong. The proposal for a Senate was introduced in the New Jersey Plan to satisfy the demand for representation of the small states. Madison's Virginia Plan, introduced early in the 1787 Convention, had only a body for proportional popular representation, which became the House of Representatives.

Errors such as these call into question the author's statements on other subjects. This is, unfortunately, a case of an interesting subject given inadequate treatment. *CF*

George M. Stephens is author of *Locke, Jefferson and the Justices: Foundations and Failures of the U.S. Government, 2002*.

Bait and Switch On Road Bonds

Gov. Mike Easley's proposal to issue \$700 million in bonds is certainly an innovative way to address some of North Carolina's transportation needs. More than anything else, however, Easley's plan illustrates systematic problems in North Carolina's transportation program.

There can be little doubt that the state faces serious road problems. The state has twice within the past 15 years enacted major transportation initiatives that were based upon obviously faulty assumptions. If the General Assembly adopts Easley's program without substantial safeguards, the move would amount to a breach of faith with North Carolina voters.

To understand the problem, it is necessary to examine the history of the Highway Trust Fund, from which Easley would obtain the income stream to repay his proposed bond issue. In 1989, the legislature established the trust fund. Its purposes were simple enough: to fund the construction of partial or complete urban loops around

seven North Carolina cities, complete work on 31 designated major intrastate road projects, pave dirt roads, and provide extra funding for locally maintained roads. The trust fund is paid for through a higher tax on gasoline, car sales taxes, and other fees. When the main projects are completed, the extra taxes will end. In 1989, that was estimated to take about 13 years.

It soon became clear that the assumptions upon which the trust fund was built were wrong. The state's revenue projections quickly proved to be overly optimistic. The cost projections were even worse. Incredibly, the state's 13-year time frame for the fund, and the taxes that support it, were based upon cost estimates that did not allow for cost overruns or inflation. More recent estimates have the taxes continuing until perhaps 2019.

By the mid-1990s, both legislators and state highway officials became concerned about the lack of progress of the trust fund projects. To speed things up, a bond issue was proposed. A total of \$500 million was to go toward urban interstate projects with specific amounts designated for each, \$300 million was earmarked for the state's intrastate road network, and \$150 million was pegged for paving dirt roads.

While revenue shortages originally plagued the trust fund, in recent years the opposite condition has been true: It can't spend its revenues fast enough. Road construction is a complicated process, and many steps must be completed before asphalt can be laid. Among these time-consuming tasks are project design and planning, environmental permitting, and right-of-way purchase.

As a result, the Department of Transportation had a difficult time making use of its newfound authority to issue bonds. By late 1999, only 25 percent of the bonds had been issued. Since then, the state has been able to easily pay for trust fund projects, including those envisioned for bond money, with its normal stream of revenues from taxes.

It is the \$700 million in bond authority approved by the voters but never issued that Easley now wants to use. The money would not, however, go toward the specified highway trust fund projects. Instead, it would be used for a variety of transportation projects, including widening narrow roads, adding turn lanes, bridge repairs, and additional spending on transit.

As good as Easley's intention may be and as necessary as some of the work is, it does not change the fact that voters twice have been presented with major road initiatives based upon assumptions that were quickly proven to be false. Unless a way can be found to keep faith with the state's voters and ensure better modeling in the future, Easley's bond proposal amounts to just a bait and switch. *CF*



Michael
Lowrey

Editorials

BUDGET BUMBLE

Reversal of fortunes in NC House

So pleased were some members of the North Carolina House when the chamber quickly voted for the state's 2003-05 budget plan April 17 that they applauded their own handiwork. Handshaking and backslapping was the order of the day.

Predictably, newspaper editorial writers and columnists heralded the budget vote, reportedly the earliest in 20 years in the House, as a product of the wonderful blending of moderates from the Democratic and Republican parties. No more ugly partisanship. No more drawn-out debates that gummed up the gears of big government in recent sessions. No messy democratic procedure to deal with.

Legislators — especially Co-Speaker Richard Morgan and members of his splinter group of "moderate" Republicans — will find out in the next election whether their constituents think so highly of their representatives' work.

It's a smart bet that many voters won't feel like celebrating. Only a few months earlier, in the November election, they thought they had sent a strong message to their public servants to rein in runaway state spending. They also thought they had elected a majority bloc of fiscally conservative lawmakers who could make that happen, at least in the North Carolina House.

No sooner had the opening gavel of the General Assembly's new session opened than Rep. Michael Decker, R-Walkertown, jumped ship to the Democratic Party. With the parties split, 60-60, multiple votes failed to produce a speaker. Vote after vote, Democrats stood their ranks. Vote after vote, Republicans splintered, with Morgan's faction denying the GOP any shot at possible victory. Later, the latter faction formed a back-room coalition with the Democrats, who helped elect Morgan to a co-speakership with Rep. Jim Black, D-Matthews.

It's been a love fest ever since.

But Democrats seem to be loving the coalition more than most Republicans.

"To paraphrase Winston Churchill, this might be our finest hour in this House, certainly, since the Great Depression," House Rules Chairman Bill Culpepper, D-Chowan, gushed after the vote on the budget.

"It just blows my mind," Rep. Doug Yongue, D-Laurinburg, told *The News & Observer* of Raleigh. "Can you imagine Al Gore swapping the presidency every day?... But they were committed to making it (the co-speakership) work."

Even Black joined in. Recalling past state budget battles over the course of his 16 years in the House, Black told the *N&O*, "I've had it all kinds of ways here...but maybe this is the best."

The major of Republicans who refused to support Morgan felt the sting of the cospeaker's revenge. They were denied chairmanships of committees, assigned to smaller offices than their colleagues, and given seats in the rear of

the House chamber.

Rep. Sam Ellis, R-Raleigh, one of those who refused to join the Morgan camp, said he considered resigning, but later decided to stick it out. "All it takes for evil to prevail is for good men to do nothing," Ellis told *The News & Observer*. "It hasn't always been pleasant down there, but I've always fought for what I thought was right, and I will this time."

Rep. Ed McMahan, R-Charlotte, echoed the Republican majority's sentiments. "We have no Republican leadership in the House, and it's pretty obvious as time goes along that the Democrats are controlling everything," he said.

The vote on the budget alone — by far the most important and far-reaching measure the House or Senate considers each session — bears that out.

Gov. Mike Easley and fellow Democrats got just about everything they wanted in the House plan. His call for extending the 2001 half-cent increase on the state sales tax will help to allow the budget to grow by 4.3 percent, or \$600 million, in fiscal 2003-04. The plan allows for expanded state spending in a number of areas, including corporate subsidies and More At Four. Overall, the plan would increase taxes by \$860 million over the next two fiscal years.

Morgan contends that he and Black have been successful because they've tried to do what's best for the state. Now in his elevated position, he believes his vision is much sharper from the summit rather than just his own backyard. He apparently fashions himself as a repentant conservative who had to fend off "right-wing crazies" in his own party (Morgan's choice of words) to pass a tax hike.

How could one think that's what's best for the state is cooperating with big-spenders in another party to fashion a budget with tax and spending increases that most "conservative" lawmakers would previously have opposed?

Playing defense, Morgan points out that the House budget spends \$65 million less than the total proposed by Easley, allows tax breaks for married couples and for those with dependent children, and places \$100 million in the state's rainy day fund. Still, it's a stretch to think that there's enough meat on those bones tossed to taxpayers to equal the \$860 million taken from them in higher taxes over the next biennium. Moreover, the Senate has likely to outbid the House on taxes and spending, so the latter has a poor bargaining position. North Carolinians already have suffered three years of billion-dollar deficits, multi-million-dollar tax increases, and raids on all the state's trust funds. Is business as usual what's best for the state?

Railroading, rather than statesmanship, best characterizes the operations of the House this session. The money train engineered by Morgan and Black has roared through all the checkpoints that could have saved the state hundreds of millions of dollars. Smart Start and More At Four, which failed a State Auditor's report recently, quickly come to mind. The auditor recommended consolidation of the duplicative programs. Perhaps the new House coalition thought it was more important to continue to feed boondoggles than to put a little bread on taxpayers' table.

Republicans now find themselves in a pickle. The defections of Decker and Morgan and his faction have turned a historic November victory into a humiliating defeat not only for the party but also for taxpayers. Big spenders are rejoicing, but other North Carolinians can't afford any more missed opportunities. *CF*

CAMPBELL SCORES

Governor reacts hysterically to audit

It's State Auditor Ralph Campbell 7, Gov. Mike Easley 0. Campbell, one of North Carolina's least-known but most-commendable state officials, released a powerful performance audit of the Smart Start program on April 9. More than a year in the making, and reflecting a great deal of hard and politically courageous work, the report found that two-thirds of local Smart Start partnerships exhibited financial mismanagement. It questioned the independence and effectiveness of the program's evaluation process. And it concluded that there was enough overlap between Smart Start, the \$200 million pet idea of former Gov. Jim Hunt, and More At Four, the pet idea of current Gov. Mike Easley, that the two need to be combined.

Campbell went out of his way not to question the basic value of Smart Start. In this, we think he was gracious, perhaps overly so. That didn't stop Easley from issuing a scathing response. "The auditor's recommendation to combine Smart Start and More At Four represents a fundamental lack of understanding of early childhood development and public education policy," the governor whined.

"Early childhood development has been fully debated, studied and internationally recognized as effective and necessary," he said. "Questioning that premise is not only outside the scope of an audit but reflects a misunderstanding of basic educational and developmental issues."

This intemperate statement, far from damaging Campbell's credibility, exposed the governor's utter lack of knowledge about early childhood research and the nature of a performance audit.

What the research shows

Smart Start defenders often make sweeping claims about "what the research shows" and aren't challenged. For example, a recent report from UNC-Chapel Hill's Frank Porter Graham Child Development Institute was widely described by state leaders and the news media as evidence that the program was paying off. This was accomplished by the statistical equivalent of the transitive property: 1) participation in Smart Start is associated with higher child care quality, 2) higher child care quality is associated with higher readiness scores for children once they reach kindergarten, so 3) Smart Start boosts children's educational outcomes.

Sound persuasive? Fortunately, the Frank Porter Graham researchers, though clearly less-than-impartial in their views about Smart Start, are reputable scholars. Here's an arresting quote from the report's conclusion: "The study does not establish causality between Smart Start participation, child care quality, and child outcomes. Random assignment of centers to Smart Start and of children to centers is required to establish causality, but is not feasible for a community initiative such as Smart Start."

Here's where the trouble starts. As some of us warned early on (and Campbell alluded to in his audit), any serious effort to develop an effective preschool-intervention program would have set up either random-assignment experiments or at least a series of "paired county" experiments in which some communities would have offered Smart Start and other communities would not have. But this would have interrupted Hunt's political timetable and required lawmakers to act patiently rather than parochially in rolling the program out.

For most politicians Smart Start was a "success" as soon as it was announced and got its first round of press attention. Proving that it actually provided lasting educational benefits — in the face of decades of experience with preschool interventions suggesting it probably wouldn't — was never an important consideration for them.

The finding of a statistically significant relationship between child care quality and kindergarten readiness is not evidence of an educationally significant relationship. Kindergarten isn't the end of the schooling process. It's the beginning. In order for Smart Start to prove its educational merit, it would have to make such a large impact on children that subsequent years of schooling wouldn't water down or eliminate the gain.

In a previous study, the same researchers found that some but not all Smart Start activities correlated with a statistically significant, but very small, gain in kindergarten readiness. This time around, a similar pattern emerged. Researchers found a statistically significant link between child-care quality and kindergarten readiness scores. However, even they admit that it was "a small effect" in the context of educational research. No mention of this crucial

finding was evident in Smart Start's subsequent self-promotional activities.

Smart Start proponents have a history of making extravagant claims, starting with Hunt's own howler back in 1998 that North Carolina gains on national tests that year were partially attributable to Smart Start despite the fact that the youngest students being tested — fourth-graders — were too old to have been exposed to the program.

Contrary to Easley's scathing attack on Campbell, the state auditor has performed his job admirably here. He scored. The governor bombed.

BLOWING SMOKE

Good idea, bad execution, on inspections

North Carolina has joined the rest of the nation in experiencing a rebirth of death penalty activism. That does not mean, however, that foes of capital punishment are winning — or even close to it.

The first wave of activism against the death penalty began in the 1960s, and one of the most effective of '60s causes, with political pressure and litigation resulting in a brief suspension. Later, the U.S. Supreme Court having come to its senses and withdrawn its silly ruling that the death penalty was unconstitutional — among other reasons because the Constitution itself specifically authorizes capital punishment — states began meting out justice once again to those who had committed egregious murders.

Starting in the 1990s, opponents citing both religious and racial-justice motivations began once more to organize. They claimed, falsely, that black defendants were more likely than white defendants to be sentenced to death. The truth was that while disproportionately represented on death row, minorities were even more disproportionately represented among the ranks of convicted murderers. A more plausible reading of the data was that juries were more likely to support the death penalty when the victim was white, a different problem and one amenable to solutions other than sparing all killers.

Activists claimed, also falsely, that religion and morality necessarily argued against putting criminals to death. One can plausibly use religious teachings to justify either capital punishment or its abolition. And on balance, religiosity correlates with opposition for the death penalty among Catholics and non-white Protestants, but correlates with support for the death penalty among white Protestants, the largest single group of believers in the U.S.

The movement's arguments has had some recent successes. The latest was the decision of Illinois Gov. George Ryan, a Republican leaving under an ethical cloud, to spare murderers on that state's death row.

More generally, though, there is little evidence that foes of capital punishment are close to convincing Americans of the case for abolition. A 2002 Gallup poll illustrates the point. Asked whether the death penalty was being meted out too often, not often enough, or the right amount, only 22 percent said too often — basically the same number that Gallup had found the previous year. Yes, those saying that the death penalty was being used the right amount fell by 10 points, but that's because of a surge of people saying more murderers should be executed (47 percent in the 2002 poll vs. 38 percent in 2001).

On the overall issue, support for the death penalty has fallen from its recent high of about 80 percent in the mid-1990s, but it is still above 70 percent. Opposition is confined to about a quarter of the population, which remains far below where it was at the apex of anti-death penalty activism in the 1960s. Support does drop if poll respondents are given the choice of capital punishment for murderers vs. a life sentence without the possibility of parole — but keep in mind that many view this as a theoretical choice only, and don't believe that all killers can necessarily be contained for life, given realistic expectations of penal perfection and shifting political winds.

This type of question also doesn't distinguish between the appropriate punishment for murderers as a group vs. the appropriate treatment for the egregious murderers who typically draw a death sentence. Even most death-penalty supporters don't favor its use to punish any and all homicides, and thus may answer such questions in ways that do not reflect their overall view of capital punishment's morality and efficacy in appropriate cases.

The movement to abolish the death penalty is certainly populated by serious people of faith and good intentions, but it is also claiming more progress than can be shown. The foes' lack of success is good news for the pursuit of justice and safety in a dangerous world.

NC Politics in 2003 Will Keep Us Busy

Don't worry, political junkies. North Carolina's 2002 election cycle, one of the most pivotal in recent memory, may be over and the 2004 sweepstakes — including competitive races for governor and U.S. Senate — may be a ways off. But this year, 2003, promises to offer some political suspense of its own.

Municipal elections across North Carolina will test whether the resurgence of Democratic mayors and governance in Raleigh, Durham, and Winston-Salem in 2001 was a temporary phenomenon. Raleigh, for example, will probably pit incumbent Charles Meeker, a liberal Democrat, against city councilman John Odom, a moderate-to-conservative Republican. It's a nonpartisan race, as are most municipal elections in North Carolina, but this fiction has largely been abandoned over the past decade.

In the more Republican Charlotte, where the partisan politics is official, longtime Mayor Pat McCrory won't get an easy time of it, either, facing former City Councilman Mike Castrano in what will likely be a spirited GOP primary about taxes, mass transit, and funding a new NBA arena in the face of a public vote against the idea in 2001. Democrat Parks Helms, a longtime chair of the Mecklenburg County Commission (though not at present), is probably set to take on the victor.

Other city races to watch will include controversial Cary Mayor Glenn Lang's possible (though not definite) re-election bid and whether moderate leaders in Winston-Salem, Asheville, Greensboro, and Wilmington will draw either conservative or liberal challengers or both. And will Durham's Bill Bell, a former county commission chairman who defeated moderate Republican incumbent Nick Tennyson for mayor in 2001, escape a challenge, either from Tennyson or a similar candidate?

Meanwhile, many North Carolina ballots will include sporadically competitive school board races and, more importantly, votes on big-time school bond packages. Guilford and Wake counties, for example, seem poised to ask voters to approve school bonds large enough to force property-tax increases. Smaller Surry County is planning a \$50 million school bond of its own. Similar tax-increasing school construction efforts have fallen prey to taxpayer-association opposition in communities as diverse as Wake, Lee, Yadkin, and Polk counties over the past four years.

Municipal elections aren't just important in themselves. They also groom candidates for future runs for state office. Several former mayors and school board members of both parties were elected to the General Assembly in 2002, and are already allying with like-minded former county commissioners to press for legislative action on local government matters such as taxing authority, Medicaid cost-sharing, and transportation.

Current and former school board members are also preparing runs for the State Superintendent of Public Instruction job that will be vacant in 2004 as Mike Ward steps down. These include Republicans Bill Fletcher of the Wake school board and Michael Barrick of Caldwell's.

Not much going on in 2003. Just elections for hundreds of mayors, city and town councils, school boards, and whether North Carolina local governments will borrow more than \$1 billion more for school construction. How will we ever pass the time?

Hood is president of the John Locke Foundation, publisher of Carolina Journal, a syndicated columnist, and host of the "Carolina Journal Radio Program," coming soon to a radio station near you.

John Hood

Editorial Briefs

Smokers buy on Internet, avoid taxes

Hoping to hold down the tax-inflated costs of cigarettes, smokers have been turning to the hundreds of Internet sites where they can order them at considerable savings. This has sent some states searching for ways to recoup what they consider their lost cigarette-tax revenues.

Online purchases of cigarettes could save a New York City smoker at least \$30 a carton, although the courts recently upheld a law there barring online cigarette sales.

According to Forrester Research, online bargains will help Web sites sell \$2.2 billion worth of cigarettes this year. It projects sales of \$5 billion by 2005.

By attempting to protect or recoup lost cigarette taxes, states have all but abandoned the pretense that their opposition to online sales is prompted by a desire to protect underage smokers.

States with some of the highest cigarette taxes have been among the most aggressive in their pursuit of Internet tobacco merchants.

Eleven states are now proposing laws to regulate online cigarettes sales. But passing laws and successfully enforcing them are two different things. At least 80 percent of online tobacco sellers are on American Indian reservations, which are exempt from state sales taxes.

And government officials, engrossed in homeland security efforts, are not enthusiastic about diverting resources to cigarette-sales enforcement issues.

Reported in the *New York Times*.

Environmental partnerships prove effective

Over the last 25 years, government officials and environmental activists have largely relied on the Clean Water Act's regulations to protect wetlands. However, nonregulatory conservation efforts by private land owners and partnerships between citizens and all levels of government have proved highly effective, Interior Secretary Gale Norton and Agriculture Secretary Ann Veneman said.

Partnership programs provide government funds and technical assistance to individuals and organizations to rehabilitate both public and privately owned wetlands.

In 2000, the last year for which complete figures are available, 1.96 million acres of wetlands were preserved through nonregulatory efforts. That figure does not include the voluntary efforts of private land owners to restore or protect wetlands on their own, such as the New England Forestry Foundation's Pingree Forest easement in Maine, which protects 72,000 acres of wetlands. Nor does it include expanded private-federal collaborations through citizen stewardship and cooperative conservation programs. For example, under the Interior Department's Partners for Fish and Wildlife program, landowners restored 48,800 wetland acres in 2001 and 65,000 acres in 2002.

Reported in the *New York Times*.

U.S. churches provide ample charity

American religious congregations provide a significant amount of social services, although many do not realize it. University of Pennsylvania researcher Ram A. Cnaan estimated the size of charitable efforts based on a survey of 251 American congregations and 46 in Canada.

According to his estimates, the average congregation provides about \$184,000 worth of social services, including such charitable activities as food distribution. Based on a conservative estimate of 300,000 religious congregations in the United States, including churches and synagogues, about \$55.2 billion a year in charity is provided.

Active religious participation runs at about half the rate in Canada as in the United States, and social services by religious organizations are proportionately smaller.

Interestingly, Cnaan found no difference in the level of support to the needy provided by liberal mainline churches or conservative evangelical churches.

Reported by *Christianity Today*.

CJ

What About Unmet Needs of Taxpayers?

By DONNA MARTINEZ

Associate Editor

Unmet needs. Whoever came up with this phrase is a brilliant political strategist but the taxpayers' great nemesis. If the North Carolina treasury had a dollar for every speech about a subject someone tagged with this label, we wouldn't be facing a \$1.5 billion budget gap.

The tactic has become predictable. We're told that we're ignoring a brewing crisis and that thousands of North Carolinians are "at risk." If we don't do something now, it will take hundreds of millions of dollars later to solve the problem. We must do it for the children, we're admonished. "It," of course, is code for coughing up more revenue.

These emotion-based demands for more money are effective, proving that good intentions often trump sound reasoning.

Nowhere is this mindset more apparent than in discussions about next year's state budget, which is likely to target North Carolina taxpayers yet again. Most notably, Gov. Mike Easley is proposing to renege on the promised end to a "temporary" sales tax increase implemented two years ago and scheduled to expire June 30. In a display of convoluted logic and calculated spin, he said it isn't a tax increase, despite the fact it will generate more than \$460 million in new revenue next year.

\$200 million for Smart Start day care

After a decade of overspending that well outpaced population growth and inflation, the negative effect of the unmet-needs political strategy is clear. How else would we end up with the \$200-million-a-year Smart Start program for day-care services? When did raising children become a government responsibility?

Why else does North Carolina have such an overly generous Medicaid program that it's grown by a whopping 224 percent, or \$1.5 billion, over the past 10 years? Even with the massive infusion of tax dollars, there is no evidence that lower-income North Carolinians are significantly healthier or that they receive better care than those enrolled in less-costly Medicaid programs in other states.

Where are the facts to support the state's decision to participate in a national teacher certification program that gives raises to teachers who receive training that does little to improve the performance of their students? That judgment costs \$25 million this year and the bill grows annually as more teachers are certified and receive the automatic 12 percent raise.

Where is the logic — not the emotion — in the decision

RALEIGH

by the State Board of Education and Department of Instruction to allow 650 North Carolina teachers to keep \$775,000 in bonuses they didn't earn — a cash giveaway that put an average of \$1,192 extra into each effected teacher's paycheck?

Behind this explosion of feel-good spending and inappropriate entitlements that transfer responsibilities from individuals to government is an equally disturbing trend. Rarely do the unmet-needs crusaders acknowledge the impact of their spending on the taxpayers forced to foot the bill.

No respect for taxpayers

The conclusion is inescapable: The most important and pressing unmet need facing North Carolina has nothing to do with "the children." The growing crisis is the clear lack of respect for taxpayers.

Showing little compassion, elected officials, lobbyists, and activists expect taxpayers to pay more and more. Too bad if it means working harder, staying longer at the store or office, canceling a night out for the family, postponing car maintenance, withdrawing from night school, or depleting a savings account.

Even worse, families are supposed to pony up the cash with a smile. Question a new program, and you're told you're uncaring. Scrutinize the cost, and you're told you're greedy. Expect officials to cut spending, eliminate services, or downsize staff, and you're told you don't understand.

The sad fact is, taxpayers who remain silent make it easy for political power brokers to pass off the financial consequences of old mistakes and to overlook the impact of new ones.

That won't change until you and I take more responsibility. To get started, learn exactly what income taxes you're paying and for what. Take 10 minutes and ask your employer representatives to explain how each deduction is calculated. With every paycheck, keep a log of the tax that's taken from you. Look at the numbers and think about what you could do with the cash if your tax burden was reduced, say by just 10 percent. Remember, you aren't "costing" the state anything. It's your money.

Armed with this information, become vigilant and vocal about expecting fiscal restraint from elected officials. Stay on top of what they're doing, the bills they're introducing and supporting, and the votes they're casting. Challenge them with facts and figures and leave the emotional appeals out of it.

After all, that's what's gotten us in this mess to begin with.

CJ



Donna Martinez

*An American hero vs. a darling of the dark side***A Tale of Two Professors: Lessons in Radicalism Running Amok**

By **GEORGE C. LEEF**
Contributing Editor

WASHINGTON

Sometimes little and seemingly isolated events manage to illuminate enormous problems in our society. Two recent events involving college professors have done exactly that.

First, there is Robert ("KC") Johnson, who teaches history at Brooklyn College, part of the City University of New York system.

Johnson is, without any doubt, one of the most talented and promising young historians on the academic scene. He earned his doctorate at Harvard nine years ago. Since then, he has written three books, two published by Harvard University Press. Currently, he has two more books under contract. His first teaching position was at highly regarded Williams College in Massachusetts, but wanting to be in New York, he accepted an offer from Brooklyn College in 1999.

A black sheep in Brooklyn

Unfortunately for Johnson, he didn't fit in with the Brooklyn history department, which is steeped in radical, anti-American politics. The department had infamously voted against giving an honorary degree to a distinguished alumnus, historian Eugene Genovese, on the ground that his membership in the National Association of Scholars made him unworthy of any accolade. It includes one professor who said that he viewed the demise of the Soviet Union and East Germany as "Paradise Lost."

Johnson didn't go along with those people. For example, when Brooklyn College held a panel discussion after the Sept. 11 terrorist attacks, he criticized the school for including only speakers sympathetic to the "America had it coming" point of view. He also caused resentment when he opposed hiring people who had weak scholarly credentials, but were favored because they would make the faculty "more diverse." Johnson, in short, is a man of intellectual integrity, unwilling to quietly bow to the ideological fashions in the academic world.

Last year, Johnson came up for tenure and the history

department wanted to make sure that instead of receiving it, he would be terminated. But what would the grounds for that be? His scholarly record was exceptionally strong. Students praised his teaching. Scraping the bottom of the barrel for some justification for canning Johnson, the department chairman came up with this marvel of vagueness: he was "uncollegial."

Now, if Johnson had constantly bickered with others in the school and ridiculed their teaching and writing, that charge would make some sense. But he had done nothing of the sort. The amiable Johnson had not always agreed with other professors, but disagreements are common among academics. The truth is that the chairman wanted a department where everyone was in conformity with the radicalized vision of history teaching that has largely taken over in the profession.

Much to the annoyance of the Brooklyn administration, supporters of Johnson fought back. A group calling itself Students Against Academic Terrorism collected more than 400 signatures supporting Johnson. The student government unanimously passed a resolution saying that for the school to fire him would be a violation of students' right to an excellent education. The chairman of Harvard's history department wrote a letter, calling him "one of the most accomplished young historians in the country," and saying that the "collegiality" test was a threat to academic freedom.

The counterattack made a difference. The chancellor of the CUNY system intervened in the case and overturned the college's decision to terminate Johnson. He named a blue-ribbon panel to review the matter, and it recently recommended that Johnson be promoted to full professor, with tenure. (The bad news is that the "academic terrorists" are complaining that the chancellor exceeded his authority and seem intent on fighting on.)

DeGenova: darling of the dark side

The other professor in the story is Nicholas De Genova, an assistant professor at Columbia University who teaches anthropology and "Latina/o Studies." De Genova recently made himself quite famous. It was not due to any great

scholarly work or brilliance in the classroom. His shining moment came at a "teach-in" regarding the war in Iraq sponsored by Columbia. Naturally, this event had nothing to do with teaching, but was just a platform for opponents of the war to speak their minds. De Genova sure did.

He told the assembled students and faculty members that it would be a good thing if the United States were defeated in Iraq and that he wished for "a million Mogadishus." Mogadishu was the scene of a military blunder committed by the Clinton administration, where U.S. Army rangers were put into a dangerous situation without adequate support. Eighteen were killed and many more wounded. DeGenova exults in that, and would like a million more such defeats. He also enlightened the listeners with his insight that patriotism is just a disguise for white supremacy.

DeGenova is not yet tenured at Columbia, but his appalling comments are unlikely to do him any harm when he applies for it. His anti-American philosophy isn't going to upset his superiors. Even if some might think that he went overboard at the "teach-in" (Columbia's very liberal president, Lee Bollinger, made a point of distancing himself and the university from DeGenova's statements), no one would think of holding that against him. Doing so would be "McCarthyism."

So why does a fine, serious-minded scholar like Johnson find himself fighting to keep his job? And why is it that universities hire so many odious creeps like DeGenova? The answer is that the culture of American higher education has been transformed by the student radicals of the 1960s and '70s, many of whom went on to get their doctorates in politicized disciplines and then entered the teaching ranks. Those people see nothing wrong in using their classrooms as platforms for advocacy and activism. They have taken over many departments and will not consider hiring or promoting candidates who don't completely share their beliefs.

If you offered someone a glass of fresh orange juice and he said, "Naw — I only drink sewer water," you'd think him crazy, but that's like the situation we now have with regard to the faculty at many colleges and universities. *CJ*

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



George C. Leef

All Caps on North Carolina's Spending Aren't Created Equal

By **MICHAEL L. WALDEN**
Contributing Editor

RALEIGH

A tactic used by many households is to save money in good economic times and draw on these funds when the economy turns bad. Now the same idea is being debated for North Carolina's budget.

The idea addresses an issue that is prevalent in most state budgets. During years when the economy is growing, tax revenues are spent on expanding existing public programs or starting new programs.

But, when the economy stalls and slides into recession, tax revenue growth slows and sometimes falls. Most importantly, revenue is now inadequate to sustain the spending planned when the economy was good. The result is a budget deficit that requires planned spending to be cut, taxes to be increased, or both.

A solution to this situation is to force elected officials to spend and save like households do in uncertain economic times. During years when the economy is good and tax revenues are ample, a limit is placed on how much spending can grow. The idea is to generate surpluses to be saved and used to sustain spending, without increasing taxes, when a recession hits.

Annual spending limit: how much?

An obvious key feature of this plan is the annual spending limit. How should it be determined? Two alternative spending caps have been proposed for North

Carolina's nonhighway state budget.

One limit was suggested several years ago in the proposed Taxpayer Protection Act. The annual rate of spending increase would be limited to the rate of population growth plus the rate of inflation. Recently, Gov. Mike Easley proposed a different limit in which annual state spending increases would be tied to an average of past increases in total personal income in the state.

To understand the differences in these two proposals and what they might mean, recognize there are three components to economic growth that can drive state spending: population growth, which adds people to be served by government; inflation, which increases the cost of providing services; and real-income growth, which is the increase in income above inflation.

The spending cap in the Taxpayer Protection Act covers the first two components but excludes the real-income component. The governor's cap covers all three components. Therefore, in years when there is real income growth in the state, which is typical, the governor's proposal would allow a more generous spending limit than the Taxpayer Protection Act.

However, there can be years when real income in the state declines. This would most likely occur during a hyper-inflationary period or a severe recession, such as occurred in the late 1970s and early 1980s. In such years, the Taxpayer Protection Act cap could allow spending to rise more than the governor's budget cap.

But annual declines in total state real income are unusual. So the key issue separating the dueling spending cap ideas is whether we want state spending to rise with

increases in real income. Stated another way, as the standard of living of the average household in North Carolina increases, would we expect and want state spending in such areas as education, public safety, environmental protection, and health services to rise or not?

If the answer is "yes," then the governor's spending cap would accommodate these demands. If the answer is "no," then the Taxpayer Protection Act cap would be sufficient.

Special needs: no caps on spending

Of course, there is a third alternative, and it is to have no annual spending limit for state spending. Critics of spending caps say the caps put the state budget in a strait-jacket and don't allow responses to special needs, such as natural disasters, or special circumstances, such as a rapid jump in the population of school-age children. Opponents of spending caps say discretion about state spending should be left to elected officials, just like discretion over household spending is left to household members.

Yet the reality is that virtually every state follows the same pattern: large increases in state spending when economic times are good, followed by deficits, cutbacks, and tax increases when economic times are bad. A better way may be spending caps and budget reserves designed to "smooth out" state spending over the business cycle. But, as always, the "devil is in the details," so budget cap proposals must be carefully studied for their implications and impacts. *CJ*



Michael L. Walden

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Zabibah & King: Summer Reading at UNC-CH?

A heroic king's romantic allegory provides insight into his morality and philosophy of strict government

By JON SANDERS
Assistant Editor

My mole at the University of North Carolina at Chapel Hill has uncovered what might be UNC-CH's book selection for this year's Summer Reading Program for incoming freshmen. Readers will recall the program created a nationwide stir last year with its selection of Michael Sells' *Approaching the Qur'an*, which focused on the 35 most approachable suras in the religious text.

What follows is the text, which I received on April First of this year, of UNC-CH's possible selection announcement:

Carolina Summer Reading Program 2003: *Zabibah and the King*

Overview

The Carolina Summer Reading Program (www.unc.edu/srp) is designed to introduce you to the political life of Carolina. Required of all new undergraduate students (first year and transfer), it involves reading an assigned book over the summer, writing a one-page response to a particular subject, participating in a two-hour discussion, and sharing your written response with others. Other goals of the program are to stimulate discussion, to engage a current topic that the faculty feel comfortable discussing, and to provide a shared experience for incoming students. Mostly it's for headlines during the summer doldrums.

Using basically the same selection criterion behind last year's unparalleled success, this year's selection is *Zabibah and the King*, reportedly written by Saddam Hussein (re-

portedly translated by Peter Arnett).

About the book

Zabibah and the King is a romantic allegory about a heroic king who falls in love with a poor, married woman. The king is Hussein, of course, and the woman represents the Iraqi people. She is married to a brutal man, a symbol of Western culture. While she and the king enjoy numerous (but chaste) encounters, her cruel husband takes her away and rapes her. Outraged, the king declares war on the husband and his supporters. In the ensuing conflict both Zabibah and her husband are killed — on Jan. 17, the day of the U.S. invasion of Iraq in the 1991 Gulf War. The king winds up dead, too.

Zabibah and the King provides insight into its author's introspection, deep-seated morality, and legitimate philosophy of government. Through *Zabibah* we learn that "The people need strict measures so that they can feel protected by this strictness" and "Rape is the most serious of crimes, whether it is a man raping a woman or invading armies raping the homeland or the usurpation of rights."

The discussions

Zabibah and the King has been exceedingly popular in Iraq, selling more than one million copies (it's mere coincidence that government officials refused to process citizens' paperwork until they purchased it). Westerners for years have been alternately puzzled, attracted, concerned, and curious about the great tyrannical tradition of Iraq. These

feelings have been intense since the tragic events of Sept. 11. *Zabibah* is not a political document, but as a romantic allegory it passionately evokes political, social, and cultural ideas that are different from but no less valid than our own, raising questions that will be timely for college students and nostalgic hippies under any circumstances.

Students and discussion leaders from all backgrounds will find plenty of topics of interest in *Zabibah and the King*, but the Carolina Summer Reading Program has listed several focal points for discussion:

1. Is oil a justifiable reason for rape?
2. What became of Zabibah's husband when he acted unilaterally with all his friends against the king? What happened to Zabibah? Doesn't that tell you something? Hmm?
3. How would the United States be better, or different, if it invoked strict measures that protect Americans with strictness?
4. Why do all the principal characters have to die, and how does their fate reflect the book's lack of an analog for the United Nations?

Ordering Information

The book is available for 4,000 dinars (approx. \$2) from:

Ba'ath & Bodyworks Books, VX & More
Beneath the Camouflage
Few Miles Outside Tikrit, Iraq

Students whose lives are changed by this book are invited to check out the author's second novel, *Impregnable Fortress*, rumored to be his last. They are also encouraged to check out Iraqi TV's 20-part *Zabibah* miniseries. Also, the Baghdad theater still features a *Zabibah* play, despite earlier, erroneous media reports it had bombed. cj



The author, Saddam Hussein?



Host Tom Campbell Chris Fitzsimon Barry Saunders John Hood

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