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Statewide Edition
December 2006 • Vol. 15, No.12

www.CarolinaJournal.com

A Monthly Journal of News,
Analysis, and Opinion from
the John Locke Foundation

www.JohnLocke.org

Legislature: Some New Voices, Same Tune

*Republican lawmakers
may find themselves
watching from sidelines*

By MITCH KOKAI

Associate Editor

RALEIGH

Some new voices might join the leadership chorus in the next General Assembly, but the basic song will likely remain the same. That's the assessment lawmakers and analysts offered after the election Nov. 7 helped Democrats consolidate legislative power.

"There is a tremendous agenda-setting power that goes along with being the majority party," said Andrew Taylor, an N.C. State University political scientist, "so there's not really much Republicans can do on their own."

That means Republicans might have to watch on the sidelines as the House chooses a speaker. As early as election week, a handful of Democrats



Members of the N.C. Senate at work during the 2006 session (CJ file photo)

openly campaigned to succeed Jim Black, the Mecklenburg County representative who has led House Democrats for four years as minority leader (1995-98) and a record-tying eight years as speaker (1999-2006).

By *Carolina Journal's* press time, Democrats expected to work with a 68-52 majority in the state House, and a 31-19 majority in the Senate. That means party leaders could pass the most hotly contested legislation next year, even if seven House Democrats and five Democratic senators objected. Democrats worked with smaller margins of 63-57 and 29-21 during the past two years.

"We're very pleased," said Sen.



Democrats in the General Assembly are expected to have a 68-52 majority in the state House and a 31-19 majority in the Senate in the 2007 session. (CJ photo by Don Carrington)

Tony Rand, D-Cumberland, who oversees the Democratic caucus as Senate majority leader. "We worked quite hard, and we think that our message of improving education and job creation and protection of the environment—we think these things are important. We're

delighted with the way things turned out, but now we've got to turn our attention to what we need to do now and how we can continue to move North

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Coalition Seeks Redistricting Reform for Voter Choice

By MITCH KOKAI

Associate Editor

RALEIGH

Concerned about the shrinking number of competitive races for the General Assembly, a statewide coalition is pushing for redistricting reform.

"North Carolina's voters deserve choice in who they elect," said former

Republican U.S. Rep. Bill Cobey on Oct. 24 at a Raleigh news conference for the N.C. Coalition for Lobbying and Government Reform. "But come November, most voters won't have a choice.

"There's something wrong with democracy in our great state when 63 state House candidates and 22 state Senate candidates face no competition on Election Day," said Cobey, who also

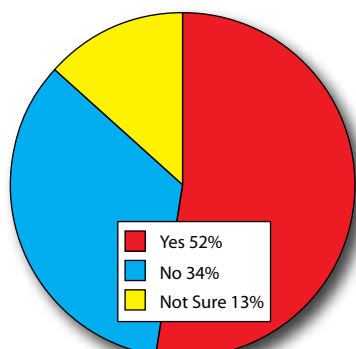
chaired the state GOP. "Can you believe that more than half of all legislative races in our state this year have no competition?"

On the other side of the political divide, former Democratic U.S. Rep. I. T. "Tim" Valentine agreed with Cobey that the time has come for a change in the way North Carolina draws legislative and congressional election maps.

"The General Assembly is burdened with the task of redistricting every 10 years after the Census," Valentine said. "This gigantic chore usually consumes a huge portion of the legislative time, and the process bleeds into other important public business.

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Do you think a Democratic majority
in Congress will raise your taxes?



John William Pope Civitas Institute Poll, November 2006

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of news, analysis, and commentary on state
and local government and public policy issues
in North Carolina.

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Legislature: New Voices, Same Tune

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Carolina forward."

Democrats will continue to focus on familiar goals, Rand said. "I think that has served us well," he said. "We're still ranked as the best place to do business. Obviously a lot of people like North Carolina because our population is growing. They're electing to come and be a part of what we're doing. So I think our priorities have stood the test of time now."

Even some members of the Republican opposition say they expect the same issues to draw lawmakers' attention. "I hope there's still going to be a continued emphasis on education and transportation and jobs and the economy," said Sen. Richard Stevens, R-Wake. "Those are certainly things that we all heard about in the campaign—regardless of which side you were on."

Neither Rand nor Stevens predicted the larger Democratic majorities would lead to a wholesale rejection of GOP input in the legislative process. "I think people expect us to work together," Rand said, "and we don't dismiss people because of their party orientation."

"This last session we had Republican [committee] chairmen, and I suspect we'll continue to do that because we want all people in North Carolina to feel like they're part of what we're doing. We want talent to be recognized wherever it is. And I think working together makes for a far more harmonious—and I think a better—result."

Rand's Republican counterpart says he and his colleagues will not shy away from debate. "We need to advance those ideas that we've been talking about, those ideas that we feel strongly about," said Sen. Phil Berger, R-Rockingham, in an interview with News 14 Carolina's statewide program "Political Connections". "Clearly, they've got a majority. They're going to be able to pass whatever they want to pass."

"To the extent that there are things that we agree with, then we'll be supportive," Berger added. "To the extent that we feel they're doing things that are not in the best interest of North Carolina or not consistent with those things we believe, then we're going to oppose them."

GOP bills stall

Recent history suggests ideas that are identified primarily with Republicans are likely to face obstacles. "Republicans will have to wait and pick their battles," Taylor said. "On occasion they might be able to peel off some Democratic votes on a particular issue."

In June 2005, Republican legislative leaders conducted a news conference to draw attention to GOP initiatives that had languished in legislative committees. The Republicans blamed Black and Senate President Pro Tem Marc Basnight



Members of the N.C. House of Representatives mull legislation during the latter days of the 2006 legislative session. (CJ file photo)

"We need to advance those ideas that we've been talking about, those ideas that we feel strongly about. Clearly, they've [Democrats] got a majority. They're going to be able to pass whatever they want to pass."

Sen. Phil Berger
R-Rockingham

for failing to act on "important, popular legislation," in the words of then-GOP state Chairman Ferrell Blount.

The news conference highlighted a half-dozen specific measures: a constitutional amendment defining marriage, a bill requiring a 24-hour waiting period for abortions, an "Academic Bill of Rights," a driver's license security measure, and a couple of bills placing limits on taxation and government spending. Each proposal died in committee in 2005. Legislative rules prevented lawmakers from considering the measures last year.

Lawmakers had filed the marriage amendment in both the House and Senate. The measure would have allowed N.C. voters to decide whether the state Constitution should define marriage as the union of one man and one woman at one time.

Two Democrats and two Republicans served as primary House sponsors,

and 62 members, a House majority, signed on to the proposal filed as House Bill 55. A bipartisan group of 24 senators also endorsed the measure in its Senate form, Senate Bill 8. Neither bill cleared a committee.

As the 2007 session nears, North Carolina is now surrounded by states that have approved constitutional marriage amendments. But there's no sign that House or Senate leadership will offer the idea new support.

"On the practical level, one reason that might be a problem is that if there is no amendment limiting marriage to one man and one woman at a time, there could be a lot of litigation in the state," said Erik Root, research director for the N.C. Family Policy Council. "States surrounding North Carolina, generally the whole South, have something similar on the books after the Nov. 7 election. The amendment would settle the question once and for all in North Carolina."

Voting trends

Critics could argue that N.C. voters have offered no mandate for the marriage amendment or any other measure identified primarily with Republicans. The electorate chose Democrats for 62 percent of the state's Senate seats and 57 percent of the seats in the House.

But an analysis of the election results shows a much closer split between the major parties. Voters cast more than 1.7 million votes in Senate races last month. Just 62,000 votes separated the two parties' total vote. If Republicans had cast 18,000 more votes in the seven districts with the closest Democratic wins, the GOP would have won a Senate majority for the first time in more

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than a century.

In House races, voters actually cast more total votes for Republican candidates than for Democrats. An additional 9,600 votes spread over nine key districts would have given Republicans control over the House gavel.

Those statistics are likely to offer little comfort to Republicans, who will see their caucus shrink in 2007. "I guess everybody kind of got punched this time," said Rep. Trudi Walend, R-Transylvania.

Walend faced no opposition in her western North Carolina campaign, but she said straight Democratic ticket voting cut into her vote total. "We really got kicked pretty good," she said. "And hopefully that will make people come together and take things more seriously. We have two years now to get ready for '08, and I'm very hopeful that we'll have the right leadership in place and that people will come together."

Speaker's race

As Republicans lick their wounds, House Democrats are trying to decide who will take the speaker's gavel when the Assembly reconvenes Jan. 24. Under normal circumstances, a five-seat gain for the party caucus would virtually guarantee re-election for the sitting speaker.

But scandals swirling around Black dimmed his chances for returning to the speaker's office, even before voters in his Mecklenburg County district turned his re-election bid into the state's most closely contested legislative race. State and federal investigators have targeted

several of Black's allies for crimes linked to the creation of the state lottery and the deal that helped Black maintain a share of the speaker's job in 2003.

Democrats who have expressed interest in succeeding Black are Rep. Joe Hackney, D-Orange, the House Democratic leader for the past four years; Rep. Jim Crawford, D-Granville, who was a chief budget writer under both Democratic and Republican speakers; Rep. Drew Saunders, D-Mecklenburg, a Black ally; Rep. Dan Blue, the House speaker from 1991-94; Rep. H. M. "Mickey" Michaux, co-chairman of the Rules Committee; Rep. Bill Faison, D-Orange, who has expressed interest in both the speaker's post and a run for higher statewide office; and Rep. Hugh Holliman, D-Davidson, a Democratic Party whip.

Observers agree it's hard to make too many predictions about the next legislative session until the House settles its leadership issues. "A lot will depend on the leadership team that emerges in the House," Taylor said. "I think most people expect that Speaker Black is done as speaker. Now we'll see whether the House can have a fairly orderly transition."

"If it turns out to be a competitive process, that could fracture the caucus. If it turns nasty, that could create quite a few problems."

"I would prefer no more coalition government at this point. I think I'd like to just see them elect the speaker. I'm amenable to whoever is elected."

Rep. Trudi Walend
R-Transylvania

That role should include working with representatives from both parties, Holliman said. "I think the speaker has a big responsibility to reach out to the other side in a meaningful way. That means finding roles for people to play on committees where they can contribute to the debate."

The growing Democratic majority won't necessarily transform the House agenda, Holliman said. "It's not going to be a Democratic agenda," he said. "It's going to be more inclusive. A lot of people might think that with 68 votes, we can ignore the other party. That's not right. We have to come together when we can. There's plenty of room to work together on issues."

End of coalitions?

Even if Republicans play no role in the speaker's race, the outcome will affect their ability to work on legislation during the next two years. "That's always interesting to watch on the first day of session here," Walend said, "and

the House is always a puzzle. You never know until it's done what's going to happen in the House. I have no idea what's going to happen on the other side. But they certainly have the numbers to elect a speaker and leadership for their side."

Black shared the speaker's job with Rep. Richard Morgan, R-Moore, in 2003 and 2004. Morgan served as Black's speaker pro tempore for the last two years. But those arrangements angered some Republican legislators. They accused Morgan of rejecting the wishes of the GOP caucus to cut a deal with Black.

"I would prefer no more coalition government at this point," Walend said. "I think I'd like to just see them elect the speaker. I'm amenable to whoever is elected."

Some warn against assigning too much importance to the House speaker's race. "That's always good theater as you watch what goes on in a leadership contest like I'm sure there will be," Rand said. "That's something that those of us on our side will just sit and watch. And when the dust clears, then we'll get together and go on."

"We'll be delighted to work with whoever's there. We don't get into their business, and they don't get into ours."

Budget talk

One common item of business for the House and Senate is preparation of the next two-year state budget. That's one area in which the House leadership race could make an impact, Stevens said. "The House starts the budget this time,

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Coalition Seeks Redistricting Reform to Give Voters Choice

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"The public knows, and the House and Senate members know, that the struggle constitutes a serious conflict of interest. We're here today to try to encourage the General Assembly and to try to focus public attention on the General Assembly to relieve itself of this noxious task."

The bipartisan message from Cobey, Valentine, and Carnell Robinson of the N.C. Black Leadership Caucus highlighted one of four news conferences across the state. Events in Asheville, Charlotte, and Wilmington also supported the lobbying and government reform coalition.

"You will note that we have changed slightly the name of our coalition," said coalition member Bob Phillips at the Raleigh event. A sign in front of Phillips had the handwritten words "and government" inserted within the

group's original name: the N.C. Coalition for Lobbying Reform.

"The name change is actually for a purpose," Phillips said, "and that is to reflect that we are taking on another issue in 2007."

Next year's legislative session marks a good time to push for redistricting reform, said Phillips, who also is executive director for N.C. Common Cause. "The timing is right for our state to begin a thorough conversation on the need for redistricting reform."

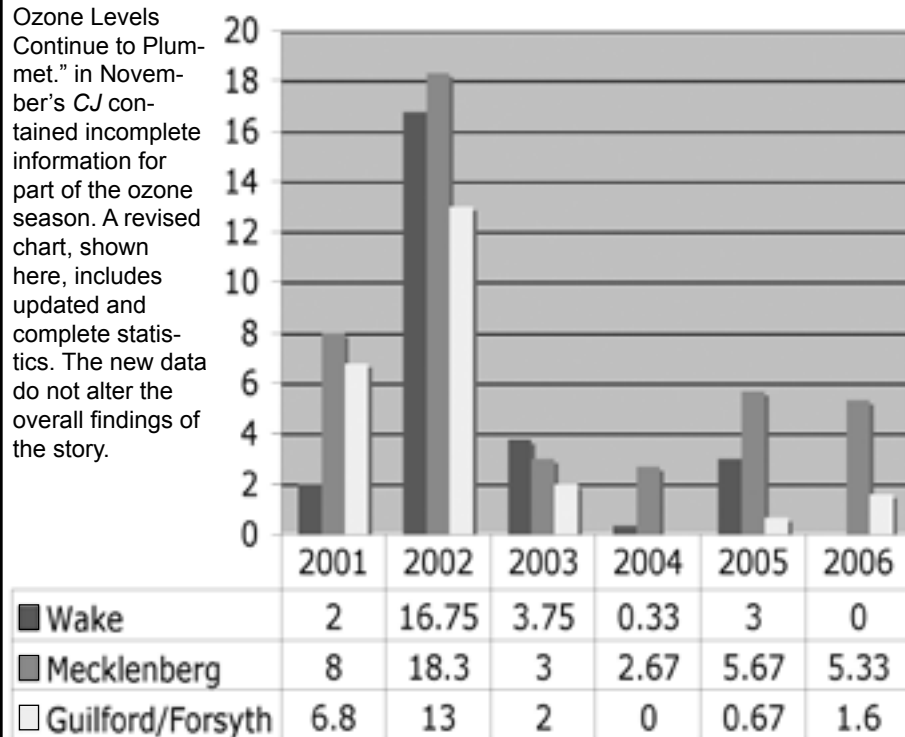
The current redistricting process has generated legal challenges in the past. A successful court case backed by the minority Republican Party forced the legislature to draw two different sets of election maps for the 2002 legislative races. Voters never used either set of maps. A Johnston County superior court judge instead substituted his own

Continued as "Coalition," Page 4

CORRECTION

A chart that accompanied the Page One story, "North Carolina Ozone Levels Continue to Plummet," in November's CJ contained incomplete information for part of the ozone season. A revised chart, shown here, includes updated and complete statistics. The new data do not alter the overall findings of the story.

High Ozone Days Per Monitor 2001-2006



Legislature: Some New Voices, But Largely the Same Tune

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and that's significant."

Every two years, the two chambers switch roles in initiating work on the budget. House budget writers will offer the first blueprint in 2007. "It may take a while because the House has got to get organized first," Stevens said. "However that happens, it's going to take a while I think to get settled down and then to develop. I think that will be a key right there."

The state's budget outlook is unclear. Outside analysts on both the left and right end of the political spectrum warn that the state faces a significant hole in its 2007-08 budget. They say lawmakers created that hole as they spent most of the money from this year's \$2.4 billion surplus.

"If revenue forecasts hold true and if lawmakers follow through on plans to allow the 2001 tax increases to completely expire, revenues available for the 2007 budget will be \$1.1 billion short of what will be needed to maintain services as established in the 2006-07 budget," according to an August report from the left-leaning N.C. Budget and Tax Center.

A John Locke Foundation expert agrees the shortfall could top \$1 billion, and he said even the best-case scenario would leave the state scrambling to find \$300 million. "Analysts inside and outside government, and across the political spectrum, recognize the problem," said JLF fiscal policy analyst Joseph Coletti. "Whatever the final amount, legislators will need a shovel to start filling the fiscal hole."

Legislative leaders are singing a different tune. "That's contrary to everything we're getting from our fiscal staff," Rand said. "We budget on a conservative basis, and we will continue to do that."



"We budget on a conservative basis, and we will continue to do that. The Democrats in North Carolina have always stood for a balanced budget."

Sen. Tony Rand
D-Cumberland

The Democrats in North Carolina have always stood for a balanced budget, and we've done quite well in that regard.

"Our staff tells us that we're a little bit ahead. At this point, the projection would be for a slight surplus—nothing like what we had last time, but a slight surplus, which means we have been good stewards of the people's money. *USA Today* is probably right when they say we're the fourth-best managed state."

Other lawmakers in both parties confirm that legislative staff members have presented positive budget numbers in recent months. "I've been told that Medicaid payments are running \$50 million a month less than projected, based on some of the new changes that took place in Medicaid and Medicare rules and regulations," Stevens said.

Setting priorities

Lawmakers will fare much better next year if they can avoid a budget crunch, Taylor said. "A healthier fiscal climate makes it easier to govern," he said. "As long as the fiscal climate is healthy, Democrats should remain relatively united. If they're short of money

and they're forced to make choices between programs they support, that's more likely to upset the caucus."

If outside analysts have predicted the budget hole correctly, lawmakers will be forced to cut programs or add revenues. The state Constitution requires a balanced budget.

Some fear that a shortfall will prompt one course of action from the Democratic legislative leadership. "I would expect some tax increases to cover the shortfall," Walend said. "It would happen, but I think we need to take care of some of our uncontrolled spending first."

One possibility for generating new tax revenue is another delay of state sales and income taxes that are scheduled to disappear. "I think there will be a continued emphasis on trying to make sure that we do in fact eliminate the sales taxes and income taxes that were partially reduced this past time," Stevens said.

"It's always a worry," he said. "I hope that we don't put additional tax burdens on individuals and small businesses in particular. Individuals and small businesses already have enough tax burden, I think. We've got to make

sure that we continue to be a progressive state, obviously, in terms of education and jobs and transportation, but doing so with low tax rates."

No Democrat has proposed keeping those sales and income taxes. "In the last session, I would have liked to have rolled back all of the temporary taxes," Holliman said. "But this is the legislature, and you never get everything you want."

Holliman admits he and his colleagues would face a tough choice if the scheduled tax cuts interfere with plans for spending on education programs. "If it comes down to choices between tax cuts and supporting funding for education, there's not going to be a lot of support for cutting education," he said. "But we'll work through that, and there might need to be some compromises."

In the end, a hole in the state budget could force lawmakers to take a closer look at the tax structure, Holliman said. "It's very difficult politically, but we need to make some changes," he said. "It's so difficult when you look at changing special benefits and loopholes. But we've had study after study telling us to make changes. It's time for us to take the bull by the horns, even if it's a tough thing to do."

Holliman would not need to look far to find some agreement on the other side of the political fence. "The tax structure itself is still archaic and needs to be examined and perhaps a different system put in place," Stevens said. "I think there's going to clearly be a need to continue to make sure we take care of rainy day funds, that we have completed the process of restoring all of the trust funds that were borrowed from during the last financial crisis. I hope we can trust that we will finish that process as promised some years ago." CJ

Coalition Seeking Reforms

Continued from Page 3

maps for the 2002 election and forced lawmakers to draw another set of maps for 2004. The 2004 maps covered this year's races.

Despite the legal hassles, Democratic leaders in the House and Senate have ignored past efforts to change the redistricting process. Phillips thinks 2007 might produce a different result.

"That trend of increasingly less competition, as we talk about that more and people understand that, that's another part of our effort," he said. Some lawmakers also worry about the example set in Texas, where lawmakers drew new congressional district maps several years after the last Census. Federal courts have allowed that Texas redistricting effort to stand.

"Some people interpret that mid-decade redistricting will be OK," Phillips said. "What we want to do is look at all

the models that are out there," he said. "The 12 states that have independent redistricting commissions each have a different plan."

Phillips and Valentine both noted interest in selecting an independent redistricting commission from a pool of prospective candidates. Valentine compared the process to choosing a jury.

The coalition has more than 50 members with a range of political views. Members include groups such as the John Locke Foundation and N.C. Justice Center, which often disagree on other public policies.

Interest in redistricting reform unites the groups. "Far too often, the sheer desire to control — to control the wealth of the state or to control the congressional delegation — becomes a priority, and somehow our voice and our vote become irrelevant," Robinson said. CJ

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The Locker Room is the blog on the main JLF Web site. All JLF employees and many friends of the foundation post on this site every day: <http://www.johnlocke.org/lockerroom/>

The Meck Deck

The Meck Deck is the JLF's blog in Charlotte. Jeff Taylor blogs on this site and has made it a must-read for anyone interested in issues in the Queen City: <http://charlotte.johnlocke.org/blog/>

Squall Lines

Squall Lines is the JLF's blog in Wilmington. Zeb Wright keeps folks on the coast updated on issues facing that region of the state: <http://wilmington.johnlocke.org/blog/>

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Site Gets 'Intense Interest' of Congressional Staff

By PAUL CHESSER

Associate Editor

RALEIGH

The passage of federal legislation at the end of September that establishes a database of federal contracts and earmarks, accessible by the public through the Internet, overshadowed the creation of another recently launched Web site that lists salary information of congressional staff members.

According to a report Sept. 27 in *The Washington Post*, the unveiling of LegiStorm (<http://www.legistorm.com/>) created such "intense interest" among Capitol Hill workers and watchdogs that it temporarily shut down the Web site's servers.

The Web site showed that North Carolina's members of Congress pay their staffs, generally, according to the length of time a legislator has been in Congress. Legislators having shorter tenures generally pay less, although they might not necessarily have smaller staffs.

The most generous boss among the N.C. delegation is Rep. Howard Coble, R-NC, who paid his staff of 20 more than \$754,000 during the nine-month period ending March 31, 2006, the most recent figures available to LegiStorm. The Web site has posted only quarterly figures for the period from July 1, 2005 until the end of March 2006 for House members. For Senate staff, LegiStorm listed payroll figures for April 1, 2005, through March 31, 2006. The figures do not include pay for the congressmen themselves.

Despite having the highest payroll in dollars, Coble had the second-least number of employees paid for the time frame. Only Rep. Robin Hayes, R-NC, paid fewer staff members: 18. Hayes had the third-lowest payroll among North



Carolina's delegation, at \$596,944.

After Coble, Rep. Mike McIntyre, D-NC, had the second-highest-paid staff, at \$734,373. McIntyre has 25 employees. Rep. Sue Myrick, R-NC, paid \$720,906 to her 23 staffers, while Brad Miller, D-NC, had the fourth-highest payroll, at \$709,103.

Miller was in his second term. LegiStorm listed a staff of 25 for Miller. The four staffs were the only ones paid more than \$700,000 during the nine-month period measured.

As for the most frugal House members, Rep. Patrick McHenry, R-NC, paid his staff of 27 \$496,003. McHenry was tied among the N.C. delegation for most employees paid. Rep. Virginia Foxx, R-NC, paid \$539,050 to her staff of 25. Both McHenry and Foxx are in their first terms.

Not all the staffers that were reported worked the entire period measured.

Sen. Elizabeth Dole and Sen. Richard Burr, both Republicans, employ much larger staffs than do House members. Dole's office team of 60 was paid just over \$2.1 million for the full year that LegiStorm reported. Burr paid his 52 employees \$1.93 million during the same period.

Washington, D.C., was ranked sixth-highest in 2005 among U.S. cities for its cost-of-living index by the American Chamber of Commerce Researchers Association. *CJ*

NC Congressional Delegation's Staff Payroll and Number of Employees

SENATE

April 1, 2005-March 31, 2006



Elizabeth Dole
60 staffers
\$2.12 million



Richard Burr
52 staffers
\$1.93 million

Senate total (12 months)
112 staffers, \$4.05 million

HOUSE

July 1, 2005-March 31, 2006



GK. Butterfield
23 staffers
\$678,951



Howard Coble
20 staffers
\$754,648



Bobby Etheridge
22 staffers
\$646,213



Virginia Foxx
25 staffers
\$539,050



Robin Hayes
18 staffers
\$596,944



Walter Jones
27 staffers
\$676,767



Patrick McHenry
27 staffers
\$496,003



Mike McIntyre
25 staffers
\$734,373



Brad Miller
25 staffers
\$709,103



Sue Myrick
23 staffers
\$720,906



David Price
27 staffers
\$684,240



Charles Taylor
27 staffers
\$636,590



Melvin Watt
26 staffers
\$698,612

House total (9 months)
315 staffers, \$8.57 million

Source: LegiStorm.com

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JLF TRIANGLE BLOG

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Piedmont Publius

JLF Piedmont Triad Blog



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NC Delegation Watch

Jones, Myrick defend agents

Two N.C. congressmen on Oct. 24 requested a presidential pardon for two Border Patrol agents who are scheduled to enter federal prison in January.

Rep. Walter Jones, R-NC, and Rep. Sue Myrick, R-NC, joined 10 other congressmen to ask President Bush to investigate the cases of Ignacio Ramos and Jose Alonso Compean.

The agents were convicted of shooting an illegal alien after he fled from them. The suspect, Osbaldo Aldrete-Davila, had carried 743 pounds of marijuana across the border near El Paso, Texas.

Ramos and Compean were sentenced Oct. 19 to 11 years and 12 years, respectively, in federal prison. Both are appealing their convictions.

The congressmen defended the agents, saying they were properly carrying out their duties.

"During this case there have been numerous questions raised about the accuracy of the charges against the agents, the conduct of the prosecutor, and whether the drug smuggler was armed and dangerous at the border," the letter from the congressmen read.

According to a report in the Inland Valley (Calif.) *Daily Bulletin*, in February 2005 Ramos and Compean pursued Aldrete-Davila, whom Ramos thought was brandishing a gun and threatening the agents. Ramos shot the smuggler as he fled back into Mexico.

"According to the U.S. attorney who successfully prosecuted the agents," the newspaper reported, "the man they were chasing didn't actually have a gun; shooting him in the back violated his civil rights; the agents didn't know for a fact that he was a drug smuggler; and they broke Border Patrol rules about discharging their weapons and preserving a crime scene."

"Even more broadly," Assistant U.S. Attorney Debra Kanof said, "Ramos and Compean had no business chasing someone in the first place."

Aldrete-Davila was granted immunity in order to testify against the agents.

"We are confident that during such an investigation you will find that these Border Patrol agents were acting within the scope of their duty and were unjustly prosecuted," the congressmen's letter said. "Also, we ask that you use your power of Presidential Pardon...to pardon these two border patrol agents." CJ

Emissary to Denmark

Changing Role of a U.S. Ambassador, Part 1

By PAIGE HOLLAND HAMP

Contributing Editor

RALEIGH
Smart, politically savvy, articulate, and engaging, Jim Cain possesses all the attributes a president would look for in an ambassador. But who could have predicted, when Cain took the post of ambassador in idyllic Denmark, a self-admitted "plum assignment," that this little country would become the center of world attention and Islamic anger.

Historically, a U.S. ambassador's key responsibility revolved around promoting trade; however, Sept. 11 significantly changed the ambassador role. As outlined by President Bush in his appointment letter, Cain was charged with fighting the War on Terrorism, protecting America's global interests, and working to create freedom around the world. The Muhammad cartoon crisis that exploded shortly after Cain took his post thrust Denmark and its new U.S. ambassador onto the global center stage and made these charges extremely relevant.

The cartoon crisis has been a major global story since Sept. 11. Demonstrations and protests by Islamic followers in 27 countries have resulted in 108 deaths. Fortunately, Cain has a long history of consensus building, in addition to well-honed public relations and marketing skills that allowed him to quickly step up to the plate, partnering with key Denmark leaders working to defuse the volatile situation.

He has made numerous trips to visit American and Danish troops to thank them and show support for their commitment. On the afternoon of this interview, he was returning from a trip to Camp Oksbøl, where additional troops were preparing to leave for Afghanistan.

When asked whether the large Muslim presence in Denmark is affecting national policies on terrorism, Cain said, "I have such respect for the Danish political leaders who, on a bipartisan basis, refused to back away from global activism in the face of torched embassies, burned flags, and organized protests. They recognized that much of this violence was organized by regimes that, using the excuse of 'cartoons,' attempted to intimidate Denmark into withdrawing from active engagement in global affairs. These regimes believed, based on their prior successes, that they could 'divide and conquer' and thus destroy the coalition of democracies that had been working for peace and modernization in the Middle East and other oppressed places in the world."

The ambassador also believes that, in the wake of a foiled terrorist plot on their own soil in early September, Danish leaders realize they are not immune to attacks. But even before these recent



U.S. Ambassador to Denmark Jim Cain, right, recently visited the Danish Army training center, Oksbøl, where troops are preparing for deployment. (Submitted photo)

events, Denmark provided more troops, per capita, than any other EU country to the War on Terror. According to Cain, Anders Fogh Rasmussen, the Danish prime minister, as well as all but a few of the major politicians, stand with the United States in commitment to freedom and democracy.

The prime minister defines the Danish position: "It has become clear that we are in the middle of a global struggle of values. It is not a struggle of values between cultures or religions. It is a struggle of values between enlightened reason and the darkness of fundamentalism. Between democracy and dictatorship. Between freedom and tyranny. In this struggle, there is no neutral position. We must make active efforts to support freedom and democracy."

According to Cain, the media is a big part of the problem. The media constantly focuses on cultural differences and rarely highlights the many similarities and commonalities between cultures. As a result, Cain has worked to create a media blitz promoting America's positive qualities.

"We need more salesmen for America," Cain said. Since taking office, there have been more than 330 news articles on the ambassador, more publicity than the last four ambassadors garnered collectively.

But Cain is more than just talk; he is a man of action. Recognizing that Denmark has a fast-growing Muslim population, he is creating initiatives to help connect the two cultures in hopes of building a better understanding. He has spent significant time meeting with Muslim political and business leaders to understand more clearly and be able to articulate their perspective. In addition, he hopes to share strategies with key leaders in Denmark.

"The Danish leaders are acutely aware of America's several-hundred year struggle with racial integration," Cain said. "I am working to share lessons learned that could be helpful for

Denmark and Europe as they face the challenge, and opportunities, of a growing ethnic population."

One of Cain's signature projects uses sports to bring different nationalities together for healthy competition. The former Carolina Hurricanes executive said he has witnessed the power of "the ball" to bring people together. "Sports have a unique ability to nurture attitudes of tolerance, inclusion, teamwork, compassion and the rule of law," Cain said, "in essence, the values of democracy." The ambassador has traveled across Denmark promoting youth sports activities.

This summer 2,000 people attended a sports-focused event, "American Spirit Celebration," that Cain sponsored at the ambassador's home. He invited NBA and WNBA stars to be part of the lavish event created to celebrate both America and the Kingdom of Denmark. The ambassador hopes events such as this will encourage people to put aside differences and work toward understanding and cooperation. He also believes that engaging youth is a natural starting point.

While Cain is working hard to develop relationships with the Muslim community, he realizes that some people think Muslims are well on their way to transforming Europe from a Christian continent to an Islamic one. The ambassador believes that over the years, Europe, where only a minute percentage of the population attends church, has moved from what was historically a Christian continent to a more secular society.

Therefore it is not that the Muslim faith is transforming the Christian faith, he said, but instead it has filled what has become somewhat of a religious vacuum. "There are many redeeming qualities of the Muslim faith, and the vast majority of Muslim followers believe in peace and harmony," Cain said. "We must not confuse those of Muslim faith with the Islamic extremists." CJ

Continetti: Neither Party Has a Monopoly on Human Weakness

Matthew Continetti, associate editor of the *Weekly Standard*, recently delivered a Headliner lecture to the John Locke Foundation on the topic *The K Street Gang: The Rise and Fall of the Republican Machine*. He also discussed the topic with Carolina Journal associate editor Mitch Kokai. (Go to <http://www.carolinajournal.com/cjradio/> to find a station near you or to learn about the weekly CJ Radio podcast.)

Kokai: First, let's start with the issue that took up a lot of your time. That was looking into the Republican establishment through a book called *The K Street Gang: The Rise and Fall of the Republican Machine*. In putting together this book, what are some of the things you learned about the way things work in D.C. that folks might not know?

Continetti: I guess the chief lesson is that things haven't really changed in Washington since the Republicans took power in 1994. And of course when the Republicans came into power after the Republican revolution, they promised to change the way business was done in Washington. They said they were going to clear up public corruption. They were going to move power — shift power

— from the federal government to the states, and they were also going to drain the swamp. And over the last two years we've found that they have been up to their necks in the muck.

Kokai: Now of course beyond the basic issue of the *K Street Gang*, the whole [lobbyist Jack] Abramoff scandal, we've had [Florida Rep. Mark] Foley. Are you surprised with what we've seen with this Congress based on the research that you did?

Continetti: Well, I was a little bit surprised. I mean I came to Washington only a few years ago to write for the *Weekly Standard*, and I guess I was a



Matthew Continetti, associate editor of the *Weekly Standard*, speaking at a John Locke Foundation Headliner luncheon on Oct. 23 in Raleigh (CJ photo by Don Carrington)

little naive about how Washington worked and the Abramoff scandal in particular, which is the focus of *The K Street Gang*.

The audacity with which Abramoff and his accomplices committed the crimes to which they have pleaded guilty is striking. I mean if you read these e-mails that, the way in which they say that they can't wait to get their hands on the money that they're taking from the Indians illegally, or the

way in which they plot strategy with the members of Tom DeLay's staff.

Rep. Bob Ney recently pleaded guilty and is on his way to prison for taking bribes from Abramoff. That was really eye-opening to me. Of course, one consistent theme in politics I think since the beginning of the American republic has been scandal. The fact is that human weakness, human avarice, human greed, all of these are universal phenomena. They are found in any place. The great, reassuring thing to me anyway is that we do clean house.

Kokai: One of the reasons that the Republicans were able to win power in 1994 was by portraying the Democrats who had power for 40 years in Congress as being the party of corruption. Do you think that supporters of the Republicans and the ones that you've talked to have been surprised that things turned out the way they did under GOP leadership?

Continetti: Well, there is no question that there is a huge amount of conservative discontent with the way that the Republicans have handled themselves in power, in particular over the last two years.

Now some of that has to do with corruption, there is no doubt. We should remind ourselves, though, that the corruption issue usually is trumped by actual policy issues. And even though *The K Street Gang* involves one or two, three or four members of Congress, that is still a relatively small minority, not only in proportion to the rest of the GOP membership but also in the House at large.

And of course there are Democratic scandals as well. So I'd say the discontent is more over other issues like Iraq and spending than it is over this scandal issue. There is no doubt that people are

surprised.

Kokai: There have been some who have suggested — even among conservatives — that it might be good for Republicans to lose. Have you run into that idea as you've talked to people around the country? Are there some folks who would kind of like to see them lose so they could regroup on the principles?

Continetti: I'm not sure that people so much want the Republicans to lose as think that they deserve to lose. And I think that sentiment is strong among many conservatives to the point now where you also have a reaction among conservative pundits.

In fact a recent editorial in the *Weekly Standard* argues with that idea that the Republicans deserve to lose, saying that you know Democratic control of the Congress would be far worse than any kind of remaining hubris the Republicans might have from escaping this electoral trap.

I am of the mind that at the end of the day it would probably be better for Republicans to kind of have to re-engage with their founding ideas; it would certainly generate new leadership in the Republican Party.

But you know in politics the best thing is to win. And that is what matters. We are definitely in for some very exciting years ahead.

Kokai: Do you get the sense that books like yours, reporting on the Foley scandal and what has happened — do you get the sense that this type of new knowledge of what is going on in D.C. will help Republicans regroup in some sense and get focused on issues, rather than corruption and scandal?

Continetti: Right, well I mean the always reassuring fact to me is that there are self-correcting mechanisms in democratic politics. And you look at *The K Street Gang*, all of the members of that gang that I wrote about in my book, they've either been forced from politics like Tom DeLay, or they are on their way to jail, like Jack Abramoff, Bob Ney, David Safavian, a former White House official.

Ralph Reed is someone who has been a former director of the Christian Coalition; he has been driven from politics. He lost a primary battle in Georgia this summer that he was widely expected to win. But the corruption issue played a role in that campaign and in his loss. So at the end of the day I am reassured that once you have this cleaning house take effect, then new faces come to the fore.

These new faces are probably just as susceptible to the types of corruption that we see in Washington today. But they are new. And more important I think is that we see signs that the voters are holding the representatives to high standards.

CJ



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State School Briefs

W-S allocates bond money

When the final tally for the Winston-Salem-Forsyth County school-bond vote came in Nov. 7, the work was over for hundreds of volunteers who had successfully campaigned for the \$250 million in construction money.

But the work was just starting for school officials, the *Winston-Salem Journal* reported.

Within days, Assistant Superintendent Gene Miller was looking into hiring agents to find and buy land for schools, architects to design schools, and two new construction managers to help oversee the work, which will total \$100 million in the first year.

School officials plan over the next seven years to build seven schools, replace three, and renovate and build additions at 14 schools.

One of the first things they will do is work with real-estate agents to buy four pieces of land for new schools, Miller said.

Administrator tries EOGs

Alice Wilson confessed that when she quickly skimmed through a sample question from the 2005-06 third-grade end-of-grade math test, she got the answer wrong at first, the *Winston-Salem Journal* reports.

The state's math curriculum is harder, the test's questions are harder, and the scoring is tougher than it has been in more than 10 years, Wilson, the Winston-Salem-Forsyth County school system's director of accountability, told members of the school board Nov. 14.

Students in Forsyth County and across the state did much worse on the test last year than in previous years. In Forsyth County, for example, just 69.6 percent of third-graders were found to be proficient in math in 2005-06, compared with 84.4 percent the previous year.

It's not a reflection on the school system's teachers or students, Wilson said. State officials decided to redo the math tests partly because of the high number of students, more than 90 percent in some grades, who were considered proficient across the state last year, she said.

This year, state officials decided that the top 60 percent of scores would be considered proficient, and the bottom 40 percent would get a score that indicated the student was not at grade level. CJ

Report delayed

JLF Analysts Say Student Testing Has Failed

By CJ STAFF

RALEIGH

State education officials canceled a news conference Nov. 1, a move apparently intended to hide problems with new statewide math scores, according to two analysts of the John Locke Foundation. The scores show how North Carolina's education testing program has failed parents, students, and taxpayers, according to a new foundation Spotlight report.

Experts at JLF and the North Carolina Education Alliance say it's time for the state education establishment to change. "After seeing these problems continue for 10 years, someone needs to take responsibility," said Lindalyn Kakadelis, NCEA director. "We need to see someone stand up at the N.C. Department of Public Instruction and say, 'I should resign.' Now there's more evidence than ever that this accountability program is flawed."

Scores from the state's latest standardized math tests show that student gains have been misrepresented in the past, Kakadelis said. "The truth is these scores were set low in 1996," said Kakadelis, who served on the Charlotte-Mecklenburg Board of Education at that time.

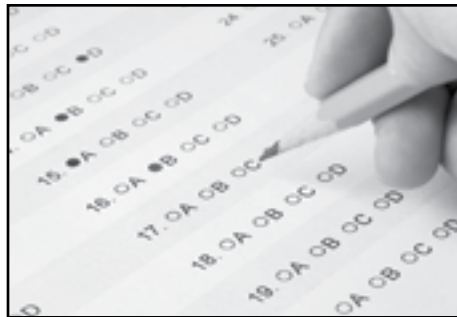
"Everyone knew these minimal expectations were too low 10 years ago," she said. "They have not been raised for 10 years. So to now say that we're raising the bar just a little bit and having so many of our poor and minority students not meet that new standard shows us that little has changed. The rhetoric from state education officials doesn't match reality."

Top state educators had scheduled a media briefing Nov. 1 to discuss the most recent results from North Carolina's ABCs school accountability report. The state has used ABCs results to determine hundreds of millions of dollars of bonuses for teachers in recent years. The briefing was postponed until Nov. 9.

"Postponing this media briefing until after next week's elections means parents and voters will be left in the dark about the ongoing failure of the testing program," Kakadelis said. "Thousands of low-income families still don't know whether they'll be eligible for supplementary school services or school choice. It's time to shed some light on this long-standing problem."

In part because of pressure from the John Locke Foundation, Department of Public Instruction officials decided later Nov. 1 to release the revised scores online, calling them "preliminary."

Some details about the math scores had already emerged. The *Charlotte Observer* reported Oct. 27 that a new, tougher state math test exposed problems with past assessments of student



progress. "After a decade of rising test scores, Charlotte-Mecklenburg's minority and low-income students saw much of their progress vanish with a tougher state math test," according to the newspaper report.

Superintendent Peter Gorman called the result "devastating news for the progress of some of our children," according to *The Observer*. "We can't take a false positive of low expectations and turn it into a joyful moment," Gorman said.

The state's largest school system is not alone. N.C. Board of Education Chairman Howard Lee predicted many school systems across the state would get "a painful reality check," according to the newspaper.

More students are failing the tests, even with minimal changes to the state standards, said JLF education policy analyst Terry Stoops. "The bar hasn't been raised very high," Stoops said. "Students need to answer only 9 percent more questions correctly in order to pass the latest end-of-grade math test."

"So that means a student can still answer fewer than 50 percent of the questions correctly and still pass the test. When you factor in guessing, a student can get a quarter of the questions correct — then guess the rest — and still pass

the test. So there really aren't any stricter standards being put into play."

Outside observers have a hard time determining how the state sets its standards, Stoops said. "There's a lot about this program that's still secret," he said. "And they refuse to release the data that would allow us to see exactly how the standards are set and how students are doing on the test. They claim that the tests have become more difficult, but without releasing the data and information to the public, we have little sense of whether that's true or not."

The math score problems continue a pattern for North Carolina's school testing program, Kakadelis said. "We've seen fiascos with writing scores and graduation rates," she said. "This is just the latest problem. Year after year, as problems arise, no one is held accountable. It's just excused, and we move on. At some point, the public is going to demand that the N.C. Department of Public Instruction hold someone accountable for these fiascos."

In the announcement of the canceled media briefing, the N.C. Department of Public Instruction said new scores "will reflect higher proficiency standards for the state's new end-of-grade mathematics assessments that were approved by State Board members in October." Education officials say those higher proficiency standards align N.C. scores more closely with national norms.

Kakadelis and Stoops did not buy that argument. "What this program really shows is that we've lowered standards so that almost everyone can meet them," Kakadelis said. "That means we're not really getting the bang for our bucks — our taxpayers' dollars." CJ



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Guilford Schools Ease Path For Minority Subcontractors

By SAM A. HIEB
Contributing Editor

GREENSBORO

Faced with a pressing need to build more schools for a burgeoning population, Guilford County School officials are planning to make it easier for minority subcontractors to participate in the construction boom.

Businesses owned by minorities and women would have to gain certification as a Minority or Women or Socially and Economically Disadvantaged Business Enterprise to qualify for advantages in the awarding of school contracts. But the majority of the burden to achieve diversity through "good faith efforts" falls on general contractors.

At a recent meeting, the board of education appeared dedicated to the cause.

Contractors have expressed concerns about the plan, school board Chairman Alan Duncan said, but he thinks all parties will be satisfied with the outcome.

"Finding the balance that makes things work for all our contractors is the key," Duncan said.

"If it's ever going to be any different, we have to take steps that will create a paradigm change," board member Dot Kearns said.

But board members Deena Hayes and Amos Quick were more adamant and asked system CFO Sharon Ozment hard questions during her presentation.

"We are severely lacking in this, and it's frustrating," Quick said. "We can be innovators and changers. There are internal things we have to do."

Hayes challenged Ozment's understanding of the problem.

"Do you and your staff have an understanding of how we got here? If you don't know how we got here, I'm not sure we can move forward," Hayes said.

The strategic plan, authored by Raleigh-based consultant Kenneth Johnson, is intended to enhance GCS' good-faith effort goals when awarding school construction bids. A major step toward that goal is requiring contractors to submit documentation of the good-faith efforts with their bids. Now contractors can provide the paperwork 72 hours after submitting bids.

That's a problem, Johnson said, because general contractors are focused on being the low bidder. Once they get the bid, they'll shop around to find the cheapest subcontractor.

To discourage bid shopping, Johnson recommended that general contractors submit all subcontractor bids, not just those from minorities.

"You're looking for a pattern to see if minorities are getting the same breaks as other contractors," Johnson said.

But the plan involves more than just submitting paperwork. It suggests, among other things, that contractors help minority contractors by purchasing supplies and materials, making plans, specifications, and requirements available for review, and assisting in

getting required bonding and insurance or providing alternatives to such bonding and insurance.

While the Small Business Administration helps provide bonding for small businesses, Johnson asserts that many big contractors don't want them to get bond-

ing, citing a "good old boy" network.

Ozment acknowledged that securing bonding for small companies is a concern for the school system.

Those "obvious reasons" recently hit home with the Guilford County System when structural flaws were found at three middle schools earlier in the year, which the school system will have to spend at least \$9 million to fix. Guilford Schools has filed one lawsuit in the matter, against Winston-Salem-based Lyon Construction, which built Eastern Middle School. The school system also is considering filing a lawsuit against the architect and engineer who designed Eastern as well as Kernodle and Hairston middle schools.

Guilford school officials passed up a prime opportunity to improve minority hiring practices when bidding the repair work, Quick said.

"It evolved and morphed into a situation no one imagined," Ozment said. "Did we miss an opportunity? I won't dispute that. But the emergency nature of the situation dictated that we focus on safe schools."

As it turned out, Guilford school officials found out later that day they were in yet another emergency situation, this one more extreme than the structural flaws at the three middle schools. Just as the meeting was adjourning, Eastern Guilford High School caught fire and burned throughout the night.

Officials not only had to place the school's 1,000 students in classrooms somewhere, but also had to deal with the prospect of building a school to replace Eastern.

In a hurry.

CJ

"Finding the balance that makes things work for all our contractors is the key."

Alan Duncan
School Board Chairman

Commentary

Looking Back on a Dismal Year

As predictable as the passage of time itself, December commentaries invariably offer reflections on the outgoing year. In a nod to that time-honored tradition, here's my take on 2006.

This past year ushered in little that was fresh or innovative: high spending, ineffective legislation, and incremental policy shifts were all the educrats had to offer. Nationally, the federal education budget ballooned from \$74 billion in 2005 to \$88.9 billion in 2006. The majority of the increase went to fund the No Child Left Behind Act, requiring states to establish standards and test students annually.

Higher spending failed to yield better results, however. NCLB's implementation has been riddled with problems. In an acknowledgment of states' rights, NCLB leaves states to develop their own standards. Some states have risen to the challenge and pushed for greater rigor. Unfortunately, other states — such as North Carolina — have chosen to "game" the system with weak content standards, thereby inflating academic performance and masking achievement gaps. Such a misalignment between state standards and federal accountability creates confusion categorizing schools, especially in states such as ours. While the federal government might target a school as "needing improvement," North Carolina's standards often indicate this same school is one of "excellence" or "distinction."

At the state level, 2006 education spending reached its highest level ever. A total of \$6.7 billion alone came from North Carolina's budget, but that figure doesn't include the millions of local dollars allocated for K-12 education by county budgets.

Although several counties experienced a massive boom in their student populations, the General Assembly refused to eliminate or raise the cap on charter schools. Legislative intractability on this matter is even more troubling, since the current legislative cap of 100 charter schools is already maxed out, leaving hundreds of children to languish on waiting lists while willing charter school applicants are shown the door.

But while students were left to contend with cramped classrooms

and crowding, North Carolina teachers were shown the money. Thanks to Gov. Mike Easley, all public school teachers received an average 8 percent pay raise. It would have made better sense to reward consistently high-performing teachers rather than raising the pay of every good, bad, and mediocre teacher in the state.

North Carolina's biggest education news story of 2006 involved revisions to the state math test. The Department of Public Instruction chose to shift its longstanding policy and administer a new math test aligned with recent curriculum revisions.

Test results were disseminated in November after several inexplicable delays from the State Board of Education.

In hindsight, it's clear that officials didn't like what they saw and knew the public wouldn't, either. Test scores were shockingly bad, with academic performance plummeting across the state. Only 64 schools earned top ratings, compared with 496 in 2005. In 2005, only four schools statewide were considered low-performing; in 2006, 52 schools earned this dubious distinction. Particularly concerning was the fact that racial-socioeconomic achievement gaps were much wider than expected: The majority of students who failed the new math standards were poor or minority students. Both Mecklenburg and Wake counties posted a whopping 39-percentage-point achievement gap between white students in grades three through eight and their black or low-income peers. There's little justice to a system that promotes such a glaring stratification in achievement.

Education developments in 2006 confirmed what many of us have known all along: Public schools aren't getting the job done, and more money isn't fixing the problem. Instead, government education needs fundamental, systemic reforms, such as rigorous academic standards, merit pay for teachers, and competition through school choice. We at the Alliance will continue to fight the good fight. Join us in 2007.

CJ

Lindalyn Kakadelis is director of the North Carolina Education Alliance.



Lindalyn
Kakadelis

School Reform Notes

Super proposes changes

Charlotte-Mecklenburg Schools Superintendent Peter Gorman says district officials will spend more money on relieving suburban crowding, remove more disruptive students from classrooms, and create a new way to help low-performing schools.

The *Charlotte Observer* reported Gorman's proposals include:

- Adopting a new formula that would mean about 80 percent of the next batch of school construction money goes toward building suburban schools. In a bond package that voters, particularly those in the suburbs, trounced in November 2005, new schools would have gotten about 60 percent.

- Providing a broader series of alternatives to conventional classrooms for students considered disruptive or dangerous. The harshness of the punishment would depend more on the severity of the offense and the students' records.

- Appointing a respected former principal to oversee several low-performing schools. Curtis Carroll, who in August left Harding University High School, will supervise the "achievement zone," modeled after an idea used in other cities.

- Giving parents and teachers more say in hiring principals. Internal candidates would now apply for jobs at specific schools to help match the best person with the right setting.

CMS seeks contracts

Charlotte-Mecklenburg Schools is asking parents with students at four struggling high schools to sign a contract agreeing to do their part to boost achievement, the *Charlotte Observer* reports.

The document, introduced at West Charlotte High last week, asks parents to monitor homework, get their children to school on time, and support high behavior standards, among other things.

It's part of a push, demanded by a judge and the governor, to turn around CMS's lowest-scoring high schools.

Superintendent Peter Gorman has told staff at those schools that their jobs are on the line. He wants families to know teachers can't make changes without their help.

"We're looking for a commitment," he said, "and we're looking for (parents) joining the team with us." CJ

Has filed lawsuits

CMS Family Wants School Choice to Help Son

By KAREN WELSH

Contributing Editor

RALEIGH

It would be interesting to ask 5-year-old Brandon Petruk about school choice. Although he cannot speak, he has plenty to say.

The problem is, the special-needs student in the Charlotte-Mecklenburg Public School System isn't allowed to talk.

Each and every school day the nonverbal student with an XXX chromosomal and severe apraxia, a condition that affects speech, sits in a classroom of 23 children with various levels of disability. He tries to learn, but except for a word or two there's no one who understands or uses sign language, which he uses to communicate.

His parents, Trevor and Leslie Petruk, refuse to remain silent, having filed local and federal lawsuits against the school system in order to have a voice and a simple choice in their son's education.

For two years they have asked school administrators to provide the money to send Brandon to a private school near their home, one that is well-equipped to handle his special educational needs. Mrs. Petruk recently testified on behalf of school choice before the Legislative Educational Committee in Raleigh on behalf of school choice.

The new bill, authored by Rep. Paul Stam, R-Apex, would provide a tuition credit of \$3,000 per semester to parents of children with individual educational programs (IEPs) who require services outside the public school system.

"It's the difference between being educated or not," Mrs. Petruk said. "We want to give Brandon the intense intervention he needs."

Not only are the Petruks dealing with Brandon's severe difficulty to speak, but he also suffers from poor balance, another side-effect of his condition, making it dangerous for him to be with a large group of children.

At first the Petruks were told nothing could be done for Brandon, but his parents knew their son's rights and pushed for the school to pay for their son's education.

"The school needs to provide him the ability to learn how to speak cognitively," Mrs. Petruk said. "He gets it. He understands, but he's trapped in his own body. He just can't express it back. He also needs to be in a small class environment with speech intensive training with a prompt-trained specialist."

School officials wouldn't budge, forcing the Petruks to file a lawsuit.

"Initially [CMS] didn't want to provide services to him," Mrs. Petruk said. "That's against the law. I knew what our rights are. I said, 'You can and will provide services for him. You, by law, have to provide placement for



Trevor and Leslie Petruk have been fighting for two years to get Charlotte-Mecklenburg Public Schools to provide funds to help their son, Brandon (on right). (Submitted photo)

him or provide money for a private education."

Since then, the family has experienced one frustration after another.

Brandon is working from an individualized educational program that is almost 1 1/2 years old because the school's lawyer, Gil Middlebrook, has insisted the child "stay put" until the lawsuit, which is now filed in federal court, is finished.

"The whole purpose of 'stay put' is for the benefit of the child, so the school can't yank the child out of his or her classroom and put them in another class during litigation," Mrs. Petruk said. "The CMS lawyer has misused this as a weapon, refusing to do an IEP, which the law says needs to be done every six months...."

CMS in-house counsel Michele Morris said the entire situation is a legitimate disagreement as to what's in the best interest of Brandon. She said school officials have done everything they could in good faith to provide appropriate placement and settle the Petruk's claim.

"We have absolutely tried to resolve our obligation," she said. "Our obligation is to meet the needs of every child and we are prepared to meet [Brandon's] communication needs. Our ultimate responsibility is to the child, not to the children's parent."

Jane Rhyne, assistant superintendent for exceptional children at CMS, said the Petruk's case is one of only a handful of unresolved cases out of 15,000 special-needs children within the school district. She said, however, that school officials will not compromise on the Petruk case.

"We've spent hundreds of hours with many professionals and there was a genuine effort to try and get the family to understand what we felt," she said.

"We try very hard to reach parents."

As Brandon's case lingers, it is estimated that the school system has spent more than \$100,000 of taxpayers' money to fight the Petruks. The couple said that's enough money to pay for at least 10 years of Brandon's private education.

"There's a lot of political issues tied to this," Mrs. Petruk said. "What's the logic? There is none. Their fear is that this is going to open up the floodgate. They don't want to set a precedent...."

In the meantime, the Petruks are worried because an outside specialist hired by the couple has reported Brandon is regressing.

Stam's bill would open up possibilities to parents and would eventually save local governments throughout the state millions of dollars, the legislator said.

"I have two interests in presenting this bill," Stam said. "I want to help children with special needs, and I'm trying to help with school choice. This bill will not drain the school of resources. In fact, it will save the school system's money."

Lynette Estrada, a special-education teacher who is also the mother of a special-needs child from Florida, one of the states where a precedent for school choice has already been set, understands the uphill battle the Petruks are facing.

She spent many years labeled a "problem parent" at the school where she worked and her autistic child attended.

"Unfortunately it takes a parent that's not going to stop to make the change," she said. "My advice to the Petruk family is to keep fighting it. It's not just their son they're fighting for, it's other children. Be the squeaky wheel and don't give up. It's a very long battle. They need to know they're not alone." CJ

Research: Certification Doesn't Ensure High Quality

By KAREN McMAHAN

Contributing Editor

RALEIGH

Sound research over decades has substantiated that high-quality teaching is the single most important ingredient, apart from family background, in producing academically successful students. The Center for Education Reform reported in 2006 that the "most effective teachers can produce as much as five times the learning gains as the least effective teachers."

By the end of the 2005-2006 school year, federal legislation mandated that every classroom nationwide have a "highly qualified teacher." This provision of No Child Left Behind has placed greater scrutiny than ever before on teacher quality and certification, yet many states have failed to achieve the goal.

As a result, education reform efforts continue to focus on increasing the number of state-certified and National Board certified teachers. The premise is that having teachers pass standardized tests, such as the Praxis II and Praxis III, and state-developed teacher exams, identifies highly qualified teachers.

However, a growing body of research shows no evidence that teacher

By the end of the 2005-2006 school year, federal legislation mandated that every classroom nationwide have a "highly qualified teacher."

certification improves either teacher quality or student performance.

In a 2001 study, Kate Walsh of the Abell Foundation examined rigorously designed studies of the effects of teacher education on student performance and found that certified teachers did not produce greater student gains than did those who were uncertified.

Walsh disputed the claims that "there is a body of research proving the value of teacher certification" and that by "insisting that teachers be certified, ... we will guarantee children, most importantly children who are poor, teachers of quality." Walsh contended that the research, consisting of an estimated 100 to 200 studies, is "specious" and "built on quicksand."

Moreover, traditional measures of teacher quality used for credentialing purposes have no significant effects on student performance. Examples of standards include teacher portfolios,

advanced degrees, professional development, years of experience, and teacher test scores.

Such findings are supported by data from the 2005 Digest of Education Statistics. Characteristics of elementary and secondary public school teachers in the United States, as reported every five years between 1961 and 2001, showed that the percentage of teachers who hold a master's degree or specialist degree has steadily increased from 23.1 percent in 1961 to 56 percent in 2001. Even though the percentage of teachers nationally and in North Carolina who have advanced degrees continues to increase, student performance and test scores continue to decline.

Assessing teacher quality becomes problematic because credentialing standards vary widely from state to state. State licensing requirements are described on the Educational Testing Service Web site under Praxis. North Carolina has nearly 70 areas and lists them, along with their associated test and qualifying scores. Some states, such as Maryland, have more than 100 licensing requirements, according to the Abell Foundation.

Critics argue that passing or qualifying scores on tests also differ widely among states, making it appear that teachers are highly qualified when, in fact, they likely are not. A 2002 report on the quality of teacher preparation from The Education Trust advises caution in

interpreting the results of state teacher quality (Title II) reports.

Several states reported a 100 percent pass rate on teacher certification tests. However, the report's authors cautioned that these data are misleading because many states have "embarrassingly low" cutoff scores and the content in the subject-matter tests is similarly set at an absurdly low level to ensure high passing rates.

The National Research Council in 2001 compared teaching licensing requirements to those of other professions, such as CPAs, nurses, professional engineers, and architects. Findings indicated that these professions, unlike teaching, require a single, rigorous exam across the country.

Moreover, professional standards in these fields require substantial field experience before candidates can earn certification.

Unlike teacher tests, the test format in other professions does a much better job of assessing knowledge, by requiring vignettes, essays, short answers, and problem-solving in addition to multiple choice.

As part of NCLB, Congress developed a framework for a national standard to evaluate teachers' subject-matter knowledge in an effort to ensure high-quality teachers. States were granted flexibility to construct their own HOSSE (high, objective, uniform state standards of evaluation) plans.

According to a 2004 report from the National Council on Teacher Quality, many states have not implemented sufficiently rigorous systems to assess teacher quality objectively. North Carolina received an F from the NCTQ for its efforts to gauge teachers' subject-matter knowledge. CJ



WHAT WE BELIEVE

The John Locke Foundation believes that our society must return to our **founding principles**:

We are a **land of liberty** where natural rights of individuals precede and supersede the power of the state.

We are a **constitutional republic** in which government power is limited and employed for the purpose of providing legitimate public goods rather than for the benefit of insiders and narrow interest groups.

We are a **free market** in which persons, individually or collectively, have the natural right to sell goods and services to willing buyers, and in which the individual pursuit of economic opportunity benefits all.

And we are a **free society** where citizens solve social problems not only through government but also by working together in families, neighborhoods, churches, charities, and other private, voluntary organizations.

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Carolina Journal Online

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Monday, August 22, 2005

Carolina Journal Online

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See what one Raleigh paper called "Matt Drudge with Class"

Bats in the Belltower**Common sense has left the building!**

"Politics may not be in the blood, but it could be in the genes. That's the theory a team of political scientists and geneticists is trying to prove with extensive studies of twins, genes and brain scans. ... Genetic researchers are trying to prove that social attitudes can be inherited, and have discovered strong correlations between the two."

—"Scientists study political-genetic link," Associated Press report, Nov. 2, 2006

A song about academic researchers trying to prove your political views are genetically determined:

**From the Get-Go
by Devlish Pressthink**

As genes don't lie ...
Cut and dry, there's no alternative
If a baby's born conservative
From the get-go.

Let his mama cry —
'Cause there'll be one thing that she
can't hush,
It's her little brat who'll listen to Rush
From the get-go.

People, don't you understand
That mom needs a helping hand
Or she might raise a Republican some
day!
Take a look at you and me —
Are we too blind to see?
Do we simply turn our heads
And look the other way?

Should our heads turn?
Should this funny little boy with the
funny views
Votes in the polls, cause some libs to
lose
From the get-go?

For his mind'll burn
And he'll start to roam the Internet
And he'll learn how to blog
And he'll learn how to write
From the get-go.

Then one night in desperation
The kid'll break away —
He'll buy a gun, work for pay,
Go to church, he might even pray ...
And his mom'll cry.

Oh, the Left will fret this conservative
—
Face up, on his feet, independent of
them —
From the get-go.

As this fetus lies
In the warm and comfortable
womb untorn,
Should we risk another conserva-
tive born
From the get-go?

John Locke Foundation research editor Jon Sanders was inspired to song writing by the above-mentioned AP report.

Recommendation likely in January**Carolina North Project Divides Town and Gown**

By **BRIAN SOPP**
Editorial Intern

CHAPEL HILL
UNC-Chapel Hill officials want to create a research campus at the former Horace Williams Airport in Chapel Hill, but the most recent conflict between the university and Carrboro and Chapel Hill — over housing — is far from settled.

Carrboro and Chapel Hill representatives on a Carolina North committee are pressuring the university to build low-cost housing for 20,000 people and to minimize parking spaces in order to reduce the use of cars (commonly called in this setting "single occupancy vehicles"). The university is balking at a commitment to house all those people, estimated at 10,000 dwelling units, and to promise specific cost categories for the homes.

The university plans to build housing for employees of the research park, many of whom will be university employees. University officials want to build the housing, but they don't want to set a specific target of how many low-cost houses would be constructed.

The university wants the flexibility to put up the number of units as needed and to sell them for a variety of prices, what university officials call "a mixture of market, work force and affordable housing."

To sort out these and other issues, UNC-Chapel Hill Chancellor James Moeser established a Leadership Advisory Committee in March, comprised of representatives from UNC-Chapel Hill, Chapel Hill, Carrboro, Orange County, and area businesses. Moeser charged the committee with getting "community input on Carolina North from as broad a range of interests as possible." The committee aims to "develop principles that will guide the University in preparing plans for submission to the local governing bodies," according to the Carolina North Web site (cn.unc.edu).

The latest skirmish stems from a housing proposal submitted by Mark Chilton, mayor of Carrboro, in October. It proposed the following principles: Carolina North would not add to the "crisis in housing" in the Chapel Hill and Carrboro area; housing would be affordable for all income levels; and the number of homes should equal the number of positions created by Carolina North. It also softened these demands slightly by saying that any housing created in Chapel Hill adjacent to a bus line operated by the Chapel Hill Transit system should count toward affordable housing at Carolina North.

In response, Jack Evans, executive director of Carolina North, submitted a document of his own at a meeting in November to members of the Leadership Advisory Committee. His counter-document indicates that UNC-Chapel Hill has



An architect's renderings show several areas of the proposed Carolina North project. (Courtesy of UNC)

some concerns about those proposals.

The two sides eventually agreed after discussion at the November meeting that mixed-income housing should be a part of Carolina North and that the Chapel Hill Transit bus system, rather than cars alone, should be viewed as a way to handle transportation needs at Carolina North. But they disagree on specifics about housing, specifically flexibility.

Chilton said he thinks Carolina North should have "a housing-cost distribution that reflects the income distribution of University employees generally, in each phase of development at Carolina North." He argues that more affordable housing is needed to meet the needs of university employees, many of whom, he said, can't afford to live in Chapel Hill. Chilton told the story of one employee who, he said, was forced to live in Virginia to have an "affordable" place to live.

The university's position, stated in Evans' response to the Chilton document, is that Carolina North "will be a mixture of market, work force and affordable housing," but that "we don't know enough now to set percentages for the three categories."

Some members of the committee shared university officials' concern that the types of housing at Carolina North cannot be proportional to the incomes of employees.

Sharon Myers, an environmental specialist at UNC-Chapel Hill, said most of the housing at Carolina North would have to be condominiums because of space limitations, and these would be

more likely to attract young people without families. Families might not want to live in a large apartmentlike building, she said. It is likely that Carolina North would offer both single-family homes and apartmentlike buildings on the property.

[R]epresentatives on the committee from Carrboro and Chapel Hill worry about the number of automobiles generated by the new campus.

In addition to supporting affordable housing, representatives on the committee from Carrboro and Chapel Hill worry about the number of automobiles generated by the new campus. Originally UNC-Chapel Hill wanted to have

17,000 new parking spaces created and planned to build roadway connections to the Carolina North site as well extensive roads on the campus.

Carrboro officials insisted that UNC-Chapel Hill make a commitment to public transit at the research campus and discourage automobile use. They contend that one way to do that is to make housing less expensive so that people will choose to live closer to the campus.

Regardless of the number of parking spaces or affordable homes that are created, committee member Holden Thorp, chairman of UNC-Chapel Hill's department of chemistry, said employees are going to live where they desire.

Chilton and Evans agreed to meet privately to work out housing concerns and present final details to committee members. Housing is a key element in the committee's plans to complete a development plan by the end of the year. A formal recommendation is likely to be submitted in January. *CJ*

Democrats Now Formulating Their Higher-Education Agenda

By SHANNON BLOSSER
Associate Editor

WASHINGTON
Days after securing control of Congress for the first time since 1994, Democratic leaders in the House and Senate began to formulate their agenda for the upcoming 110th session, which convenes on Jan. 3. Among the top agenda items for Democrats are higher-education initiatives that could increase federal spending.

Chief among the higher-education projects for Democrats is an attempt to make college more affordable by slashing interest rates and increasing funds for Pell Grants. Republicans cut \$12 million from the program to reduce budgetary spending. Other plans include increased funding for teacher education, higher-education research, and tax deductions geared toward math, science, technology, and engineering students.

It's an agenda that will be spearheaded by George Miller, D-Calif., in the House and Ted Kennedy, D-Mass., in the Senate.

Miller will chair the House Committee on Education and Workforce after serving as the ranking Democratic member during the 109th Congress. He was a vocal critic of Congressional Republican efforts to cut Pell Grant funding as well as other proposals that were included in the yet-to-be-passed reauthorization of the Higher Education Act.

Kennedy will chair the Senate Committee on Health, Education, Labor and Pensions.

Other key committee assignments that will dictate higher-education policy and funding include David Obey, D-Wis., who is slated to chair the House Appropriations Committee. Obey is a former chairman of the committee and is likely to promote education issues. In the Senate, Robert C. Byrd, D-W.Va., will chair the Senate Appropriations Committee.

Much of what Democrats attempt to accomplish in higher education is centered on affordability and improving K-12 education with involvement from universities.

In the area of affordability, a House Democratic leadership position paper, "A New Direction for America," cites a proposal to cut interest rates on college loans to 3.4 percent for students and 4.25 percent for parents, a savings of \$5,600. Democrats also want to increase the maximum Pell Grant award to \$5,100 and increase tax deductions

for tuitions paid by families that earn up to \$160,000.

"We want to lower interest rates on the cost of college for students who are now turned away from college because of increased debt that they have to absorb," Miller said in an interview Nov. 9 with Oakland, Calif., Fox affiliate KTOV.

Richard Vedder, director of the Center for College Affordability and Productivity, said some of the Democratic proposals could be a launching pad for institutions to raise tuition. He said the issue is not that too few students go to college, but that too many are admitted.

"The Democrats are making college affordability a big issue, which is a good thing," Vedder said on his center's blog. "However, the solutions to the problem that they propose may be worse than the disease."

Democrats also want to im-

prove K-12 education with initiatives geared at increasing the number of students who are in college. Some of the proposals, teacher scholarships specifically, have been championed by UNC officials.

One such scholarship includes a proposed cooperation agreement among the states, businesses, and universities for students who aim to study science, engineering, or mathematics. The proposal seeks to benefit 100,000 students over the next four years, according to the Democratic plan. Also, there are plans for additional tuition-assistance funding for teachers.

"We must give our students more opportunities to be highly trained in math, science, and technology so they can turn ideas into innovation," the Democrats said in their policy paper.

Democrats also want to increase funding for research initiatives, which would likely benefit research institutions such as UNC-Chapel Hill and North Carolina State University. Specifically, Democrats want to double funding for the National Science Foundation and create regional so-called Centers for Excellence to promote technological advances.

"Independent scientific research provides the foundation for innovation and future technologies," the Democrats say in their agenda. "But federal funding for research and development has declined steadily over the last decade, and sound science has been compromised by political interference." CJ

"We must give our students more opportunities to be highly trained in math, science, and technology ..."

Democratic position paper

Commentary

Market Will Test Online Education

Online education has largely been treated like a stepchild in the world of higher education. It gets a bit of food and some old clothes, but not much attention in comparison with the university's real children. A new online initiative begun by the University of Illinois, however, might give this Cinderella a more prominent place than it has had before.

Announced last May, the university's Global Campus Initiative is a remarkable undertaking that should give online education more prominence. What's more, the GPI is intended to be a profit-making venture and the startup capital will be raised from private sources. The tuition

paid by students — and no breaks for Illinois residents — are expected to cover all costs. Implicitly, Illinois is saying, "We think we have an educational product that will pass the test of the market." That's interesting, since several high-profile online education ventures have failed.

Preparations for the GCI will take place in 2007 and the first classes are expected to be conducted in January 2008.

The GCI is primarily aimed at "non-traditional" learners. It will offer accredited baccalaureate, master's and doctoral degrees as well as certificate and professional development programs, mostly aimed at business and technology fields. This will allow the GCI to tap into the fast-growing demand for corporate e-learning and other markets where convenience for the student is a key concern.

Is online education worth the effort? It has often been derided as "education lite" by people who maintain that true education requires students and teacher in the same room, face to face. The GCI Final Report argues, however, that such direct contact is neither necessary nor sufficient for learning. As the report says, "Online learning is more about connecting people than connecting computers. It is much more a community experience than a solitary routine." GCI also contends that online courses can be "writing intensive," which is

something of a surprise to me, but if true, that would be a strong plus since many college students graduate with woeful writing skills these days.

A further testament to the educational value of online courses is the rapid and sustained growth they have experienced in the last decade.

Online enrollments grew at a 23 percent annual rate between 2002 and 2005. It is hard to believe that so many people would be signing up for online classes if they didn't think they were getting something of benefit.

Officials say the GCI will be "market-driven." Not only will its offerings reflect the desires of students for

serious and useful courses (accounting and information technology, yes; women's studies and history of rock

music, no), but its personnel policy will also be consistent with the need to operate in a business-like fashion. Employment will be at will and no one will

have tenure.

On one page of the GCI Report, a chart shows University of Illinois peer institutions with respect to their involvement in online education. Michigan State has 42 online degree and certification programs. Penn State has 50. The University of Texas has 22; Wisconsin 15. The University of North Carolina is on the chart, near the bottom, with zero programs.

That isn't to say that UNC needs to replicate the GCI, which has a big head start and can enroll any student who meets the admission requirements. With online education, location doesn't matter. If a citizen of North Carolina wants an online course or degree program offered by GCI, there is no reason to lament the fact that he isn't enrolling in "our" university. The point, rather, is that UNC should be looking for new, original ways of using the Internet to connect students, wherever they might be, with good learning experiences. CJ

George C. Leef is vice president for research at the John William Pope Center for Higher Education Policy.



George C. Leef

Is online education worth the effort? It has often been derided as "education lite."

Course of the Month

No book, no second test, and — frequently — no class!

The occasional student posting online looking for an easy class yields good information not only for disengaged students, but also for CM.

The "Study Hall" forum of the WolfWeb site for North Carolina State University students has been a good source for CM.

It's where CM learned about the environmental ethics class where "EVERYONE GETS AN A+," the freshman lecture course that guarantees students "SLEEP AND LOTS OF IT," and the sociology course that lets students "watch music videos of [Pres. B]ush-slamming."

And it's where CM found out about this week's winner, an associate professor of botany who reportedly "cancelled class so much that we didn't have a second test (he counted our best score twice) and he gave away stuff that went along with the lectures — food, clove cigarettes, alcohol, etc. There was no book and the test questions came straight from the lecture."

The professor is Robert Beckman, whose teaches, among other courses, a course called **Botany 319: Plants in Folklore, Myth and Religion**. (If English "literature" classes can be about video games, we suppose botany courses can be about folklore, myth and religion.) The course description is a hoot:

This course offers students the opportunity to develop an appreciation and understanding of the historical context in which humans relate to plants. The course addresses the formative influences of the human-plant symbiosis upon the evolution of cosmological and theological constructs. Students assess the impacts of plants on the emerging human consciousness, which attempts to define its place in the cosmic order. The expressions of these attempts as plant metaphors are the foundations of enduring myths (e.g., creation myths, myths of the origins of food plants) and icons (e.g., Tree of Life, Tree of Knowledge) that persist in and organize the fabric of diverse human cultures.

Student reviews on the Wolf Web of Beckman's classes, going to 2001, contain a couple of recurring

themes. Here are some quotes:

- "instructor comments: Cake"
- "Great class, great instructor. You'll laugh and learn a bit."
- "He is a cool guy...cancelled class a lot. You just have to get past all of the writing on the tests to appreciate the class...and that is hard for me. He likes to talk about marijuana and drugs and stuff...so he knows how to keep the students interested."



Jon Sanders

This process was shown in the famous pot-smoking scene in the movie "Animal House," where Pinto and Professor Jennings are discussing the possibility that "our entire solar system could be, like, one tiny atom in the fingernail of some other giant being ...

This is too much! That means that one atom in MY fingernail could be —" (the professor finishes Pinto's thought) "could be one little, tiny, universe!"

Back to student reviews:

- "I thought the material was interesting and easy. Interestingly enough this course had very little to do with Botany."
- "He frequently cancelled class. Between snow days and him canceling we probably missed 5 or 6 days and that's a lot for a T/H class."
- "Dr. Beckmann is crazy but he's fun. He keeps class interesting. He is always willing to talk outside of class which is nice."
- "Unbelievably easy class. No excuse whatsoever to get less than an A. Lots of times he would cancel class, or let out early, or go hold class outside."
- "Hilarious — I went to talk to him about my test and he ended up telling me a story about how his fraternity got in trouble... 'A friend of mine and his lady decided they were going to get it on right there in front of everyone, so we were all standing around, yelling, pouring beer on them...'" CJ

Jon Sanders, research editor for the John Locke Foundation, tracks down a college course of dubious value each month.

With Budget Shortfall Looming, UNC, Bowles Seek More Funding

By SHANNON BLOSSER
Associate Editor

CHAPEL HILL

When the General Assembly considers the University of North Carolina budget request in January, UNC President Erskine Bowles will once again be at the center of attention.

Earlier this year, Bowles was still in the early months of his presidency, spearheading a fiscal 2006 budget request in which UNC asked for \$299 million in combined new recurring and nonrecurring funding. The end result showed that Bowles, a North Carolina native and former Clinton administration chief of staff, could garner legislative support. UNC received 55 percent of its funding request, and UNC's total general fund increased by 7.8 percent, taking the budget to \$2.2 billion.

How successful Bowles will be this year remains to be seen, especially with a likely budget shortfall for the state of at least \$300 million, according to some estimates.

UNC has submitted a budget request that would seek more than \$270 million—an increase of about 8.2 percent—in new funds and a total general fund budget of \$2.57 billion for fiscal 2008. The key factors in the budget request will be how much the shortfall is in January and whether the Democratic-controlled Assembly will tighten education spending, an area where legislators traditionally have been big-spenders.

Bowles said the funding increases are needed to prepare students for the "knowledge-based global economy." Bowles has said that the state faces an impending crisis if it doesn't educate its citizens effectively.

"This is a big budget," Bowles said during a policy meeting of the Board of Governors in November to discuss the budget. "This is a bold budget. Now is not the time for small steps. When you are in a crisis, you need to treat it like a crisis."

The biggest test of the battle between the budget shortfall and legislative spending priorities could come with the university's request to raise academic salaries. Faculty salary increases have been a longstanding wish-list item for both UNC and legislators. In the 2008 budget, UNC is seeking \$116 million for faculty increases.

The request is part of an effort to raise salaries to the 80th percentile of peer

public institutions. UNC-Chapel Hill would receive more than \$20 million, the most of the 16 institutions.

"Faculty are the University's greatest asset," UNC officials say in the budget request, repeating a line often said by Bowles during Board of Governors meetings. "If the University is to help North Carolina compete and prosper in a global knowledge-based economy, UNC campuses must recruit and retain the very best faculty. To do that, we must pay them competitively, since the University is recruiting in direct competition with public and private universities across the nation and around the globe."

Including faculty salary increases, much of UNC's request focuses on priorities Bowles has talked about for the past year. Those priorities include funding for new research, assuring that students graduate, teacher education, and expansions in health care.

Erskine Bowles
UNC President

Come January, if the budget shortfall exceeds the estimated \$300

million, two areas to watch are UNC's new programs to improve retention rates and teacher recruitment. Both areas could be cut.

To improve retention, the UNC funding request includes a program, at a cost of \$6.38 million in 2008, to help students who are among the first in their families to attend college. This would be an "intensive, rigorous summer program for students who are first generation college students who require additional academic preparation to transition from the high school classroom to the college environment." In the initial stages, the program would be operated at Elizabeth City State University, Fayetteville State University, North Carolina A&T, North Carolina Central, UNC-Pembroke, Western Carolina University, and Winston-Salem State University, seven institutions that have been targeted in the past to increase enrollment and retention. Additional programs could be added at a later date. This is similar to summer programs that are conducted at other campuses across the country.

Bowles also wants to create scholarship programs aimed at teacher recruitment. The two scholarships, one for high-need areas, the other for teachers coming into the profession from other fields through the lateral-entry program, would cost \$13.8 million in 2008. The North Carolina High Need Teacher Scholarship would add 150 scholarships in 2008 and 300 in 2009 throughout the system. CJ

Opponents point to excessive 'autonomy'

Alexander Hamilton Center Stirs Hopes — And Fears — at College

By ROBERT PAQUETTE
Guest Columnist

On Oct. 13, the institution where I teach, Hamilton College, announced that an alumnus had committed \$3.6 million to support the creation of the Alexander Hamilton Center for the Study of Western Civilization. The center's charter clearly states its reason for existence: "The reasoned study of Western civilization, its distinctive achievements as well as its distinctive failures, will further the search for truth and provide the ethical basis necessary for civilized life."

In the past, most colleges required a core curriculum that provided students with a proper grounding in Western civilization. Over the last 40 years or so, a cafeteria-style model of education, touted at Brown University and other prestigious universities, in which students now enjoy the freedom to pursue their own tastes by choosing from an ever-expanding menu of courses, has replaced a required, coherent set of courses that privileges Western civilization.

AHC follows the lead of several other schools that have established similar academic centers. Princeton, for example, has established the James Madison Program, which has brought some excellent scholars and a different point of view to that campus. What we intend to foster, again quoting from the AHC charter, is "an educational environment of the highest standards in which evidence and argument prevail over ideology and cant." The AHC is not a right-wing think tank, but a vehicle to pursue a clearly defined educational mission. We will begin active programming in the fall of 2007, with a focus on a Hamilton

graduate of 1818, the abolitionist Gerrit Smith.

Our second year will investigate property rights — how the Founders understood the importance of private property rights as a guardian of our other rights, and the history of the Fifth Amendment that bears on the controversial Supreme Court decision in *Kelo v. New London*. We plan to devote our third year, the bicentennial of Abraham Lincoln's birth, to an examination of Garry Wills' central argument in his book *Lincoln at Gettysburg*: the notion that Lincoln pulled a sleight of hand and redefined the meaning of the Union by folding the Declaration of Independence into the Constitution. We will explore how this country's greatest statesmen have understood the relationship between those hallowed documents.

You wouldn't think that the center's creation would stir up any controversy — unless you're familiar with the prevailing academic culture. Alas, Hamilton's faculty has not embraced the enterprise. Indeed, one faculty committee, apprised of the center not as a requirement but as a matter of collegial etiquette by one of my cofounders, responded by rewriting the charter within a fortnight and submitting it to us for acceptance. We said, "No thank you."

At October's faculty meeting, the first since the college announced the AHC's creation, faculty members debated and voted on a resolution signed by two dozen of my colleagues. The "unprecedented and unacceptable auton-



omy" of the center, they complained, demanded that the charter be amended to ensure far greater faculty input and oversight.

What subversion does AHC seek to promote? Why, nothing less than

"excellence in scholarship through the study of freedom, democracy and capitalism as these ideas were developed and institutionalized in the United States and within the larger tradition of Western culture." The central concerns of the center include the meaning and implications of capitalism, the moral basis for democracy, government as a potential threat to justice, and the role of merit and hierarchy in the formation of civilization.

Somehow, to the resolution's signatories, the investigation of these and related issues by the center portends dire consequences. Among the signatories were tenured faculty whose own programming and research in the recent past had been responsible for bringing or attempting to bring to the college as teachers or speakers Brigitte Boisselier, the high priestess of cloning for the Raelian cult movement; Susan Rosenberg, a felon; and Ward Churchill, one of the most clever academic poseurs of his generation.

Is there really any need to worry about the governance of the AHC? An outside board of accomplished scholars advises the director of the center on programming and initiatives. A nine-member board of overseers supervises the director, ensures transparency and

accountability of the center's operation, and insulates it from the vicissitudes of personality in the administration and from politicized factions of the faculty. The faculty resolution declared it to be "crucial" that "representatives of the Hamilton College community have input into the operation and governance of the AHC."

But who counts as members of the Hamilton community? Apparently not the trustees and alumni, nor, for that matter, students or staff. By inference from the resolution, they have all suffered a kind of social death. The founders of AHC have a more inclusive definition and will recruit trustees and distinguished alumni to the board of overseers.

Several Hamilton faculty members have risen to demand changes in the governance of the center, prefacing their remarks by saying they have "no problem" with the center's creation, but are merely concerned about its autonomy. Perhaps, but I propose a little test. Can any faculty member at Hamilton produce from his or her personal archive, or from the archive of any relevant faculty committee, or from the files of the dean any piece of paper expressing concern about the autonomy of any other faculty programmatic initiative in the last 25 years? Without such discovery, I remain dubious about the consistency of principle in the motives of some opponents. CJ

Robert Paquette is a professor of American history at Hamilton College and the executive director of the Alexander Hamilton Center.

North Carolinians for Home Education

The MISSION of NCHE is to:

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- PROMOTE homeschooling as an excellent educational choice.
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Town and County

Conference center proposal

A new study prepared by an Elizabeth City State University professor suggests that Elizabeth City build a conference center instead of the larger convention center endorsed by local economic development officials, the *Daily Advance* reports. How local politicians respond to the recommendation remains to be seen.

Under the proposal advanced by ECSU professor George Jackson, the city and Pasquotank County should build a 4,150-square-foot facility with a 52-room hotel and 92-seat restaurant. "The niche envisioned in this study contemplates an affordable facility that attracts small group meetings, tourists and local meetings and events," Jackson wrote.

Earlier, Tourism Director Russ Haddad and Albemarle Economic Development Commission Director Ray White had endorsed a waterfront 150-room hotel and 15,000-square-foot conference center. Such a facility would cost \$25 million to \$30 million.

Previous to the release of Jackson's report, a majority of officials had supported the convention center proposal.

One official, County Commissioner Marshall Stevenson, however, said he would oppose any government-founded facility.

"Convention centers are failing across the state," Stevenson said. "It will not pay for itself."

Sewer recommendations

A Raleigh engineering firm has completed its assessment of Wilmington's sewer system, the *Wilmington Star-News* reports. The study comes after a series of large sewage spills in recent years.

The firm of Camp, Dresser & McKee found that the city's public utilities department spends almost all of its money, 95 percent, on fixing problems after they happen rather than in engaging in preventive maintenance.

The consultants recommended that the department should eventually aim at spending 80 percent of its budget of preventive maintenance, which saves money in the long run.

The company also recommended the city replace 1 percent to 2 percent of its sewer lines every year, thereby replacing all piping over 50 to 100 years, which is about its life expectancy.

Wilmington has not been replacing its sewer infrastructure at that high a rate. CJ

Are ETJ Regulations Stifling Growth in Angier?

By DAVID N. BASS

Editorial Intern

RALEIGH

Situated near the intersection of two country roads in Harnett County, Holly Gardner's one-story ranch house and surrounding farmland could easily be described as the perfect rural setting.

The idyllic pastureland has been in the Gardner family for four generations, going back to parents who donated a one-room schoolhouse to the nearby town of Angier and grandparents who bought lights so the community could play baseball at night.

But in this quiet country setting, Gardner, a recently widowed mother-of-two, says she has become the victim of a local zoning ordinance imposed by Angier that is preventing her from selling a portion of her land for residential development.

Until recently, the farm was devoted to tobacco, corn, wheat, and soybeans. But in a state economy quickly outgrowing its agricultural roots, Holly Gardner and her husband of 24 years, Eddie, decided earlier this year that a new direction was necessary. In an effort to reduce mounting farm debt, the family initiated plans to sell a four-acre plot of their farmland for housing construction. But the situation turned sour when Eddie was diagnosed with terminal cancer and given only a short time to live.

"[My husband] was just trying to figure out a way to help with some of the farm expenses that have been accrued since the tobacco program was phased out," Gardner said. "That's about the same time that he was diagnosed with cancer, so he put it on the fast track to get the project done while he had time."

Gardner and her brother-in-law, Ben, hired a surveyor to mark off a small section of land on the southern end of the farm for development. But to Gardner's surprise, the powers that be in Angier threw up a roadblock — a law known as extraterritorial jurisdiction, which allows municipalities to exert control beyond their city limits.

The requirements put forth by the Town of Angier Planning Board were simple — redraw the proposed development lines to include sidewalks, curbs, and gutters. Living so far outside the Angier city limits, Gardner was surprised and upset to learn that the town could impose restrictions that would make construction costs too high to consider. But under ETJ law, they could.

Fighting for a variance

State statute § 160A-360 governs a municipality's use of ETJ. The law stipulates that a city, depending on its population, may use the ETJ power up to three miles from its border. The statute also requires municipalities to notify all landowners within the proposed extension and to inform them of their "right

"The staff has not reviewed any information that leads to the conclusion that there are extraordinary and exceptional conditions pertaining to the parcel in question. ... Economic factors are not considered to be special circumstances."

Travis Morehead
Angier City Planner

to participate in a public hearing" prior to approval of the ordinance.

A study conducted by the UNC-Chapel Hill School of Government found that 62 percent of local governments take advantage of the ETJ provision. Dr. David Owens, UNC-CH professor of public law and government, concluded in a January 2006 research paper that while ETJ rules occasionally trigger controversy, policies are routinely used without public outcry.

But to Gardner, who faced the hurdle of obtaining a zoning variance shortly after losing her husband to cancer, the reality of ETJ powers was not an academic matter but a brute reality.

Gardner and her brother-in-law countered the ETJ requirements by petitioning Angier for a variance, citing the cost-prohibitive nature and environmental risks the board's demands would entail. City Planner Travis Morehead issued a memorandum dated Sept. 6 recommending that the board deny the request.

"The staff has not reviewed any information that leads to the conclusion that there are extraordinary and exceptional conditions pertaining to the parcel in question," Morehead wrote. "There are no special circumstances, which result in this parcel warranting a variance. Economic factors are not considered to be special circumstances."

On Sept. 12, Gardner made her appeal before the Angier Planning Board, but board members unanimously voted to turn down the variance, according to *The Angier Independent*.

Financial feasibility

Including amenities such as curbs and sidewalks can range in cost anywhere from \$7,000 per lot to as much as \$17,000 per lot, making the entire construction project cost-prohibitive, said Donald Gregory, Gardner's general

contractor.

"It seems like the town of Angier is pushing everything away," Gregory said. "I could name you several subdivisions that have not come [to Angier] simply because of the massive amount of money that it's going to cost to put them together."

Michael Sanera, research director and local government analyst for the John Locke Foundation, said that including curbs and sidewalks would drive up costs and make competition with nearby neighborhoods more difficult.

"Houses constructed outside the ETJ and in Harnett County will not be required to have curbs and sidewalks," he said. "Thus, the same house a short distance outside the ETJ will have a price tag significantly less than those inside. Which house will sell? Angier is imposing costs that others do not have to pay."

The requirements for curb, gutter, and sidewalk were originally drafted into Angier's subdivision ordinance in August 2002, according to Morehead. "Curbs, gutter, and sidewalks are fairly indicative of urban development," he said. "Sidewalks facilitate safe pedestrian traffic into and out [of] areas, whether those areas are in residential or non-residential districts."

The ETJ standards also add to the aesthetic appeal of potential subdivisions, Morehead said, although the policy was not implemented to attract upper-income residents. "Curb, gutter, and sidewalks are not a socio-economic issue," he said. "These developmental standards are not unique to Angier, but in fact...are very common to other local municipalities in the Triangle area. Having development standards helps ensure that the quality of life of the town's current and future residents are [sic] maintained and perhaps improved upon."

But Gardner sees irony in the requirements given the rural nature of her farm's setting. "You can imagine a development with two sidewalks — one on each side of the drive — out in the middle of the country," she said. "And they can't even put sidewalks in the town of Angier hardly unless a federal grant is written."

Ben Gardner put it even more bluntly. "Angier wants to be like Holly Springs or Cary," he said.

Future development

Given the regulatory roadblocks, Gardner said that she is not planning to move forward with development plans for a while. Last summer, the family leased out the farmland to cultivate sod, which is helping to pay some of the bills. But Gardner still considers Angier a prime region for growth with its centralized location between Raleigh and Fayetteville — if only the town would be flexible. CJ

Audit Questions Sit-In Group

By PAUL CHESSER
Associate Editor

RALEIGH

State Auditor Les Merritt has called into question expenditures and accounting practices of the Greensboro-based Sit In Movement, Inc., which plans to turn the city's former downtown F. W. Woolworth's store into a civil rights museum.

In a letter to Melinda Coleman, grants administrator for the state Department of Cultural Resources, in early November Merritt said the nonprofit organization commingled grant funds with other monies, maintained an inadequate chart of accounts to track the spending of grant funds, failed to obtain approval by organization leadership for some invoices, and used insufficient planning that led to unnecessary expenditures.

The Sit In Movement received grants of \$1.5 million in 2005 for construction of the International Civil Rights Center & Museum, and \$500,000 in 2006 for final renovations for the museum.

"We could not be sure what payments were made with grant funds and what payments were made with other funds," Merritt wrote.

But in a response to the auditor's review, both the Sit In Movement's treasurer and its accountant disputed some of the allegations. Daniel P. Duncan, a partner with the nonprofit's accounting firm, Williams Overman Price, LLP, "[took] exception to the use of the term 'commingling'" because the state allegedly did not require that the Sit In Movement keep grant funds in a separate bank account. Also, Duncan said the Sit In Movement has had only one program for which its funds are used: the civil rights museum.

"The grant received from the state was expressly used for this purpose," Duncan wrote.

He added later in his letter, "all construction expenditures and exhibit fabrication costs are charged to easily identifiable accounts, and there were more eligible expenditures than were needed to support the funding from the state...."

According to Merritt, auditors reviewed a sample of 58 expenditures, and found in 11 cases that either a board member or the executive director failed to approve invoices. Five payments were made for items or services that had no supporting documentation, and seven expenditures "did not appear reasonable...."

Investigators found 20 instances

in which invoices had not been marked as "paid" to prevent the possibility of duplicate payments. No double payments were found, according to the auditor's office.

Three expenditures were payments totaling \$2,330 to Executive Director Amelia Parker, which Merritt said had no supporting documentation.

Also, Merritt said, a lack of planning by the Sit In Movement's board and management led to unnecessary expenditures, including additional costs

for construction and renovation. The nonprofit has had to pay for storage of exhibits and equipment that have already been purchased, because of moisture problems in the downtown Greensboro building that is supposed to house the museum. Five large-screen tele-

visions were purchased to test presentations and films, the timing of which Merritt questioned, "due to rapidly changing technology...."

Merritt said many invoices were only partially paid because "lack of available funds," which he said could harm the museum's viability because contractors and vendors might be reluctant to continue working for the Sit In Movement.

"The Movement may want to consider hiring a professional planner to create a formal strategic plan to address the current issues plaguing this most deserving project," Merritt wrote.

In a separate response from Duncan's, Obrie Smith, treasurer for the Sit In Movement, explained that the purchases of large items such as the televisions were made in anticipation of a February 2005 opening date for the museum. Sit In Movement had contracted with an architect to determine the condition of the building for the museum. But structural problems found in the former Woolworth building caused the delays and the need for storage services — and a change to a new architect with "a major museum and historic preservation portfolio."

"We are concerned about the value judgment on a construction matter when the organization made every effort to exercise due diligence," Smith wrote to Merritt.

Smith also explained that the televisions were plasma screens for exhibit use, and their purchase was timed for the debut in February 2005.

As for invoices that had not been approved, Smith said "every check issued" is approved in writing by two board members and by the executive director. CJ

"We could not be sure what payments were made with grant funds and what payments were made with other funds."

Les Merritt
State Auditor

Commentary

Corruption Ignored

Now that the cacophony of voices dominating the airwaves for votes has ended, constituents are now gifted with the same voices chattering about blame or credit for the outcomes. Republicans are walking through the valley of the shadow of doubt, and Democrats are dancing through the streets of Oz. Though I'm often an optimist, there is little to give me optimism in North Carolina.

We are a state capable of greatness. We have technological ability, wonderful cultures, educational opportunities, and diverse talents. In spite of this, it appears we are also one of the most corrupt states in the union. For all of this, the print or television media does

little reporting. For the most part, from the Executive Mansion down to the smallest of city councils, our elected leaders know that if they ignore the tough questions, reporters will stop asking them.

Readers of *Carolina Journal* should be well-aware of the ongoing troubles of Speaker of the House Jim Black. Business associates and friends of Black indicted and convicted are but the beginning. He will most likely be re-elected anyway.

Readers are also aware of the bizarre twists and turns of an illegal ferry dredging in Currituck County that was linked to Speaker Pro Tempore Marc Basnight. The \$800,000 operation triggered numerous guilty pleas from employees in the N.C. Ferry Division. Yet there has been no accountability for the total money authorized and spent on this endeavor.

Then there are the ongoing financial dealings of Gov. Mike Easley. New reports show that he apparently received special favors from donors at the Cannonsgate land development in Carteret County. At the state level (as briefly written in the *Charlotte Observer*), Easley's donors with the Mingo Tribal Preservation Trust turned \$56,000 in donations into a \$20 million profit when the governor's office pushed several state agencies to purchase their land.

Despite the magnitude of the scandals, newspapers haven't bothered to follow up on the story, and they haven't demanded that the governor answer any tough

questions. What's worse, Easley and members of his administration know the press will stop asking questions if the governor's office holds out long enough.

At the local level, city and county governments are often less than candid with newspapers in their respective towns. In some cities, the government's policy is essentially to "not speak with the local paper," one public official told me.

A public records survey performed by the North Carolina Press Association and the Associated Press several years ago offered a perspective on the problem. In the survey, cities and counties throughout the state each received requests for at least six items, as denoted in the open records laws. They were

given up to 24 hours to comply with the requests. Overall, 88 of the 100 counties were included in this survey, yet only 27 percent of cities and counties complied. Where was the outcry?

Most local papers operate on a shoestring budget. Typically, they are staffed by a handful of reporters who cover a few beats. Sadly, investigative journalism—which could clean up cesspool politics—falls victim to a meager, yet questionable set of budgetary priorities. It appears that many elected officials know this. North Carolinians end up paying the price by having no recourse by which to hold their elected officials accountable.

Nationally, accountability caught up with several folks involved in the Abramoff and Foley scandals. There has been little, if any, accountability in North Carolina.

Recently, former Gov. John Rowland, having served time in prison for his own scandals in Connecticut, looked at the current scandals surrounding N.C. officials, and said, "I went to prison for far less." With the political elite still in power, one wonders when their arrogance will have political, if not criminal, repercussions. CJ

Chad Adams is vice chairman of the Lee County Board of Commissioners, director of the Center for Local Innovation, and vice president for development of the John Locke Foundation.



Chad Adams

Local Innovation Bulletin Board

Congestion Pricing

Stockholm recently tested a new dynamic-pricing system for traffic management to reduce gridlock, lower smog levels, and improve quality of life in the city, the *Wall Street Journal* reports.

Under the test, drivers were charged different amounts for tolls, depending on the time of day. Traveling the city center at the busiest time of the afternoon rush, from 4 p.m. to 5:29 p.m. would cost the equivalent of \$2.76. Waiting until 6:30 p.m. to travel the same roads would be toll-free.

To deduct the appropriate fees, transponder boxes, laser detectors, and cameras tracked the path of every car in the city or used a windshield-mounted transponder.

Before the trial, a drive into the city during morning rush hour used to take almost triple the time of a nonpeak trip. By the end of trial, the morning rush was just over double the time of an off-peak ride. Traffic passing over the cordon, the rings and zones that make up Stockholm's central roads, decreased by 22 percent.

The test also allowed the city to collect data on how the system affected air quality, parking, and public transportation use. Traffic accidents involving injuries fell by 5 percent, to 10 percent.

Exhaust emissions decreased by 14 percent in the inner city and by 2 percent to 3 percent in Stockholm County. Use of all forms of public transportation jumped 6 percent and ridership on inner-city bus routes rose 9 percent during the period.

Recycling for profit

More metal is being recycled today than just a few years ago, and for no reason other than economic self-interest, says Michael Coulter, political science professor at Grove City College, in *Environment and Climate News*.

While some observers might be surprised that a government program is not behind the increased recycling, said Bob Garino, director of commodities at the Institute for Scrap Recycling Industries, the reason is simple: Scrap supply responds positively to price.

The monthly average price for copper in 2003 was \$0.81 per pound; in 2005 it was nearly twice that amount, \$1.59 per pound. During the same period, the price of aluminum has increased about 32 percent, zinc by 60 percent, and nickel by nearly 30 percent.

The price for heavy-melt steel has been more than \$200 per ton each month in 2006, whereas the average monthly price in 2003 was \$120.

Economic incentive is helping clean up areas that many local officials have been trying for years, doing so without any need for governmental mandate.

"This is the market at work, and not a deliberate act of the government," said Jane S. Shaw, former senior fellow at the Property and Environment Resource Center.

Wildlife as a polluter

In the Washington area, violations of the bacteria standards have put more than two dozen streams, including the Potomac and Anacostia rivers, on the federal "impaired waters" list, the *Washington Post* reports.

So who, or what, is responsible for the contamination? The answer has become much clearer in recent years, as high-tech tests have become available that pinpoint from which animal a particular sample of bacteria came.

One recent study found that humans are responsible for 24 percent of the bacteria in the Anacostia and 16 percent of the Potomac's, whether the source is a broken septic tank or the District's sewage overflows.

Livestock were also a major problem, responsible for 10 percent of the Potomac's bacteria, for instance, because their manure washes out of pastures and the farm fields where it is spread as fertilizer.

Then there are nature's own polluters. In the Potomac and the Anacostia, more than half of the bacteria in the streams came from wild creatures.

Environmental Protection Agency documents show that similar problems were found in Maryland, where wildlife were more of a problem than humans and livestock combined in the Magothy River, and in Northern Virginia tributaries such as Accotink Creek, where geese were responsible for 24 percent of bacteria, as opposed to 20 percent attributable to people.

How to correct the problem is uncertain. Suburbs support higher deer, raccoon, and Canada geese than might otherwise exist, but reducing suburban wildlife populations may be politically difficult. It's also possible that federal water-quality standards are unrealistic. CJ

From Cherokee to Currituck

Charlotte Mill Venture Costly

Charlotte is likely out most of the nearly \$6 million it put up in a public-private partnership to refurbish two old mills into affordable housing apartment buildings. One of the buildings was recently declared unsafe and residents forced out, the *Charlotte Observer* reports, shortly after the developer defaulted and the city assumed management of the properties.

In the early 1990s, the city entered into an agreement with developer Jim Mezzanotte to turn the former Mecklenburg and Johnston mills in the NoDa arts district into 150 apartment units. Charlotte lent \$5.8 million to convert the mills, and private interests invested \$2.3 million in the project. Mezzanotte, meanwhile, put up \$600 of his own money.

The city foreclosed on the mills in January. In May, an engineering report showed termite damage so severe at the Mecklenburg Mills that city officials ordered residents out immediately—without even the opportunity to remove their belongings. It would be weeks before they could get their things out, with many items being lost or damaged.

"This was one of the first deals [we] ever entered into for affordable housing, so we did not have a great deal of experience," City Council member Pat Mumford said to the newspaper.

"We understand the economic models much better now. We understand the characteristics of what made that particular project not successful," Mumford said.

City Council member Andy Fox put it differently: "The city's not a real estate developer. And it never will be."

Raleigh police off-duty rules

The Raleigh Police Department is changing its policies on officers moonlighting after an internal audit showed that many cops were not following the rules. The changes centralize the process of hiring cops to perform security work during their off-duty time, the *News & Observer* of Raleigh reports.

Under the old policy, officers had to have a contract with an off-duty employer, and couldn't work more than a combined 14 hours a day. Officers were responsible for finding their own off-duty work and could be paid in cash. The audit found that 110 of 745 of the city's cops, or 14 percent, violated the

rules. Among the violators were three captains, two lieutenants, 18 sergeants, and 16 detectives.

A lieutenant and a sergeant, who retired in August, face misdemeanor larceny charges. The charges allege that the officers were paid for services they did not perform. Specifically, they are accused of "double dipping," being paid for working two jobs at the exact same time.

Under the new guidelines, employers wanting to hire officers to provide security will have to contact the police department, which will parcel out the work on a first-come, first-serve basis. The officers must be paid by check from a business account. An officer

will, however, be allowed to work up to 16 hours a day.

"This was one of the first deals [we] ever entered into for affordable housing, so we did not have a great deal of experience."

Pat Mumford
Charlotte City Council

Currituck horse farm purchase

Several Republican Currituck County commissioners are defending their decision to spend \$3.2 million in government money to buy a horse farm. Critics of the deal question the wisdom of the transaction and whether the county overpaid for the property, which might not be useable in the manner the county intended.

"It's almost like we don't have schools in Currituck to build [or] police and sheriff's departments," Commissioner Paul O'Neal said to *The Daily Advance*, defending the purchase.

"The only thing we have is a horse farm paid out of occupancy taxes that cost no one in this county one penny," he said.

The county bought the 102-acre horse farm in Harbinger in August from Bob DeGabrielle using funds from the county's 6 percent tax on hotel stays and cottage rentals.

DeGabrielle paid \$834,000 for the land, which he had acquired in stages between 1992 and 2003. He also made substantial improvements, including putting up a building to display horses.

County commissioners apparently envisioned using the facility as an equestrian center. The arena, however, cannot be used for public events because it lacks a sprinkler system, which is required by state law. It was built and originally inspected as a "residential accessory structure," not a commercial facility. CJ

State Loses Class-Action Battle in Appeals Court

By MICHAEL LOWREY

Associate Editor

RALEIGH

In a decision Oct. 17, the N.C. Court of Appeals rejected an attempt by North Carolina to prohibit a class-action lawsuit challenging the constitutionality of taxes. The ruling comes in an as-yet undecided case about the legality of state income taxes on out-of-state but not in-state issued bonds.

In November 2003, Lessie J. Dunn and Erwin W. Cook, Jr. asked North Carolina to refund to them income taxes they had paid on interest from state and municipal bonds they held that were issued outside North Carolina. When the state refused, Dunn and Cook sued, contending that the preferential tax treatment for bonds issued in-state violated the Constitution's Commerce Clause.

The courts have not addressed whether there is indeed a Commerce Clause violation. North Carolina, however, is not contesting just the constitutionality of the tax. It is also seeking to prevent Dunn and Cook's challenge from proceeding as a class-action lawsuit, a single challenge to the tax for all taxpayers who had paid the tax, regardless of whether they had previously contested the tax.

If the state's challenge is successful, it would greatly reduce the state's financial exposure if the tax were ultimately found to be unconstitutional, as those who had not taken the time, effort, and expense to contest the tax payments within the three-year deadline would not be entitled to a refund.

Without class-action status, the small out-of-pocket benefit to individual taxpayers of eliminating an unconstitutional tax compared to the expense of suing makes it much less likely that the tax will be challenged in court.

Without class-action status, the small out-of-pocket benefit to individual taxpayers of eliminating an unconstitutional tax compared to the expense of suing makes it much less likely that the tax will be challenged in court.

After the case was certified as a class action by Superior Court Judge Lindsay Davis, the state appealed to the state's second highest court, the N.C. Court of Appeals. Court of Appeals rulings are binding legal precedent on questions of North Carolina law unless the decision is reviewed and overturned by the N.C. Supreme Court.

Whatever determinations the Court of Appeals made regarding the procedures for challenging the constitutionality of a state tax in this case will likely be the rules in force for any future challenges as well.

On appeal, the state contended that each person affected by the allegedly unconstitutional tax was required to individually object, or, in other words, that a class-action suit to recover money challenging the tax was not allowed under state law.

This same issue has arisen previously. In 1998, the N.C. Supreme Court, in a case called *Bailey II*, held that the "purpose underlying the requirements of section 105-267 is to put the State on notice that a tax, or a particular application thereof, is being challenged as improper so that the State might properly budget or plan for the potential that certain revenues derived from such tax have to be refunded." (Emphasis in original ruling.)

From this, the high court reasoned that it was unjust to limit recovery only to those that had filed a claim objecting to the tax.

Applying this precedent, the Court of Appeals would (and did) have little trouble in finding that those individual taxpayers who didn't challenge the tax might be included in a class-action lawsuit against the state.

The state, however, argued that the Supreme Court's holding in *Bailey II* should not be applied in this case because the underlying facts were different. These differences, the government argued, included the uncertainty of the total amount the state might be liable for if the tax were declared unconstitutional and the recent changes in state law giving taxpayers much longer to protest a tax.

The appeals court, however, found that the underlying rationale in *Bailey II* still applied — that the state was being placed upon notice by a lawsuit being filed that the constitutionality of a tax was being questioned.

"Once notice is received, the burden is on the State to determine its potential exposure and to plan accordingly," Judge Linda Stephens wrote for the Court of Appeals.

The state also argued that the *Bailey II* decision is distinguishable because the

General Assembly has since changed the period to challenge a tax from 30 days to three years. The Court of Appeals was not swayed by this argument.

"Had the General Assembly wanted to modify the notice requirements of N.C. Gen. Stat. § 105-267 and thus weaken the *Bailey II* decision, we believe it would have specifically and directly done so, rather than leaving it to litigants and Courts to speculate that, by increasing a taxpayer's protest period, the Legislature also changed the statutory notice requirement as defined by our Supreme Court," Stephens wrote. "Other than argument, Defendants offer no evidence that this is what the Legislature intended, and we decline to make this leap."

The state also argued that if a class action were certified, it should not extend to include corporations, estates, and trust. The Court of Appeals rejected this argument.

"Most significantly, however, although individuals, estates and trusts, and corporations pay tax under different statutory provisions, in this litigation, each group is contesting the adjustment to taxable income under N.C. Gen. Stat. § 105-134.6(b)(1)b and N.C. Gen. Stat. § 134.6(c)(1), that is, each group is alleging that the same law... is unconstitutional," Stephens wrote.

"Therefore, the named Plaintiffs have more than a technical or official interest in the subject matter of this lawsuit affecting corporations or estates and trusts; their interest is personal. Accordingly, once the named Plaintiffs established standing to proceed on the individual claims, they were entitled, under Rule 23, to represent not only other individuals, but also non-individual taxpayers, specifically, estates and trusts, and corporations." CJ

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From the Liberty Library

• *Infamous Scribblers: The Founding Fathers and the Rowdy Beginnings of American Journalism*, explores the most volatile period in the history of the American press. News correspondent and media historian Eric Burns tells of Ben Franklin, Alexander Hamilton, and Sam Adams — the leading journalists among the Founding Fathers; of George Washington and John Adams, the leading disdainers of journalists; and Thomas Jefferson, the leading manipulator of journalists. These men and the writers who abused and praised them in print included the incendiary James Franklin, Ben's brother and one of the first muck-rakers; the high-minded Thomas Paine; the hatchet man James Callender, and a rebellious crowd of propagandists, pamphleteers, and publishers. Learn more at www.publicaffairsbooks.com.

• Someday soon, you might wake up to the call to prayer from a muezzin. Europeans already are. And liberals will still tell you that "diversity is our strength" — while Taliban enforcers cruise Greenwich Village burning books and barber shops, the Supreme Court decides sharia law doesn't violate the "separation of church and state," and the Hollywood Left decides to give up on gay rights in favor of the much safer charms of polygamy. If you think this can't happen, you haven't been paying attention, says columnist Mark Steyn in *America Alone: The End of the World As We Know It*, his first book on American and global politics. Available at www.regnery.com.

• A sweeping narrative history of the events leading to Sept. 11, *The Looming Tower: Al Qaeda and the Road to 9/11* looks at the people and ideas, the terrorist plans and the Western intelligence failures, that culminated in the assault on America. Lawrence Wright bases his book on five years of research and hundreds of interviews that he conducted in Egypt, Saudi Arabia, Pakistan, Afghanistan, Sudan, England, France, Germany, Spain, and the United States. *The Looming Tower* tells the story through the interweaving lives of four men: the two leaders of al-Qaeda, Osama bin Laden and Ayman al-Zawahiri; the FBI's counterterrorism chief, John O'Neill; and the former head of Saudi intelligence, Prince Turki al-Faisal. At www.randomhouse.com/knopf. CJ

Book Review

Street Smart Authors Make Case for Private Roads

• *Street Smart: Competition, Entrepreneurship, and the Future of Roads*; edited by Gabriel Roth; Transaction Publishers; 2005; 564 pp

By GEORGE C. LEEF
Contributing Editor

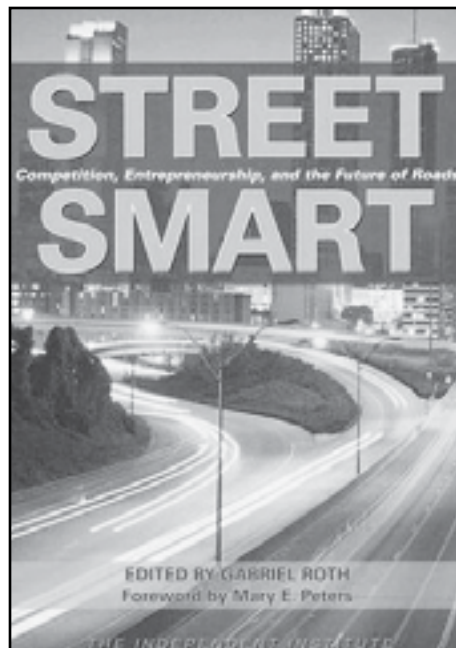
Suppose that the production of clothing had been a government monopoly in the United States for the last century. Given what we know about government monopolies, we can confidently predict that the U.S. clothing industry would be highly inefficient, with acute shortages of some items and an overabundance of others, poor quality, and scant attention for the possibilities of innovation. If people were convinced that clothing had to be produced by government, they would put up with those inefficiencies and give no thought to the vast improvements that free enterprise and competition could bring.

Substitute "roads" for "clothing industry" and you have the subject matter of *Street Smart*. In this comprehensive volume, editor Gabriel Roth has assembled 20 essays that collectively make a powerful case that streets and roads can and should be provided by the free market. Other than K-12 education, it's hard to think of any sector of American life where the market is so thoroughly stymied as in the provision and maintenance of roads.

Roth, a research fellow at the Independent Institute who worked for 20 years as a transportation economist for the World Bank and has authored several previous books in this field, leads off with an excellent essay, "Why Involve the Private Sector in the Provision of Public Roads?" His answer is that we pay a high price for our reliance on political control. It leads to excessive congestion because road users don't pay for their use, but to a large extent impose costs on others. Furthermore, maintenance costs are higher than they need to be because of the well-known political tendency to skip on such hum-drum budget items until there is a "crisis." A third cost is that government planning and funding lead to wasteful projects, such as Boston's "Big Dig."

In the first of a series of chapters dealing with theory, arguments and ideas, John Semmens contends that roads "can and should be treated as profit making assets." He concentrates on the undesirability of funding roads through taxes. Semmens shows why the market's profit signals are the key to a road system that operates efficiently, and then tackles several myths that cause many people to dismiss the feasibility of a private road network.

Professor Bruce Benson contributes an essay arguing that the "holdout problem" does not justify compulsory



Street Smart is a valuable compilation of theory, arguments, and evidence in support of the proposition that privately owned streets and roads operating on the user-fee principle is feasible.

right-of-way purchases of private property or a government monopoly on roads. David Levinson then examines the political economy of private road provision and says that it is possible to envision political coalitions forming that would push the United States toward commercialization and eventual privatization of roads.

The next group of essays delves into the fascinating history of private roads. In Britain, Bruce Benson shows, private roads were common well into the 18th century. They were developed initially because it was in the interest of members of communities, particularly merchants, to contribute to their construction and maintenance. The Industrial Revolution, Benson also argues, could not have proceeded if it had not been for the existence of private roads to transport raw materials and goods. Why did the private road system eventually collapse? Benson shows that the reason was interference by the government, especially in refusing owners to collect tolls in accordance with market demand.

Daniel Klein and John Majewski examine the history of toll roads in America. Free enterprise built many roads in the United States in the first half of the 19th century and they proved to be popular (although not always very

profitable).

Fred Foldvary contributes a chapter on streets as private-sector public goods, looking at numerous free-market developments where the streets are owned and managed by the enterprise. Walt Disney World in Florida is a prime example, but there are many others. Readers will probably be surprised to learn that in Sweden, private road associations manage two-thirds of the country's road network; another essay shows that to be the case, and with favorable results.

The final section of the book takes on the vital question: How do we get there from here? One essay, by J. K. McLay, who has held numerous government positions in New Zealand, recounts the history, successes, and setbacks of his country's steps toward privatization. He shows that New Zealand made considerable strides over the span of a decade, but recently obstructionism from "greens" has prevented further progress. Other essays look at the measures that have been taken in Great Britain, under the Blair government, toward putting private enterprise back into the highway system, and at the road privatization efforts under way in nations as disparate as Finland, Ghana, Australia, and South Africa. With the idea of road privatization popping up all around the globe, it is hard not to think that this is an idea whose time has finally come.

In the book's penultimate chapter, Robert Poole and Kenneth Orski explain how high-occupancy toll networks could greatly reduce traffic congestion in urban areas. In many cities, we already have high-occupancy vehicle lanes that are supposed to encourage car-pooling and reduce the number of vehicles on the road at peak times. Poole and Orski argue at length in favor of transforming HOV lanes into a network of HOT lanes. Their goals are to generate new revenue to build today's fragmented HOV lanes into a seamless network that is more efficient and affordable than light-rail systems.

In the last chapter of the book, Peter Samuel examines the prospects for road privatization. One obstacle he identifies is populist demagoguery.

Street Smart is a valuable compilation of theory, arguments, and evidence in support of the proposition that privately owned streets and roads operating on the user-fee principle is feasible and far superior to the old model of tax-financed, government-operated streets and roads. Road privatization should be to the early 21st century what the communications revolution was to the 20th and this book will play an important role in bringing it about. CJ

George C. Leef is vice president for research at the John William Pope Center for Higher Education Policy.

Quotes Illustrate Importance of Fighting for Freedom, Liberty

Many times, nothing proves a point better than a good quote. Anything else — a paraphrase or an explanation — only dampens a literary passage's verve or weakens an argument's persuasiveness.

So with brief contextual background, here are four quotes from North Carolinians regarding the importance of liberty and the imperative to defend it against corrupt government.

Herman Husband, a leader of the Regulator Rebellion of the late 1760s and early 1770s, encouraged colonial Tar Heels to protest against excessive fees and corrupt government:

"Are you not sensible, Brethren that we have too long groaned in Secret under the Weight of these crushing Mischiefs? How long will ye in this servile Manner subject yourselves to Slavery? Now shew yourselves to be Freeman, and for once assert your Liberty and maintain your

Rights. This election let us exert ourselves, and show, that we will not through Fear, Favour or Affection, bow and subject ourselves to those who, under the Mask of Friendship, have long drawn Calamities upon us."

In his essay "Principles of an American Whig," written in late 1775 or early 1776, James Iredell, then a practicing lawyer and later a leading proponent of the U.S. Constitution and justice on the first U.S. Supreme Court, wrote:

"That government being only the means of securing freedom and happiness to the people, whenever it deviates from this end, and their freedom and happiness are in great danger of being irrevocably lost, the government is no longer entitled to their allegiance, the only consideration for which it could be justly claimed or honorably pledged being basely and tyrannically withheld."

Doubtless "Principles" influenced Thomas Jefferson when drafting

The Declaration of Independence and thereby giving North Carolina a primary role in fostering and nurturing an American spirit of liberty.

Let's fast-forward to 1937.

Frustrated with corruption at the highest levels of government, North Carolina Sen. Josiah Bailey wrote to

fellow Sen. Peter G. Gerry (RI):

"We do not have a Government at Washington. It is a gift enterprise and the gifts are at the expense of those who earn and save."

In hopes of stopping what he considered the juggernaut of government intervention and FDR's New Deal, Bailey ex-

claimed in the Senate chamber:

"In God's name, do not do nothing while America drifts down to the inevitable gulf of collectivism . . . Give enterprise a chance, and I will give you the guarantees of a happy and prosperous America."

Here's one of my favorites by Richard M. Weaver, a native Tar

Heel often considered the founder of post-World War II conservatism. At a Young Americans for Freedom award banquet on March 7, 1962, the man from Weaverville said:

"It is our traditional belief that man was given liberty to ennoble him. We may infer that those who would take his liberty away have the opposite purpose of degrading him. . . . There can be no worth of man unless there is an inviolable area of freedom in which he can assume the stature of man and exercise choice in regard to his work, his associates, his use of earnings, his way of life. Little by little this area has been traded away in return for plausible gifts and subventions, urged on by slogans. . . . The past shows unvaryingly that when a people's freedom disappears, it goes not with a bang, but in silence amid the comfort of being cared for."

Liberty should be cherished, and its protectors should always be wary of political favors and promises. May we be at least half as bold as former Tar Heels and invoke their legacy of timeless wisdom to protect our cherished liberties from their enemies, wherever they may be found. CJ

Dr. Troy Kickler is director of the North Carolina History Project.



Dr. Troy Kickler

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Short Takes on Culture

'SPACE' Worth a Look

• "SPACE: A Journey to Our Future"
Oct. 7, 2006–Feb. 11, 2007
Adults \$6, Students \$4, Children \$3

The N.C. Museum of Natural Sciences is sponsoring the traveling exhibit "SPACE: A Journey to Our Future" until February. The exhibit is designed to show "where we've been, where we are, and where we're going with space exploration." For only \$6, SPACE is definitely worth a look.

The exhibit's interactive features make space more interesting and accessible for those who have always found it light years away. Like most exhibits, SPACE has a lot to see, but also a lot to do. It features rocks from the surfaces of the moon and Mars. Visitors are invited to touch the rocks. There's also a life-size prototype of a Mars Base Camp with a build-your-own camp computer simulation. Children also may ride a bicycle-powered centrifuge, or look into the future of space exploration in a 360-degree theatre.

Different stations around the exhibit explain important concepts for understanding the cosmos, including the various kinds of light, space-time, and gravity. The exhibit also includes a wide range of artifacts from the space program, including history and future plans from NASA.

— JENNA ASHLEY
ROBINSON

• "The Devil Wears Prada"
Fox Home Video
Directed by David Frankel

A million other girls would die to land the job of personal assistant to Runway magazine's editor Miranda Priestly (Meryl Streep). But would-be news journalist Andy Sachs (Anne Hathaway), who lands the job despite the fact that she is all wrong for it, is bemused by the serious world of the fashion magazine, to say nothing of the ferocious attitude of her new boss.

Andy is happy just to be employed. She is far less impressed with her installation at the right hand of the high-fashion authority (Priestly is a good name for Streep's character) than everyone else at Runway is. Her co-workers can't believe she's not wowed, and she can't appreciate how seriously they take the business of dressing to dazzle and impress.

Andy makes excuses to her family and boyfriend, on many occasions, about the demands from her boss. Calls at unreasonable hours and travel plans during horrid weather conditions don't stop Miranda from

making outrageous requests, repeatedly drawing Andy away from her personal plans. Both women perform professionally, but naturally there are personal costs to both and to those around them.

The film raises interesting questions about women, men, and personal vs. career choices, among other things. It addresses significant aspects of what we do when we choose to pursue something professionally for which we have a true passion, as well as what happens when we follow a career in something we don't care about at the heart-and-soul level.

Andy eventually does pursue her career passion, as does her boyfriend, her co-workers, and Miranda Priestly. It's not all pretty, but it is worth a look.

— KAREN PALASEK

• "Akeelah and the Bee"
Lions Gate Films (Video)
Directed by Doug Atchison

"Akeelah and the Bee" is a movie that Bill Cosby would love, because it portrays a black middle-school student who attains academic excellence despite her current parentage, her neighborhood, and her school. I wanted badly for it to be based on a true story, like so many films of this genre are, yet apparently it is not so.

But that's OK, because despite the obstacles in her life, Akeelah (Keke Palmer) convincingly shows how a student with a drive to achieve can navigate the worst of circumstances. Not only that, but she demonstrates that even among the most challenging families, schools and neighborhoods, there are human angels. Akeelah finds the right friends to help her succeed, but even more impressive, she gets inspiration from the unsavory folks as well — in ways you don't expect.

By the way, Akeelah is a speller, not an apiarist. Her passion is words, and her goal is the National Spelling Bee. She presses toward the mark with the help of her principal and main cheerleader (played by Curtis Armstrong, "Booger" from "Revenge of the Nerds") and academic coach Dr. Larabee (played by Laurence Fishburne). Angela Bassett plays her troubled mom, who wants success for Akeelah, but not at the cost of games and competition.

The entire supporting cast is excellent, but Palmer carries the film. She shows her character's humility and doubts while simultaneously conveying a subtle confidence. It really is an impressive performance.

— PAUL CHESSER CJ

Movie Review

'Facing The Giants' Surprising To Viewers and Reviewers Alike

• "Facing the Giants"; starring Alex Kendrick and Shannen Fields; Sherwood Productions; rated PG

By HAL YOUNG
Contributing Editor

RALEIGH

Grant Taylor is a coach with issues. His football team at Shiloh Christian Academy has a six-year losing streak, his one star player just transferred to a rival school, and angry parents are recruiting his assistant to take his position. He makes \$24,000 a year, his car has a terminal illness, major appliances are failing at home, and he and wife Brooke are unable to have a baby. And things are about to take a turn for the worse.

In "Facing the Giants", Grant (Alex Kendrick) is a decent man sinking in defeat on nearly every front when he realizes that his grief might not be due to his opponents or his inability, but his sense of purpose. Struggling through his personal problems, he challenges his team with a different philosophy that centers not on winning, but on striving, not on ambition, but devotion.

It will still be grueling on the field and off, as the team, the coach, and his wife find out, but the focus becomes the journey, not the destination.

Producers Alex and Steven Kendrick are associate pastors at Sherwood Baptist Church in Albany, Ga., and oversee the church's media programs. The two brothers are also part of a growing movement of independent filmmakers who are bypassing Hollywood to take a practical and muscular Christian message to the wide screen. This is their second feature film, and "Facing the Giants" has become one of the surprising movies of the season.

The film made headlines in June when the Motion Picture Association of America gave it a PG rating because of its religious content, probably the first instance of this kind. Even more remarkable are the circumstances of the film's creation; in a sense, it was a Sunday school project, as evidenced by four classes that shared the closing credits.

Bypassing Hollywood's culture also means giving up its resources; there are no Mel Gibsons here, and the

Kendricks wrote, directed, produced, acted, and edited the film for free. Alex even wrote part of the musical score. More than 500 volunteers, including all of the actors and all but five of the production staff, made it happen for just \$100,000.

Does it work? Definitely. Six weeks after its release Sept. 29, the film had grossed more than \$8.2 million, still ranking in the top 20 films in mid-November. Kendrick and Fields handle their roles capably as a jock with a breaking heart and a young wife yearning for children but determined to be there for her husband.

Still, "Facing the Giants" has received mixed reviews, even within the Christian community.

To be sure, a couple of the actors were less than Oscar-caliber. Grant's doctor, in his brief appearance, is as wooden as a

fence post. The wheelchair-bound father of the team's place kicker is unpolished, though likable.

Reviewers unfamiliar with Southern culture might not recognize the man who walks the school halls after hours, praying quietly for the students, as a real person in the Deep South. And while Grant's life, and the team's, does turn around when the coach's spiritual priorities change, there are still uncertainty, hard work, and confrontation to address along the way.

The resolution is by no means certain until the final moments of the film. What is definite is Coach Taylor's change in focus, and a philosophy that encompasses much more than football.

"We're not just here to get glory, earn money, and die," he tells the team. "Football is just one of the tools we use to honor God ... If we win, we praise Him. If we lose, we praise Him. I've resolved to give it all to God and leave the results to Him."

But it's also means giving your best effort, and it's still about football. Arkansas' Coach Houston Nutt would agree; the night before his unranked Razorbacks faced the undefeated No. 2 Auburn Tigers in October, Nutt picked the team's road trip movie himself — "Facing the Giants".

Twenty-four hours later, the Tigers weren't undefeated any more. CJ



Iraq Similarities in 'Flags of Our Fathers' Coincidence

• "Flags of Our Fathers"; directed by Clint Eastwood; produced by Clint Eastwood and Steven Spielberg; Starring Ryan Phillippe, Adam Beach, Jesse Bradford and Barry Pepper; Rated 'R'

By **SAM A. HIEB**
Contributing Editor

GREENSBORO

When reading about World War II, it's sometimes hard to get a true visual of the massive mobilization of manpower and materiel necessary to fight enemies on two fronts. That's where movies such as Steven Spielberg's "Saving Private Ryan" and, more recently, Clint Eastwood's "Flags of Our Fathers", are of valuable assistance. An aerial shot of the seemingly endless fleet of ships approaching Iwo Jima says more about that effort than any words on a page.

In February 1945, more than 77,000 Marines landed on Iwo Jima, which was defended by 22,000 Japanese troops who, as one Marine commander put it, were "not going to leave politely." Casualties were high on both sides. The United States lost 6,800 men in the monthlong battle, while the Japanese lost 18,000. Despite the intense danger of the operation, "uncommon valor was a common virtue" among the men who fought on Iwo Jima, Admiral Chester W. Nimitz said. More than 25 percent of the Medals of Honor awarded to Marines during World War II were given for conduct during that particular battle.

"Flags of our Fathers" is based

on James Bradley's best-selling book of the same name. It tells the story of the six brave men, one of them Bradley's father, who raised the flag atop Mount Suribachi as photographer Joe Rosenthal snapped the picture that would become the rallying cry for an increasingly unpopular war.

That was a hauntingly familiar backdrop, as the war in Iraq approaches its fourth year following an election that certified public dissatisfaction with U.S. strategy there. In 1945, just as in 2006, the public was growing weary of death and destruction, the United States was going deeper into debt to pay for the war, and providing troops with the proper equipment they needed to fight the war was a major concern.

So the government hatched an incredible plan — summon home the three surviving flag-raisers and parade them around the country in order to raise billions in war bonds.

As one can imagine, it was difficult for the surviving soldiers — Ira Hayes (Adam Beach), John "Doc" Bradley (Ryan Phillippe), and Rene Gagnon (Jesse Bradford) — to go from grunts on the battlefield to national heroes. Gagnon coped best with his newfound celebrity and hoped to take advantage of postwar opportunities thrust in front of him.

Bradley was more subdued about his experiences and would remain so the rest of his life, declining to share those experiences with the son who would write a book about them.

Hayes did not see himself as a hero. He was just trying to stay alive,

he said. He battled other demons, both internal and external, while he was being paraded around the country. One was alcohol — he throws up on the party train and gets into a barroom brawl when he's refused service because he's Native American. His heritage produces the external demons. His fellow soldiers affectionately call him "Chief," but while on tour he's constantly dealing with insensitive comments from his handlers and the public at large.

Hayes was drunk when he, Bradley, and Gagnon rushed up Mount Surabachi again, this time on a paper mache replica sitting in the middle of Soldier Field, yet another indignity he had to suffer during his triumphant return home.

Spielberg coproduced the movie with Eastwood, so "Flags of our Fathers" definitely has that "Private Ryan" feel to it. The tension builds as Marines land on Iwo Jima, which by that time had sustained weeks of bombing. Just like in "Private Ryan", you know what's coming, the same way you knew what was coming for the soldiers hitting Omaha Beach. The battle scenes, shown in flashback form, are intense and gruesome. Just like in "Ryan", you're amazed that the invading troops are able to secure the beach under such intense fire.

Eastwood also gives us a feel for the bureaucracy that evolves when a country mobilizes such a sizable military force. Commanders are constantly cussing orders directed over the phone. One sergeant, played brilliantly by Barry Pepper (the sniper in "Ryan") uses it for practical joking purposes when he informs one young Marine that his "masturbation papers" had to be in order before he could ship out.

Rosenthal's famous photograph is basically the result of bureaucratic-

military whim. Soldiers had already hoisted one flag atop Mount Suribachi when a colonel saw it flying and decided he wanted it for himself. So another group of soldiers, with Rosenthal tagging along, hauled another flag up the mountain.

"We just put the damn thing up," the captain said when informed of the colonel's desire for the original flag. That's the military for you.

I was eager to take note of a political message in "Flags of Our Fathers", since Eastwood's politics are a bit of a mystery. He was a target of the left in the early 1970s when he was "Dirty Harry." His movies also are often the story of a flawed individual fighting for redemption while bucking a crazy system. But he has mellowed over the years, and I find it interesting that two of his more recent movies, "Space Cowboys" and "Million Dollar Baby" featured characters that opted for death instead of life under a compromised medical state.

I didn't see a partisan political message. The movie portrays America in a simpler time — certainly not as sensitive or politically correct. But Eastwood, as usual, makes no judgments. American society at the time was what it was — a war-weary country summoning the resolve to continue fighting for what is right. It certainly wasn't the perfect society, but we know now that, after defeating external enemies, it would have the humility to improve itself internally.

The parallels to the war in Iraq are, for lack of a better term, a coincidence. Some might say that's merely evidence that history is a series of mistakes made over and over again. I see it more as evidence that our country has and always will confront brutal enemies that threaten our way of life. CJ



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By John Hood
President of the
John Locke Foundation

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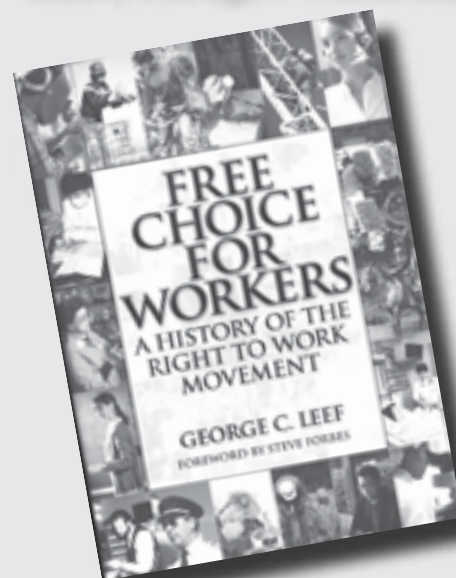
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Choice
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Commentary

Values Apply to All Issues

Liberals aren't the only ones who think evangelical Christians are simpletons who have a narrow list of "morals" issues on their minds when they enter the voting booth.

You need only watch the behavior of the dominant media, who monolithically follow a tired reporting template, to realize that most don't bother to look any further than the same old talking heads and public policy organizations. And it isn't just the liberal media (*Washington Post*, *New York Times*) who are in lockstep; others like the *Washington Times* and Fox News don't deviate much from the pattern either.

The talking heads are most frequently the Revs. Jerry Falwell and Pat Robertson, and Dr. James Dobson. The conservative social issue advocacy organizations are the Family Research Council, Concerned Women for America, the Traditional Values Coalition, and the like.

I guess if you say loud enough and long enough that you represent "values voters," the media will believe you and come running. It's not too difficult to convince them. Add to that the findings that in the last presidential election voters said they made their choices predominantly based on "moral values," and you complicate the situation. But what that meant from the perspective of each individual voter is unclear.

The problem is, the "religious right" talking heads are all too glad to perpetuate their unwritten agreement with the media orgs just so long as they get their regular exposure. While doing so, however, they leave the impression with the broader news-consuming population that those few "family" issues are all they care about.

But go to your local evangelical Christian church on any Sunday and ask the politically aware (few are, sadly) what their chief concerns are about the country, and the answers will be little, if any, different from what you hear from anyone else. Issue No. 1 likely is: Do I have the promise of a job to provide for

my family? No. 2 (and closely related to No. 1): Can I afford in the current economy to meet my family's needs? From there the answers will vary, but among the next few will be the topics that are currently hot on talk radio: immigration, the war in Iraq, national security, and public corruption. The point is, you won't hear in unison from the churchgoers, "Abortion!" "Homosexuals!"

"Pornography!" "Evolution!" — but that's what the current media emphasis would have you think.

So how do you develop proper God-fearing conservative advocacy without coming across as limited, irrelevant, and ignorant to the "bigger" issues?

The answer is, all the issues have moral implications, so don't ignore the ones that are of broader concern. For example, is redistributing wealth in order to help the impoverished the moral thing for government to do? Or should government let individuals have more of their own

money to determine which charities are most worthwhile to receive their dollars?

Or the war: Is the moral position to intervene in foreign countries where dictators trample human rights and commit genocide? Or is the moral high ground with those who avoid foreign entanglements?

What the "religious right" pundits and organizations should do is apply their worldview to everything that concerns mankind — not just their limited "family values" list — and then crank out papers and opinions that reflect those beliefs.

Perhaps then they will be viewed as more relevant, and their "values" won't be limited to abortion and family in the eyes of the media and the overall public. And those churchgoing constituents may be romanced more frequently than just in election years. CJ

Paul Chesser is an associate editor of Carolina Journal.



Paul Chesser

[A]ll the issues have moral implications, so don't ignore the ones that are of broader concern.



Editorial

How to Make Bonds Appealing

On Nov. 7, North Carolinians voted on four school bond referendums, the fewest since 2003. Last year's defeat of the \$427 million Charlotte-Mecklenburg bond and this year's defeat of the \$45 million Franklin County bond prompted some public school systems to rethink plans to hold bond referendums this year.

Voters bucked the trend, though, and passed four bond requests, in Hoke County (\$20 million), Union County (\$174.5 million), Forsyth County (\$250 million), and Wake County (\$970 million).

What made these bonds appealing to voters, and what can we learn from the votes?

Hoke County: Voters will support a school bond that addresses immediate needs and does not raise taxes.

Of the referendums, the Hoke County bond was, by far, the least controversial. Voters overwhelmingly passed the bond with "yes" votes totaling 78 percent.

Due to steady population growth in neighboring Cumberland County, the Hoke County school system has grown by more than 600 students in the last five years. To accommodate the growth, school leaders recently used existing resources to add 73 classrooms to a handful of school buildings.

Wisely, they put a bond referendum before voters that addressed only the school system's most immediate needs and one that would not require a tax increase. The county will use revenue from the local sales tax and lottery proceeds to repay the debt.

Union County: Voters will support a school bond if someone promises "easy" solutions, like sticking it to developers and/or newbies.

Union County voters easily passed a \$174.5 million school bond, as 60 percent supported the plan. Bond funds

will pay for five new schools, additions, renovations, support facilities, and stadium improvements.

Approval of the bond went hand in hand with the county's attempt to restrict growth. The Union County Commission recently lifted a 15-month moratorium on subdivision permits to pass an Adequate Public Facilities ordinance. The ordinance coerces developers into either delaying construction until area schools are built or paying a fee of \$15,000 per new home.

Rather than waiting for schools to be built, most developers will simply pay the fee and pass it onto the homebuyer in the form of higher prices. With an Adequate Public Facilities ordinance in effect, residents felt comfortable supporting a school bond as long as they believed that the county's school construction burden would soon fall on someone else's shoulders, namely developers and newcomers.

Forsyth County: Voters will support a bond if the school system is efficient and gives choices to parents.

Forsyth County's \$250 million bond overwhelmingly passed with 65 percent of the vote. The funds will pay for the construction of 10 new schools, three replacement elementary schools, and renovations to 14 other schools. Since 1995, voters have passed \$244 million in school construction bonds to accommodate about 9,000 additional students.

The strong support for the bond was not surprising. Parents have had many reasons to be pleased with the Winston-Salem/Forsyth County Schools. As I have pointed out elsewhere, Forsyth County's building program is a model of efficiency and excellence.

Wake County: Voters will support a bond if proponents outspend opponents 15 to 1.

Enough said.

CJ

Robust Debate Here to Stay

No election will end discussions of ideology and public policy

The 2006 electorate repudiated Republican control of Congress but not the conservative movement or the case for limited government.

This statement has already been repeated so much as to become a cliché — in part because prominent conservative leaders, commentators, and think-tankers were stating it long before Election Day. Indeed, a telling sign that Democrats were likely to make substantial gains this year was that so many conservatives, by late summer or early autumn, were saying that it wouldn't be at all bad for their movement, and the country, if Democrats won.

But is the cliché nevertheless true? The proper answer is "sort of."

As to the electorate repudiating the conservative movement, the word "repudiate" is inapt. Self-identified conservatives have never been a majority of Americans or North Carolinians. Certainly, they have outnumbered self-identified liberals by a large margin, 2-to-1 or greater in some states, but that's not the same thing.

Exit polls found little ideological difference in the electorate this year compared to 2004; the number of self-identified conservatives dropped two points (34 percent in 2004, 32 percent in 2006) and the number of self-identified liberals dropped one point (21 percent to 20 percent). Going back further in time doesn't offer any more evidence of conservatism's demise, with exit polls finding 31 percent conservatives and 19 percent liberals in 1998 and 29 percent conservatives and 20 percent liberals in 2000.

Nor has the "conservative movement" ever been elected by the majority of any electorate, so voters can't be said to have repudiated it this year. Movements aren't on the ballot. Candidates and parties are.

A plurality of voters nationally, and a significant share in North Carolina, identifies as moderate, by which they mean a variety of different things. Some moderates have what are usually called conservative views on fiscal issues, but not on social or foreign policy. Others are cultural conservatives who favor government growth in the economic sphere (populists). Still others are security-oriented voters who only embrace conservative ideas on fighting crime or fighting terrorism.

Thus, individuals or institutions in the modern conservative movement — representing either free-marketeers, cultural conservatives, or hawks — aren't necessarily hoping to convince most Americans to become thoroughgoing, ideological conservatives, much less to endorse a particular political party or candidate.

They are attempting to identify, justify, and promote discrete ideas. They don't much care who may be in a posi-

tion to implement those ideas.

So when these conservative intellectuals and activists look at the 2006 election returns, they see a complex picture, not a yes-or-no national referendum on ideology.

They see pre- and post-election polls that confirm a continued voter preference for limited government. A good example was an interesting survey conducted for the Club for Growth in 15 battleground House districts around the country. A majority of these districts went Democratic on Election Day. But most of the voters said they favored a smaller federal government and lower taxes.

Asked which was the "party of big government," 39 percent said the Republicans and 28 percent said the Democrats. Nearly two-thirds agreed with this statement: "The Republicans used to be the party of economic growth, fiscal discipline, and limited government, but in recent years, too many Republicans in Washington have become just like the big spenders that they used to oppose."

Finally, many conservatives look at the Democratic newcomers to the U.S. House, and notice that 16 were endorsed by at least one of two centrist groups: the New Democrat Coalition (Clinton-era Dems, pro-growth, pro-tax reform, pro-free trade) or the Blue Dog Democrats (culturally conservative, spending hawks, anti-free trade). These centrists embraced at least some recognizably conservative ideas in their successful campaigns. That doesn't make them conservatives. What it makes them is evidence for the proposition that the policy debate remains shifted somewhat to the Right of where it was a quarter-century ago.

That's not the whole story. For example, while most Americans are philosophically opposed to a big-spending federal government — or state government for that matter — they often endorse a lot of specific spending programs that add up to big budgets. In addition, some non-conservative ideas were endorsed by the 2006 electorate, too, such as minimum-wage hikes on the ballot in six states.

When conservatives distinguish the validity and salability of their ideas from the performance of the Republican Party, they are sincerely expressing a reasonable proposition — just as liberals have often defended the validity and salability of their ideas during periods when Democrats have lost major elections.

There will never come a time when our society lacks a robust debate about political ideology and public policy. No election will end it. Elections merely decide who will wield the coercive power of government at a particular moment.

CJ

Commentary

Trade Is Now a Partisan Issue

Although most of the post-election talk about electoral and partisan realignment has been hooey — just as it was when exuberant GOP operatives talked about a "permanent Republican majority" in recent cycles — there is a trend that was codified in the 2006 outcomes. The trade issue has become partisan.

We've gone through periods of consensus and periods of partisanship on free trade throughout American history. In the 19th and early 20th centuries, the Republicans were the protectionist party. Representing manufacturing interests who wanted to restrict consumer access to better or less expensive foreign goods, Republican presidents and members of Congress consistently sought higher tariffs — meaning, actually, higher taxes. Democrats typically favored lower tariffs and greater economic freedom (too bad that wasn't accompanied by a commitment to freedom for everyone, particularly in the South).

The role that trade restrictions played in the global economic downturns of the early 1920s and throughout the 1930s helped discredit the old mercantilist arguments for protectionism. A bipartisan consensus for trade liberalization emerged after World War II, challenged primarily by labor unions and a few holdovers from earlier times, mainly among sheltered businesses and isolationists. The consensus broadened and deepened during the 1970s and 1980s, in part because protection industries and interests had declined in economic and political significance and in part because a flood of academic studies confirmed the net benefits of expanded trade.

When Bill Clinton was elected president in 1992, he ran as a trade advocate, not a protectionist. His administration negotiated the North American Free Trade Agreement and set the stage for subsequent trade deals.

My, how things have changed. The majority of votes in Congress for the Clinton administration's trade policies came from Republicans, but there were also Democratic votes. These were bipartisan measures. No more. Democrats have become increasingly protectionist, while GOP members who

used to vote that way have either left Congress or joined the free-trade caucus. Now, with a Democratic majority in both houses of Congress for the first time in 12 years, there appears to be something like a majority on Capitol Hill for slowing trade liberalization, and perhaps even for repealing some prior agreements.

It's understandable. Free trade is indisputably good for the vast majority of people in any society, industrialized or developing, because it allows them to use comparative advantage in production to get high-quality goods at the lowest possible price. But comparative advantages fluctuate.

Markets are dynamic. A given individual or firm may be best at something today but, comparatively, not the best tomorrow. It can be a painful or jarring change to adjust to these changing conditions, and some will respond not by making the necessary adjustments but by lobbying politicians to keep their customers captive. Forcing competitors out of business is no long-term solution. It's no way to build a healthy, productive economy. It can make short-term political sense, though not always.

I'd be more worried about the Democrats' lurch towards economic illiteracy if I thought Congress had the power meaningfully to restrict the advance of global capitalism. I don't. It can muck things up on the margins, sure, but that's about it. Michael Mandel is economics writer for the Democratic-leaning magazine *Business Week* (that's right, if you want a Republican-leaning business mag, try *Forbes*). In his latest cover story, Mandel argues that international competition has become an unstoppable force. "The idea of a national economic policy may be fundamentally out of date in a world of global markets," he writes. "Washington is no longer the center of the economic universe. That's a basic fact that Democrats and Republicans alike will need to get their heads around."

Well, they'll need to get their heads around it if they want to do something other than demagogue the issue, yes.

CJ

Hood is president of the John Locke Foundation.



John Hood

Editorial Briefs

What makes a successful terrorist?

Some economists argue that U.S. officials need to think about what makes a successful terrorist. The economists warn against extrapolating from captured terrorists. It is a problem economists typically refer to as "selection bias," says Austan Goolsbee, a professor of economics at the University of Chicago Graduate School of Business.

In their new study, *Attack Assignments in Terror Organizations and the Productivity of Suicide Bombers*, economists Efraim Benmelech of Harvard University and Claude Berrebi of the RAND Corporation analyze the productivity of terrorists in the same way economists might analyze the auto industry. But Berrebi and Benmelech defined the success of terrorists by their ability to kill.

They gathered data on Palestinian suicide bombers in Israel from 2000 to 2005 and found that for terrorists, just like for regular workers, experience and education improve productivity.

Suicide bombers who are older, in their late 20s and early 30s, and better-educated are less likely to be caught on their missions and are more likely to kill large numbers of people at bigger, more difficult targets than younger and more poorly educated bombers.

Whereas typical bombers were younger than 21 and about 18 percent of them had at least some college education, the average age of the most successful bombers was almost 26, and 60 percent of them were college-educated.

Experience and education also affect the chances of being caught. Every additional year of age reduces the chance of arrest by 12 percent, and having more than a high school education cuts the chance by more than half.

Paying tomorrow's military

All workers receive a mix of immediate cash, deferred cash, and non-cash compensation. But for military personnel, noncash and deferred benefits make up a much larger share of the mix than they do for private-sector or other government workers, says Cindy Williams, a principal research scientist for International Studies at the Massachusetts Institute of Technology.

About 51 percent of every military compensation dollar goes to noncash or deferred benefits. For civilian government workers, the benefits account for 33 percent. In the private sector, such benefits typically account for only 18 percent of total compensation.

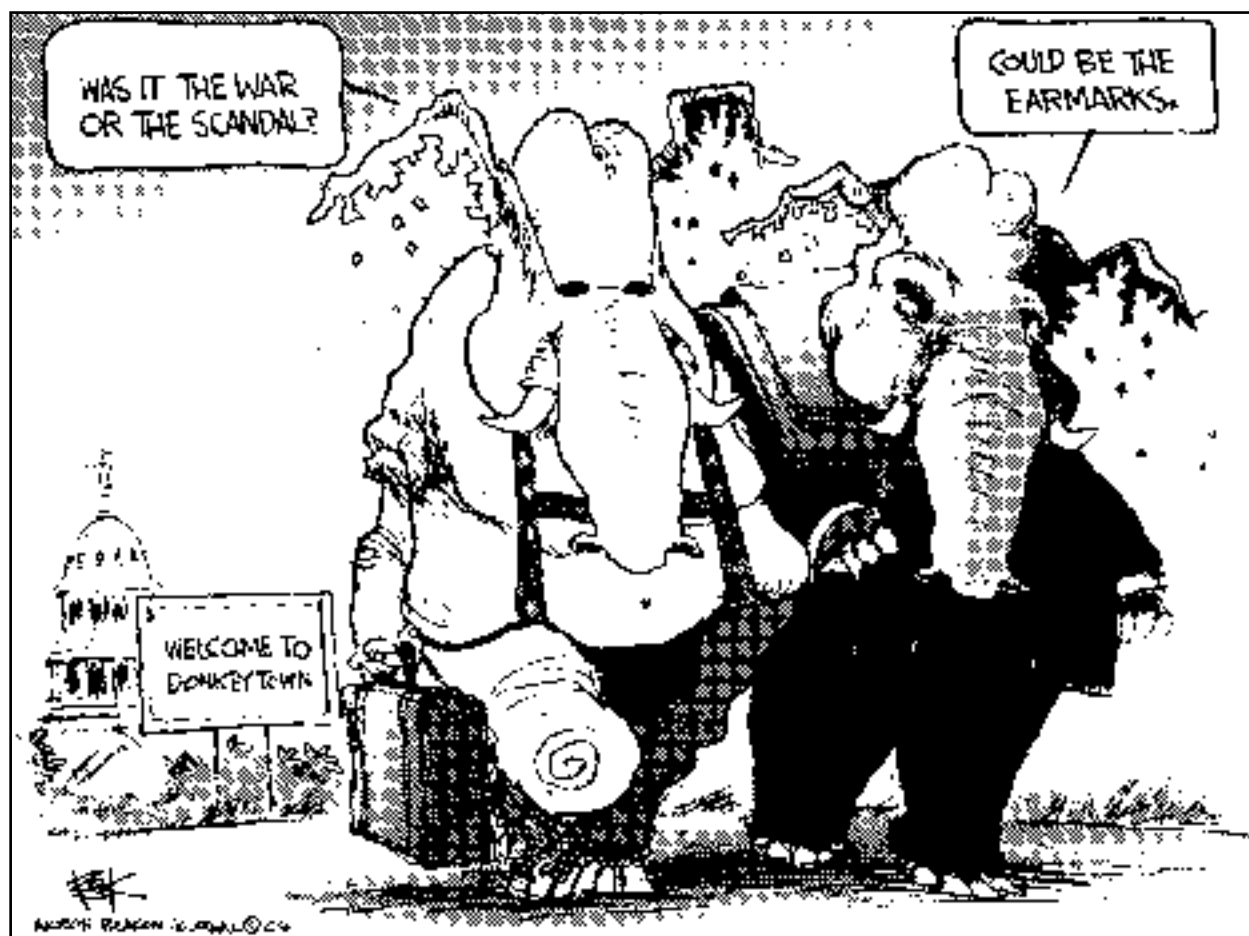
Such large differences in the structure of compensation relative to that of other U.S. employers can make it difficult for service members to see the full value of their total compensation, Williams said.

The pay structure weakens the competitiveness of the armed services as employers, she said.

In addition, such benefits are inefficient from an economic point of view. Subsidized housing, grocery stores, and day-care centers cost taxpayers substantially more than they are typically worth to either the individuals who receive them or the services as institutions.

The Defense Health Program's comparably low premiums and copayments lead to overuse and migration out of civilian plans into DHP's, costing taxpayers hundreds of millions of dollars a year.

CJ



Who's Winning the Economic Race in N.C.?

It's hard to believe that half of the 21st century's first decade is over. The decade has been a challenging one for the economy. First was Sept. 11, then the recession hit and was followed by a slow recovery, and finally hurricanes Katrina and Rita brought sky-high gasoline prices.

In North Carolina, we've had the added challenge of the transition out of our traditional economy (tobacco, textiles, and furniture) to new manufacturing (pharmaceuticals, technology, food processing, machinery parts) and the service economy.

It shouldn't be surprising, therefore, that the economic progress of N.C. households this decade has been uneven. Average household income, after adjusting for inflation, fell by 8 percent from 2000 to 2005, and the inflation-adjusted average wage rate of all workers was flat.

Of course, as is often said, no one is average. These income statistics mask considerable differences going on beneath the surface among N.C. households. So who has been moving ahead, and who hasn't?

One of the biggest winners in the N.C. economy has been workers with more education — specifically those with a college education. In the last five years (2000-2005), both the incomes and wage rates (each adjusted for inflation) of full-time workers with a college degree have climbed. This continues a trend we've seen in the nation and North Carolina over the last 25 years of college-educated workers doing well in the modern economy.

By comparison, full-time workers with less than a college degree have fallen behind this decade. Average inflation-adjusted incomes and wage rates of high school dropouts, high school graduates, and even workers with some college training but no degree have dropped.

In particular, the wage rate of high school dropouts is off by 10 percent and their income is

down by 16 percent. It hasn't been a pretty picture for these households.

Differences are also seen this decade in the wage rates of workers in different occupations. Only full-time workers in professional occupations (engineers, architects, lawyers, managers, etc.) and sales occupations have enjoyed improvements in

their hourly earnings (after adjusting for inflation). The pay of other occupations in the service sector, farmers, and "blue collar" workers has fallen behind.

What about the longstanding differences in earnings of male and female workers? Have N.C. women workers made progress in the 21st century?

The answer is a definite "yes." Among women working full-time, inflation-adjusted hourly wages are up by 5 percent this decade, versus no change for full-time male workers. Indeed, in

the last 25 years, inflation-adjusted wages of women working full-time in North Carolina have increased more than twice as fast as for men.

A big reason comes back to education. Since 1980, the percentage of people in North Carolina with a college degree has increased more rapidly for women than for men. In fact, the percentage of N.C. women with a college degree has doubled in the last 2 1/2 decades, and this has opened up a greater number of higher-paying jobs for females.

The message of all these numbers and statistics is clear. This is not your grandparent's North Carolina. It isn't even your parent's North Carolina. The three "Big T's" — trade, technology, and teaching — have made today's North Carolina more open and more competitive. But individual progress isn't guaranteed unless workers are prepared for the new economic realities.

CJ

Dr. Michael L. Walden is a William Neal Reynolds distinguished professor at North Carolina State University and an adjunct scholar of the John Locke Foundation.



Michael
Walden

Republicans, Not Conservatives, Lost on Nov. 7

The election returns are in and the Democrats have captured both the U.S. House of Representatives and the U.S. Senate.

But make no mistake about it. While this was a Republican loss, it was not a conservative loss.

Republicans lost because the Bush administration and the Republican leadership often cavalierly abandoned the populist conservative message and policies of Ronald Reagan.

For too long Americans have come to view the conservative movement and the Republican Party as one and the same. Indeed, they are not.

Conservatives need to re-establish their identity and independence from Republicanism. The Bush administration has been hijacked by neoconservatives who believe in "big government conservatism." The very phrase is an oxymoron — designed to

give cover for big government intervention in both the domestic and foreign-policy arenas.

The neoconservatives support open borders, expansion of the education bureaucracy, and promoting democracy in the Mideast through military intervention.

Republicans paid a heavy price at the ballot box for their failure over the last few years to live up to the ideals and standards that Americans believed the GOP represented when Republicans took the House from the Democrats a decade ago and when Bush won the presidency in 2000.

The election turned out to be what many conservatives had feared — a referendum on the performance of the Bush White House and the Republican Congress, rather than a contest between the competing parties' visions for America.

Republicans lost touch with almost every element of their base.

Economic conservatives could not understand it when the Bush White House teamed up with Sen. Teddy Kennedy on "big government" legislation such as No Child Left Be-

hind and the prescription drug bill.

They could not understand why "conservative" leaders such as Tom Delay carried the water for the president on behalf of this massive expansion of government.

Conservatives were perhaps most dismayed with the administration's failure to secure our borders and to deal with illegal immigration. Many conservatives such as Bill Buckley, Brent Scowcroft, and Pat Buchanan were skeptical early on about the war with Iraq, which they viewed as unnecessary and not a part of the War on Terrorism.

To further complicate matters, Republicans — who were elected by promising the highest standards of integrity — were involved in one scandal after another involving members of Congress, Republicans, lobbyists, and some members of the Bush administration.

Exit polls indicated that the American electorate had become more than skeptical regarding the war in Iraq, concerned about the War on Terrorism, and the scandals in Washington.

One final nail in the coffin of the GOP was the failure "at all levels of government" in responding to the aftermath of Hurricane Katrina. One note: In my opinion this emphatically excludes the leadership by Gov. Haley Barbour of Mississippi in efforts exhibited in rebuilding his state.

In short, the mid-term elections can be summed up as a crisis of confidence in the GOP-controlled Congress and the Bush White House.

Sadly, it seems that the Party of Reagan has been hijacked by the neocons, the big-government crowd and pragmatists.

The debate for the heart and soul of the Republican Party and the conservative movement has begun. Let's hope we are up to the job.

The question is this...

Do we want to stay the course, or do we want to return to the Party of Reagan? CJ

Marc Rotterman is a partner in Rotterman & Associates, a public relations company, and a senior fellow of the John Locke Foundation.



Marc Rotterman

Medicaid and Markets, ABC Stores, and 'Colorful' Politicians

To the editor,

Emboldened by their landslide victory, the Democrats have vowed to put prescription drugs back on the congressional agenda. But this time, they're back with an old and unwelcome twist: price controls.

For those of us who are old enough to remember the gas crisis of the 1970s, "price controls" are a four-letter word. They were meant to control 1970s-era inflation, but they actually resulted in higher pump prices and shortages, which weren't alleviated until President Ronald Reagan removed the controls in the 1980s.

The same thing happened with airfares. When price controls were finally removed in 1981, prices fell dramatically.

In fact, even the prospect of price controls creates havoc. Research and development on new drugs plummeted in 1993 after President Bill Clinton announced a proposal to let the government set prices for "breakthrough" drugs. It wasn't until Congress rejected Clinton's health-care proposal in 1996 that R&D on new drugs returned to its normal level.

With all this evidence, you'd think

that even folks in Washington would learn the lessons of history. But they haven't. Instead, they've simply learned to disguise their true intentions.

That why the leading voices in this effort aren't calling them "price controls" any more. They're now using the term "price negotiations," insisting that government should simply be allowed to "negotiate" drug prices.

But the federal government is far too powerful to negotiate on a level playing field. Indeed, it even has the power to impose legal regulations on its contractors.

One such regulation almost certain to result from "negotiated prices" would be the creation of a single national list of drugs, the so-called "formulary." Seniors would then be forced to choose their drugs from the list rather than from the wide variety of formularies that vary from insurance plan to insurance plan under current law. Thus, "negotiated prices" will lead directly to the rationing of drugs that are not included on the national formulary.

In other words, negotiating with the government is like playing baseball against a team whose pitcher is also the umpire calling the strikes. The game is fixed. By forcing the nation's pharmaceutical companies to sell drugs below their market value, Washington's efforts would come with a host of other unintended consequences.

There can be little doubt that price controls would raise prices and ration

drugs. But they would also discourage research spending on new life-saving and life-extending medications. Worse still, price controls for Medicare prescription drugs would force companies to divert research funds into less-risky, but also less promising, product lines that are not under price controls but are of less value to seniors.

Take Alzheimer's disease, which affects 10 percent of those over 65 and half of those over 85. If the government decreed that a drug designed to alleviate Alzheimer's be sold at a below-market price, drug companies wouldn't be able to recoup their investments. With caps on prices, they would focus on markets unaffected by price controls and shift resources to develop drugs usable by younger people covered by private insurance. Seniors with diseases like

Alzheimer's would be out of luck. The end result would be out-and-out drug rationing to old people.

But that's not all, folks. Price controls also would add more bureaucratic red tape, cause shortages of existing drugs, and interfere with individual decisions on healthcare.

If you think the outlook for the new Medicare prescription drug program is complicated now, wait until price controls are in the mix. The Medicare drug benefit certainly has its problems. It's the most expensive government entitlement program in history, and will soon surpass Social Security as the nation's largest unfunded liability.

But "price negotiations" are hardly a solution. Indeed, nearly all economists agree that they're incredibly damaging. Those who want to improve the Medicare drug benefit should focus their efforts instead on transforming it into a truly market-based, consumer-driven program.

Lawrence A. Hunter, Ph. D.
Washington, D.C.

Dr. Hunter is a consultant to the pharmaceutical industry.

To the editor,

A great topic for discussion is the existence of state controlled alcohol beverage stores. Think of the private sector opportunities if they were privately owned and operated. Salaries, rent, property tax, advertising revenues, truck deliveries, etc, etc. I would love to be a part of an organized movement to affect the change.

Frank Morris
Winston-Salem, N.C.

To the editor,

I don't care for either Black or Blue. Any other choices? Is there a Gray? A Brown? A White, or Redd? I do recall a Greene lieutenant governor. As Chub used to say, "Call your next case!"

George E. Meier
Charlotte, N.C.

Letters
to the
Editor

Gov. Mike Easley on the Gift That Keeps on Giving (a *CJ* parody)

Dear North Carolinians,

Christmas is a very special time in North Carolina. It is a time of giving, and, believe me, I like the tradition of giving. But mostly I like the tradition of getting things from friends and associates. Nothing beats having someone surprise you with, say, a great deal on a home renovation or a great price on a waterfront lot. These are the things that make this time of year special.

I'm a firm believer that if you're a good person good things will happen to you. No matter what your station in life, you too can be the beneficiary of largesse from friends and cronies. That's what's so great about America. Everyone has the opportunity to grab a piece of the pie — or have it handed to them..

I'm also a big believer in the adage that good things happen to good people. Why, once I became governor, lots of good things began happening to me. I think they call that karma.

For instance, last December I was very fortunate to have had the good sense to purchase a vacant lot down on the coast. The average person would have looked at this lot and seen nothing but sand and mosquitos. But to my trained eye, it looked like a good place for maybe someone to put down roots



That's my lot outlined in white above. You can see where they've put in the marina and all the roads. It didn't look at all like this when I bought it. (Submitted photo)

after retirement.

The lot was in something called Cannonsgate, a new waterfront community on the Intracoastal Waterway near Emerald Isle. I paid \$550,000 for my lot, which seemed expensive to me but news stories claim it was a bargain.

As luck would have it, other lots around mine began selling for much more than I paid for mine. I didn't know how good a deal it was at the time, but I do now. I really appreciate the Christ-

mas season.

Like I said, good things happen to good people.

Many folks thought I was actually going to build a house there. But I already have two coastal homes in Brunswick County. My friends told me if I just held the lot for a few years I could double my investment.

Now, that is a gift that keeps on giving. It's a whole lot better than the fruitcakes and cheese balls I usually

get.

I am not sure exactly how much my lot is worth but I thought I would show you a recent picture of how the project is coming along. I took the picture myself from the state helicopter on my way to the coast.

I would have taken a state car, but all those sinkholes and dips in the interstate might have caused some wheel-alignment problems. See, I'm always thinking of the taxpayers.

Anyway, the marina is finished and the roads are ready to be paved. Homes will be started soon. Now all I have to do is hope my good friends in real estate will tell me when's the best time to sell my lot to some crazy Yankee.

On the one-year anniversary of my special Christmas gift I want to publicly give thanks to the citizens of North Carolina who put me in this special position as your governor.

Being your governor is hard work, and my annual salary is certainly not enough to ensure a comfortable retirement for anyone, especially someone who likes coastal living. But unexpected gifts like my Cannonsgate lot can certainly help take up the slack.

Merry Christmas!
Gov. Mike Easley



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