

Chicago Schools Set Standard In Insisting Students Perform

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By DIRK JOHNSON

CHICAGO, June 5 — Students who skip classes or slough off homework often seem to smirk at their exasperated teachers, as if to say, "What can you do to me?"

The Chicago public school system has an answer that is getting the attention of students in a big way: flunk you.

About one-quarter of the eighth graders in the Chicago system were told this week that they would not be allowed to graduate from elementary school on time because they had failed to master the required material. They must attend classes during the summer and then pass a standardized test, or repeat the eighth grade. Among ninth graders, a similar requirement will fall on a staggering 48 percent.

The Chicago system, pilloried a decade ago as the worst in the nation, has become perhaps the boldest experimenter of a toughened, back-to-basics approach.

"Everybody is passing tougher standards, but Chicago is actually holding students to them," said Kathy Christie, a spokeswoman for the Education Commission of the States. "They're a little ahead of the game. We're going to be seeing a lot of this around the country in the next year or two."

Judging the Chicago schools to be in desperate straits, the Illinois Legislature in 1995 gave broad powers over the system to Mayor Richard M. Daley. The Mayor chose one of his top aides, Paul Vallas, to head the schools, naming him chief executive officer, a title intended to connote the transformation of a leaden bureaucracy into a nimble, results-oriented business.

Now in his second year leading the nation's third-largest school system, Mr. Vallas has put students and administrators alike on notice that they are expected to do better. More than 100 schools have been put on academic probation, with demands to improve test scores or bear consequences. More than a dozen principals have been removed from schools where students were performing poorly.

And students have learned that the schools were not bluffing when they announced the end of "social promotions," the custom of promoting students even when they fail to do the work, solely to keep them with their peer group. Last year, when about 25 percent of eighth graders were required to attend summer school, they were nonetheless allowed to participate in the June graduation ceremonies. This year, the ceremonies will exclude failing students.

The policy against social promotions stands in contrast to the approach in New York City, for instance, where students are automatically promoted from eighth grade to ninth once they have reached the age of 16, even if they have failed most of their subjects. The New York policy, however, is currently being reviewed by Schools Chancellor Rudy Crew, his aides say.

Here in Chicago, Mr. Vallas deplores social promotions as "educational malpractice," arguing that schools set up youths for bitter failure by promoting those who lack the proper skills. "How

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many of these young people became dropouts?" he said. "How many became members of street gangs, or public aid recipients?"

"What's wrong with having children spend another year or two in elementary school? What's wrong with taking five or six years to get through high school, if that's what it takes to get them prepared? Why force all kids through school on the same schedule?"

To graduate from the eighth grade, Chicago students need to attain a new minimum score of 7.0, the standard for a beginning seventh grader, on the Iowa Test of Basic Skills. Students required to attend summer school take the Iowa Test again. If they fail, they repeat the eighth grade.

Of the 7,400 eighth graders required to take summer classes last year, about 1,600 needed to repeat the grade. Since the number of eighth graders going to school this summer will be about the same as last summer, and since the minimum test score is higher now than it was then, Mr. Vallas expects that 2,000 to 2,500

eighth graders will need to repeat.

Judging from the scores on standardized tests administered to all eighth graders, the approach seems to be working. Of the 473 elementary schools, 393 had better math scores this year than last year, and 271 had better reading scores. Improvement in scores was also recorded at the vast majority of schools that had been placed on probation a year earlier. Still, only about a third of Chicago students test at the national average or above.

Enrollment in summer school will swell this year because the requirement is being imposed on failing ninth graders for the first time. School officials say that the summer's costs will amount to \$40 million but that there will be no need for an increase in their annual budget, of roughly \$3 billion, since they have carefully pared other expenses.

Teachers say they strongly support the changes.

"One of the most difficult things for a teacher is to motivate students to take the material seriously," said Matt Gandall, assistant director for education at the American Federation of Teachers. "Students are pretty smart at knowing what they have to work hard at, and what they don't. The very real possibility that a student might be held back, that gives the teachers much more leverage in the classroom."

When failing eighth graders were told earlier this week that they would not be allowed to participate in graduation ceremonies — a consequence they had been warned about since the start of the school year — many broke down in tears and bitterness.

"I wanted to walk across that graduation stage, have everybody look at me," said William Beaver, a lanky 13-year-old South Sider whose test scores had fallen short. "I was pretty upset, but not as bad as some of them. Some of the kids were crying, even throwing desks around."

To help failing students cope with the bad news, counselors and teachers at Von Humboldt Elementary School formed "mini-crisis teams" that soothed and encouraged them, said the principal, Christ Kalamatas.

"We assured them, 'You're going to make it,'" said Mr. Kalamatas, whose students, on the near Northwest Side, are black and Hispanic, virtually all of them living in poverty. "Just do your best."

The New York Times

FRIDAY, JUNE 6, 1997

WHITewater FILES SPLIT U.S. LAWYERS

Issue Is Protection of Notes
From Mrs. Clinton's Talks

A By STEPHEN LABATON

WASHINGTON, June 5 — After heavy lobbying from both the White House and the Whitewater independent counsel, the Justice Department is deeply divided over whether to back the President or the prosecutor in the Supreme Court case involving Government lawyers' notes of conversations with Hillary Rodham Clinton, officials at the Justice Department said today.

Lawyers in the department's civil division are arguing that the Justice Department should protect the notes from scrutiny, taking the White House side that such notes are protected by attorney-client privilege. Criminal prosecutors contend that the Justice Department should back the independent counsel against President Clinton.

The department's ultimate position is significant for two reasons. Lawyers involved in the case say the Supreme Court would be more likely to hear Mr. Clinton's appeal of the grand jury order to produce the White House lawyers' notes if the department recommended review by the Court.

In addition, the outcome of the case could have a significant effect on how the Justice Department performs its central functions: making criminal cases, representing the United States as either plaintiff or defendant in thousands of civil lawsuits, and providing legal advice to the White House and scores of Fed-

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eral agencies.

Those three missions have come into sharp conflict because of the questions posed by the case, and have led to deep divisions among the department's lawyers over how to proceed. Criminal prosecutors at the department have come to see the issue along the lines of the Whitewater independent counsel. Those prosecutors declare that a broad privilege could permit Government officials to use Government lawyers to shield conduct that is under criminal investigation.

Other Justice Department lawyers, whose jobs are to defend the United States in court or provide legal advice to the agencies, support the White House. Those lawyers contend that a precedent for turning over the notes would make it harder

for Government lawyers to provide confidential legal advice to their clients.

The case arrived at the Supreme Court last month after the White House refused to comply with a grand jury subpoena seeking notes of conversations about Whitewater matters between White House lawyers and Mrs. Clinton. The grand jury action was upheld by a Federal appeals court two months ago.

One set of notes was taken at a July 11, 1995, meeting at which the lawyers and Mrs. Clinton discussed the circumstances surrounding the death of the White House deputy counsel, Vincent W. Foster Jr. A second set was taken during breaks from Mrs. Clinton's appearance before a grand jury last year. The grand jury has been examining the mysterious emergence of copies of billing records from Mrs. Clinton's former law firm in the residence of the White House more than a year after they were subpoenaed by Whitewater prosecutors.

In recent weeks, White House lawyers and Whitewater prosecutors have met with Justice Department officials to seek their support.

Officials say the civil division of the Justice Department has endorsed the White House's position. They said lawyers were concerned that the precedent laid down by the Federal appeals court could be used to erode the lawyer-client privilege in civil cases in which the division's lawyers are representing either the plaintiff or defendant. There is also concern that the appeals court ruling striking down the use of the privilege would make it harder for Justice Department lawyers to provide candid legal advice to the White House and other Federal agencies.

At the same time, lawyers in the criminal division have argued against the lawyer-client privilege asserted by the White House. Those prosecutors fear that any broad privilege would make it more difficult to conduct investigations and bring cases, particularly public corruption cases involving Government officials. They are also concerned that a ruling upholding a lawyer-client privilege in such investigations could restrict the current obligation of all Justice Department lawyers to report any information they learn of possible criminal activity.

The department has until June 11 to decide what position it will take in the case, and in recent days, department lawyers have been circulating drafts of a possible brief.

Lawyers involved in the case said the significant numbers of high-level vacancies at the Justice Department had added an unusual strain to mak-

ing a decision. The Deputy Attorney General, the Solicitor General and the heads of the criminal division and the Office of Legal Counsel are all officials who have not been confirmed by the Senate.

The case has prompted several top officials with old ties to the White House to step aside. The Acting Solicitor General, Walter E. Dellinger, and the acting head of the Office of Legal Counsel, Beth Nolan, have recused themselves because they were once White House lawyers.

The decision of what position to take falls to Mr. Dellinger's deputy, Seth Waxman, who is also the Acting Deputy Attorney General and is under consideration by the White House for a nomination to a top-level position at the Justice Department.

Lawyers working for the White House and the independent counsel's office said in recent interviews that Mr. Waxman was in an unenviable position. To the extent he supports the White House, he could alienate Senate Republicans who would be voting on his nomination. Conversely, to take a position in favor of the independent counsel would hardly endear him to the White House as it considers whether to forward his name to the Senate.

Justice Department officials said they expected Attorney General Janet Reno, who generally does not play a significant role in most Supreme Court appeals, to take part in the department's decision.

At her weekly news briefing this morning, Ms. Reno declined to say what the department might do.

"If we speak," she said, "we will speak in court."

The New York Times

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REVIEW & OUTLOOK

Hurry Up Already

Other cities have Mardi Gras, carnivals or swallow-watching festivals. New York City has school board elections. Every three years, all 32 districts vote in board members who appoint district superintendents and principals. The vote counting requires the attendance of large police forces for a week and the spending of millions of dollars.

Not many people actually show up for the farce. The latest turnout was at best a measly 5%. But many who do can expect to be well rewarded by a patronage mill grinding out favors, appointments and bribes.

One character was videotaped making a down payment of \$2,000 for a principalship. Another superintendent spent \$1,200 for a professional photographer to take portraits of himself and other board members and \$54,000 on leadership training seminars in a district populated by poor children whose abysmal scores in reading and math saw no improvement.

Can anything be done to change a system that seems to shortchange so many of the system's 1.1 million students?

Astonishingly, the answer is yes. Since his arrival as schools chancellor in 1995, Rudy Crew has been struggling to wrest control of the appointment process, trying to reverse the 30-year history of decontrol that ceded power to elected community school boards. Last December he was given that power when the New York State Legislature signed a reform bill letting the chancellor take charge of a system clearly failing its youngsters. A broad political coalition voted for the change, spearheaded by the Democratic Assembly with its strong minority caucus.

Normal people may think it is perfectly sensible to finally give the chancellor the means to do his job, which is to ensure that schools meet local and state standards. And this is possible only if the chancellor is able to appoint the superintendents who run the districts. But right now the chancellor—along with all caring parents—is holding his breath as the new law is being picked over in the vast bureaucracy of the Justice Department in Washington.

The Department is obsessing over the Voting Rights Act. At issue for the

lawyers at the civil rights division (the D.C. schools outside their own windows, incidentally, are a shambles) is whether the powers and duties of the school boards will be redistributed to the point that the authority of "minority interests" is eviscerated, and so in violation of the Voting Rights Act.

The city is arguing that in fact the districts retain substantial authority. Not only will the chancellor have to select superintendents from a list provided by the boards (though he has the right to request more names), but the school boards can also block contract renewals.

What this hardly far-reaching law will finally prevent are the kind of abuses documented for years in surrealist detail by a team of investigators working for independent special commissioner Edward F. Stancik. In the latest report released in December 1996, the commissioner detailed the conflicts of interest and fraud in community school district 12. The grotesque cast of characters include a board member who used false addresses and borrowed a relative's child to maintain a position on a board to which she hoped to help appoint as superintendent a hack who had been a failure as principal in another district.

That's the way the New York City system can work right now: someone who ran a failing school qualifies for even greater responsibilities.

Bill Clinton, as is well known, widely promised to be a New Democrat, a Democrat willing to break with the failed policies of the past in the interest of genuine opportunities for such traditional constituencies as poor, minority school children in places like New York City. This modest school reform devised by the political system of New York could justifiably be called a "New Democratic" idea. For the civil rights division to now start chewing on this reform suggests, at best, that Mr. Clinton doesn't know or much care what goes on in his own Administration.

For its part, the Justice Department has promised to expedite the review process. But the law is meant to go into effect on April 1, and Chancellor Crew must start hiring school superintendents now if the system is not meant to devolve into chaos. April 1 is Tuesday. We hope fools will not prevail.

Ekf
Mike

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THE WALL STREET JOURNAL
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Heaven on Earth

In the late 10th century A.D., the pagan prince of Kiev sent emissaries into the known world to find a good religion, for he wished to convert. They visited the Bulgar king who showed off his mosque. They journeyed as well to Germany to visit a Roman Catholic Church. And finally they stopped off in Constantinople where the shrewd patriarch invited them to Hagia Sophia for a special service in their honor. Incense floated through the golden dome; choirs chanted; mosaics glistened. The dazzled emissaries hurried home to report to their prince. We knew not, they said, "whether we were in heaven or earth. For on earth there is no such splendor or such beauty." Prince Vladimir wasted no time being baptized and marrying the sister of the Byzantine emperor. And that is how the orthodox faith came to Russia.

In beauty, the men of Kievan Rus felt they had glimpsed the otherworldly glory of God and they were filled with wonder.

Eventually, Constantinople turned into Istanbul, Hagia Sophia into a museum and byzantine became a synonym for murky complexity. But the sense of religious wonder is still there to behold in the quietly remarkable exhibition just opened at the Metropolitan Museum of Art. It is a show worthy of notice, especially through this period of high holy days for many Americans. Devoted to intense religious devotion and commemoration, the pieces in this exhibition survive in no small part due to the faith that bore them centuries ago.

"The Glory of Byzantium" brings to New York more than 350 works of art—including frescoes, mosaics, enamels, silks, icons—from the 9th through 13th centuries. These were

the middle years of the Byzantine empire, founded in 324 A.D. when the Roman emperor Constantine moved his court to Byzantium on the Bosphorus and chiseled his name on the portal. While Europe stumbled through the Dark Ages, Constantinople kept glittering, its culture a sophisticated amalgam of Greek and Roman, Classical and Christian.

Pulling it all together required the kind of sensitive diplomacy that our State Department might find worthy of study. Byzantium cast its spell on lands as far apart as France, Siberia and Armenia, and the museum's staff spent years cajoling recalcitrant monks in the Sinai and nervous curators in Venice to part with their treasures temporarily. The show would have been impossible to assemble before the collapse of the Soviet Union—and, of course, the resurgence of Vladimir's orthodox church.



One sardonix chalice sparkling with filigree, pearls and semi-precious stones (depicted here) once delighted the 12th century Abbot Suger, who was embellishing the French abbey of St. Denis, inspired by Byzantium's splendor. The abbot's belief in the power of beauty to fire the imagination will appeal particularly to Catholics who miss the days of the mystical Latin mass whose transcendent glow lifted one up out of everyday life: "The dull mind," said Suger, "rises to truth through that which is material." And so it is walking through this show: The visitor ponders the fresco fragment of a powerfully brushed St. John or the poignant ivory of Christ's Mother falling into eternal sleep and perceives another dimension.

Asides

Arresting the Amiraults

As we noted this week, the Supreme Judicial Court of Massachusetts has ruled that Violet and Cheryl Amirault be returned to prison and has denied Gerald Amirault's appeal for a new trial. We also noted the opinion of Associate Justice Charles Fried—50 pages of confidently argued casuistry. For instance, noting the prosecution's failure to let the Amiraults face their accusers, Justice Fried wrote: "And so Festus's biblical proclamation that, 'it is not the manner of the Romans to deliver any man up to die before the accused has met his accusers face to face, and has been given a chance to defend himself

against the charges' . . ." That said, the court contended that the Amiraults should be denied a new trial in the interest of "finality." One delicate matter remains: Detailing some good men to actually slam the 75-year-old Violet Amirault and her daughter back into a cell. Whether their attorney will be allowed to surrender the women or police come to take them isn't known yet. Should any dispute arise over this question, we suggest some thought be given to extending Festus's proclamation by deputizing Justice Fried himself to serve as a member of the face-to-face arrest party, perhaps to offer some biblical wisdom to the women as they submit to the finality of Massachusetts justice.

Edie
News

Plan Adds 'Civil Education' To the Basics of Schooling

By PETER APPLEBOME

In what is billed as a major effort to broaden the focus of American education, more than 40 leading educational and social service groups plan to announce today an ambitious 10-year program aimed at dramatically increasing the link among schools, communities and social service — all part of a concerted commitment to what is being called "civil education."

The groups, which represent more than 106,000 schools and universities with 64 million students, will announce plans that call for designating 10,000 schools by June 1998 as models for involving students in a range of social service activities like food drives, environmental projects and working with the elderly. The organizers eventually hope to involve up to 16,000 school districts and 3,600 colleges and universities.

Organizers, who call themselves the Partnering Initiative on Education and Civil Society, stress that the notion is not to distract from schools' primary goals of teaching the basics of education but to integrate learning into the world outside the classroom. But the initiative is being greeted with skepticism by some groups and parents more interested in educational basics than the idea that community service should be a large part of school.

Proponents say the initiative is especially important at a time when the notion of restoring a sense of community is so much a part of the national debate and when the educational spotlight has increasingly been on a push for higher test scores, better tests and more rigorous standards. Groups supporting the initiative include the National Education Association, the Department of Education, the National Association of Independent Colleges and Universities and the American Association of School Administrators.

Don Ernst, director of government relations for the Association for Supervision and Curriculum Development, said: "I think one of the things that has been lost in the past decade and maybe longer is the belief that there is more to education than simply preparing people for a job."

"So this is about reminding us that schools also exist to educate kids to be good citizens and to re-create and reinvigorate American democracy."

But skeptics, particularly some conservative groups, say that the initiative is a wrong-headed, feel-good diversion from the real needs of American education and that character education often leads schools to usurp parents as teachers of values. And whether such programs should be voluntary or mandatory has already been a vexing question in several communities and states.

"It's a bad idea that gets our eye off the ball of what the real problem is, which is illiteracy," said Phyllis Schlafly, president of the conservative Eagle Forum. "I think it's a diversionary tactic from the real problem of the schools."

Character education, civil education, service learning, learning to serve — the various ideas loosely tied together in the group's mission have slowly grown in influence in recent years. Many states and school systems already use such programs, although on a scattered basis. The idea of the partnership is to bring them to the center of the nation's educational mission.

Earlier this month, in unveiling his President's Summit on Service, to be held April 27 to 29 in Philadelphia, President Clinton endorsed the broad notion of civil education in schools, saying, "Today I challenge schools and communities in every state to make service a part of the curriculum in high school and even in middle school."

Most of the programs already in place are designed to enhance classroom learning with experience in the outside world. Students often design and develop programs instead of just being passive participants.

What the organizers call civil education takes almost endless forms — the University of Pennsylvania's social service programs in its low-income West Philadelphia neighborhood;

in Kentucky, Berea College's work with local environmental organizations; the work with the Special Olympics Volunteer Program at Windsor High School in Windsor, Conn., and the project at the Scarsdale Alternative School bringing food and clothing to the homeless in New York City.

At the Harmony School in Bloomington, Ind., students organized a project to save a piece of sculpture that had served as a community landmark and gave up an annual trip to Chicago to spend time doing flood relief work on the Mississippi River.

In all the programs the idea is not just to do worthy service but to incorporate service into education — learning biology by an environmental program cleaning up a polluted stream or learning history by building relationships with World War II veterans.

At Clatskanie High School in Clatskanie, Ore., students have organized "Help Hungry Kids," a food drive endorsed by the National Association of Secondary School Principals.

"I would consider this program just as important as teaching the traditional academics because it teaches values in a very hands-on and personal way, said the school's principal, Rose Wallace. "You don't teach values by pointing and saying: 'This is a value. Now you adopt it.' You teach it by giving people the

Including community service with reading, writing and arithmetic.

The New York Times

MONDAY, APRIL 14, 1997

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Diana -
Anything we
can do with these
folks now?
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opportunity to practice that value and see how it feels."

Scott Kirkland, a senior active in the program, said it has taught him both the business skills of running the program and the personal ones of why it matters.

"It has really opened up my eyes to aspects of life," he said. "I feel very lucky because of what I've seen and what I've been able to do."

The Partnering Initiative plans to call for designating 10,000 schools as resource centers that help other schools develop programs and involving 600 to 700 teachers and community leaders as "coaches" helping to develop and monitor programs. It calls for a national resource center and web site to share information and a number of events to publicize the initiative. The first "Civil Education Week" will be celebrated in the second week of November 1998.

Officials say overseeing and coordinating the project will cost from a half million to a million dollars a year over the life of the project, with money coming from foundation and corporate support. Expenses to individual schools will come out of normal operating budgets.

Mrs. Schlafly said many parents will be skeptical of such programs.

"What are we paying teachers for?" she asked. "Supposedly we pay them to teach knowledge to children, not to go on field trips. There's no way to grade this kind of thing, no objective standards. It's a waste of time."

But, even many educators with initial misgivings say the initiatives in the partnership do not detract from traditional academics but instead add an element that schools and society need.

"When I first heard about service education 8 or 10 years ago I thought, 'Look, I don't know,'" said Brandon Cordes, principal of Wyoming Middle School in Cincinnati. "But my mind was made up when I realized the community wanted it. There's something to life that goes beyond meeting one's own personal needs, and this is a way that we give kids that experience. If that is a little hokey, well, that's how I feel."

Union Rallies In California To Organize Berry Pickers

By The New York Times

WATSONVILLE, Calif., April 13 — As the first of this season's strawberries lay ripe in nearby fields, thousands of farm workers and union supporters marched through the streets of this small Central Coast town today, demanding better wages and working conditions for California's strawberry pickers.

The march, sponsored by the United Farm Workers Union in conjunction with the A.F.L.-C.I.O. and the teamsters, was part of what labor officials say is the biggest unionization drive under way in the country. The U.F.W. has targeted the state's \$550 million strawberry industry and is seeking to unionize all 20,000 workers in California, where 80 percent of the nation's crop is grown.

"We are only asking for what is just for us," a strawberry worker, Delfina Garcia, said in her native Spanish through an interpreter.

Mrs. Garcia, 43, who has eight children, earns \$8,000 to \$9,000 a year picking strawberries.

"I work stooped over for 8 to 10 hours a day," she said. "We often have to work in mud, and we can't take simple breaks."

What she and other workers want is to be paid an additional 5 cents per pint of strawberries, a raise that would increase their incomes by about 50 percent and that organizers say is long overdue.

The A.F.L.-C.I.O. president, John Sweeney, flanked by the Rev. Jesse Jackson and the actor Martin Sheen, led a spirited procession of marchers, many waving red and black U.F.W. flags.

"This represents the unity of the labor movement," Mr. Sweeney said at a rally. "The strawberry workers represent one of the most horrible situations that workers are faced with today: the corporate greed and lack of respect for workers and the job they do."

Organizers estimated that 30,000 people attended the march and rally, including delegations from locals in 38 states. The police estimated the attendance at 15,000 to 17,000.

Growers say the impetus for the organizing campaign is not coming from the workers. Instead, they say the farm workers union is trying to shore up its membership, which slid to 20,000 in 1993 from a high of 80,000 in 1970, and is now 26,000.

"It's up to the workers," said Phil Adrian, marketing manager for Driscoll, a strawberry industry giant. "It's their right to choose if they want to have third-party representation. But we keep hearing them tell us no."

Growers say that labor organizers have exaggerated conditions in the fields, and that basic amenities like fresh drinking water and clean bathrooms are readily available.

"Many workers own their own homes and their own cars and have kids in college," said Gary M. Caloroso, spokesman for the 6,000-member grower-financed Strawberry Workers and Farmers Alliance. "We hear of workers making \$15 an hour in the peak season."

Since 1989, workers at three farms have voted to unionize. In each case, the farms either plowed under the crops or shut down operations permanently. No elections have been held in the 18 months since the U.F.W. began its organizing drive, and leaders have not announced when new ones will take place.

"We need to be assured that the growers will act in a responsible way and not take retaliatory measures against the workers," said Arturo Rodriguez, president of the U.F.W.

The union has been pleading the workers' case in public, asking consumers and supermarkets to sign pledges supporting their right to organize, a tactic reminiscent of U.F.W.-led grape and lettuce boycotts in decades past.

But no boycott on strawberries is planned. Linda Chavez-Thompson, A.F.L.-C.I.O. executive vice president, said her hope was that the force of public scrutiny would help bring the growers in line. "If we're all watching them," she said, "if all eyes are on them, that is what protects the workers."

Diplomat in Crash Fails Sobriety Test

WASHINGTON, April 13 (AP) — A diplomat from Ukraine was cited for driving under the influence of alcohol after a three-car accident, a Secret Service spokesman said today.

Olesy Yarotskiy, 45, a counselor at the Ukrainian Embassy, failed sobriety tests on Saturday night after she struck a car, which in turn hit the car ahead of it, said a Secret Service spokesman, Arnette Heintze. No one was injured.

Because Ms. Yarotskiy is a diplomat, she is exempt from prosecution. The State Department will ask Ukrainian officials to waive immunity, said a spokesman, Phyllis Young.

Saturday's crash marks the third time this year that a diplomat from a former Soviet republic has been cited in an accident here.

National News Briefs

Ground Search Begins For Missing Fighter Pilot

EAGLE, Colo., April 13 (AP) — The Air Force began its first ground search for a missing pilot and his plane, but found no signs of either after scouring three mountainous areas today that had been identified as possible crash sites.

A five-member ground crew, equipped with metal detectors and mountaineering gear, explored three areas of the New York Mountain range in the rugged wilderness about 20 miles southwest of Vail.

Two of the three sites were ruled out, but the crew may return to the third site Monday if the weather is good, Lieut. Col. Frank Campbell said.

The pilot, Capt. Craig Button, 32, disappeared in his bomb-laden A-10 Thunderbolt on April 2.

Colonel Campbell said a backcountry hiker with a metal detector reported getting a reading in one of the areas. The radar photos, taken by a U-2 high-altitude reconnaissance plane, identified the two other.

The crew could not finish searching that area because the helicopter that lowered them into the area was running out of fuel and because of avalanche danger.

The ground crew includes explosive ordnance and demolition experts. As they searched 10 airplanes and 10 Army helicopters continued looking from the air.

A U-2 plane scheduled for another flyover today was grounded because of technical problems, but 10 planes and 10 Army helicopters were able to continue the search. Captain Button's A-10 was carrying four bombs when it disappeared on a training exercise out of Davis-Monthan Air Force Base in Tucson, Ariz.

House Seat Is Filled In a Runoff in Texas

SAN ANTONIO, April 13 (Reuters) — **Ciro Rodriguez** won a runoff election on Saturday to replace Representative **Frank Tejeda**.

Mr. Rodriguez, a member of the Texas House, beat **Juan Solis** with 67 percent of the vote. Nine percent of the 330,000 registered voters in the 28th Congressional District went to the polls, election officials said.

Both men are Democrats. The district, which is heavily Hispanic, stretches from San Antonio deep into southern Texas.

Mr. Tejeda, also a Democrat, died of brain cancer on Jan. 30.

The New York Times

MONDAY, APRIL 14, 1997

Rights Hero Presses Plan For School In Detroit

By HALIMAH ABDULLAH

More than 40 years after Rosa Parks refused to give up her seat to a white passenger on a bus, the opening salvo in what became the Montgomery, Ala., bus boycott, she is trying to set up one of the first charter schools in Detroit.

If her proposal for a school named for her and her husband, the Raymond and Rosa Parks Academy for Self Development, is approved by the Detroit Board of Education this summer, Mrs. Parks's school will join some 700 charter schools nationwide. Charter schools are run by many groups, including civil rights advocates, and by teachers who have left traditional public schools, and sometimes by private concerns. Proponents view charter schools, which are able to operate autonomously, as alternatives to traditional public schools and private and parochial schools.

The Detroit Board of Education has approved only two of the charter school proposals that have come before it since the state adopted charter school laws in 1993. Mrs. Parks's application is one of 12 such proposals. Mrs. Parks, who lives in Detroit, hopes to open the school in September.

Mrs. Parks already runs an after-school program, the Raymond and Rosa Parks Institute for Self Development, which teaches children "quiet strength" and self-paced study, said Elaine Eason-Steele, the program's co-director. The school would be modeled after the institute and would serve 250 students in kindergarten through the 12th grade.

"We noticed in the youth that we have worked with that there are some things that are missing," Ms. Eason-Steele said. "Sometimes the

Rosa Parks joins
the growing
charter school
movement.

MIKE/EK —
we shd talk about
this at NAACP. —BR

youth solve things in a hostile manner. We want to help them develop a sense of self-esteem and consider other options."

Mrs. Parks has created similar after-school programs elsewhere.

The number of charter schools is growing nationwide, said Joe Nathan, director of the Center for School Change at the University of Minnesota. Mr. Nathan estimated that more than 700 charter schools would be operating in the United States this fall.

"There is great suspicion that many private and parochial schools are elitist," Mr. Nathan said. "These activists have seen that charter schools help kids in more urban areas."

Legislatures in 27 states have provided for charter schools, which operate with public money but are not bound by the same rules and standards as traditional public schools.

Charter schools originated in St. Paul, Minn. In 1991, Milo Cutter and Terry Kraabel, both former public school teachers, started the Power League, an after-school program for 40 students who had been expelled from school. A year later, the Minnesota Legislature passed groundbreaking legislation that allowed the Power League program to grow into the City Academy, the nation's first charter school.

City Academy now has 90 students and nine staff members. Many of the graduates have gone on to college, and the school has a waiting list of 40 students.

In Houston, the Raul Yzaguirre School for Success attempts to raise the self-esteem of its students by involving the community in the school's programs. The school's mission reflects the philosophy of its founder, who is the president and chief executive officer of the National Council of La Raza, a nonprofit Hispanic-American organization. Parents are required to volunteer at the school as a condition of their child's acceptance.

"The dropout rate for Hispanic and African-American kids in our area is very high," said Adriana Tamez, the principal of the Yzaguirre school. "In order to help this problem, we feel we have to catch these kids at the middle-school level."

Mrs. Parks's school would have a similar mission. "We hope this works out," said Anna Amato, the Detroit consultant who is helping Mrs. Parks and others prepare their charter proposals, "because we want parents to know there are options out there that are not bound by where they live and how much money they make."

Launching of Shuttle Is Scheduled for Tuesday

CAPE CANAVERAL, Fla., June 29 (AP) — NASA has scheduled a launching of the space shuttle Columbia for Tuesday, despite forecasts for thunderstorms.

John Guidi, test director, said today that NASA managers would decide on Monday whether to proceed with the afternoon liftoff. NASA could delay the launching until evening, if necessary. Only slightly better weather is expected on Wednesday. The possibility of thunderstorms means that the chances of having acceptable conditions for a launching are about 10 percent.

Columbia contains the same laboratory experiments that were sent on an April mission that was aborted 12 days early because of a defective fuel cell.

Louisiana Bill Supports Lawsuits Over Abortions

BATON ROUGE, La., June 29 (AP) — A bill that critics say will allow a woman who has an abortion to sue her doctor for the death of the fetus has been approved by Louisiana lawmakers.

The bill would allow women to sue doctors for ill effects from abortions 10 years after undergoing the procedure. It would not limit damages, nor would it mandate an assessment by a medical review board, which is required in malpractice law.

Women now have three years to file such lawsuits and may seek no more than \$500,000 in damages. Critics of the legislation said the fear of lawsuits would discourage doctors from offering abortions.

If Gov. Mike Foster, who opposes abortion, does not veto the bill, it will take effect on Aug. 15.

Pilot and 6 Skydivers Are Injured in Crash

NASHVILLE, June 29 (Reuters) — Six skydivers and their pilot were injured and hospitalized on Saturday after their plane crashed on takeoff less than a mile from the Tullahoma Regional Airport.

One skydiver, Robert Stewart of Chattanooga, Tenn., said the plane's left engine shut down about 75 to 100 feet from the ground. The plane, a twin-engine Beechcraft Bonanza, cut a swath through a wooded area, officials said.

Kentucky Ready to Hold First Execution in Years

LOUISVILLE, Ky., June 29 (Reuters) — Kentucky is set to carry out its first execution in 35 years this week, barring any stays by Federal courts.

After the United States Court of Appeals for the Sixth Circuit rejected an appeal for a stay of execution by Kentucky's American Civil Liberties Union on Friday, the organization said today that it would appeal to the Court of Appeals or to the United States Supreme Court.

If the appeals fail, Harold McQueen would become the first person to be executed in Kentucky's electric chair. The execution would take place a few minutes past midnight on Tuesday at the Kentucky State Penitentiary in Eddyville, near Paducah.

The New York Times

MONDAY, JUNE 30, 1997

Chavez's Son-in-Law Tries to Rebuild Legacy

By STEVEN GREENHOUSE

WATSONVILLE, Calif. — Cesar Chavez's son-in-law, Arturo Rodriguez, wants to put "la causa" back into America's vocabulary.

Mr. Rodriguez, who became president of the United Farm Workers of America after his legendary father-in-law died in 1993, insists that the union's struggle is just as compelling today as in the union's heyday three decades ago, when millions of Americans embraced the downtrodden farm worker as a cause as holy as civil rights.

"La causa," Mr. Rodriguez says, means lifting up the lives of more than two million farm workers, many of them Mexican immigrants, who toil stooped under a scorching sun, hoeing and harvesting, often for just \$5 an hour.

But he faces an uphill battle turning "la causa" into a popular crusade because, he readily acknowledges, he does not have Mr. Chavez's charisma and because these are the 1990's, not the liberal 60's. That was the era of the grape boycott, when Mr. Chavez appeared on the cover of national magazines, when national politicians like Robert F. Kennedy marched alongside the farm workers and when hordes of college students picketed supermarkets on the union's behalf.

"Farm workers are so far behind other workers in terms of wages, health plans, the dignity and respect they don't get," Mr. Rodriguez said. "That's what drives us."

The union is trying to thrust itself back into the spotlight by undertaking the largest unionization drive in the nation today — a battle to organize 20,000 workers in California's strawberry industry, which is based in Watsonville, in the state's fertile central coast.

It is the first time since the early 1980's that the farm workers have flexed their muscles in a big way. Mr. Chavez became an icon for liberals in the 1960's and 70's by using strikes, boycotts, public pressure and a famous 25-day fast to become the first person to organize America's farm workers after other unions had failed.

But from around 1983 until his death 10 years later at age 66, Mr. Chavez turned inward and did far less organizing in the field, sometimes even relying on direct mail to push his causes — a strategy that some former union leaders say made the union lose touch with farm workers. After the union's membership soared to 80,000 in the early 1970's, it plunged to less than 20,000 by the end of the decade because growers refused to renew contracts and because Mr. Chavez concluded that the climate was too hostile for organizing under two Republicans: President Ronald Reagan and Gov. George Deukmejian of California.

"Cesar created all this capacity for real change in the lives of farm workers all through the 60's and 70's, but then it got squandered in the 80's," said Marshall Ganz, who was the union's organizing director in the late 1970's and is now an instructor at the John F. Kennedy School of Government at Harvard University. "He retreated from organizing and turned inward, and that took the union off the map for years. That was a tragic loss, not just for the farm workers, but for all of us."

The stakes in the strawberry drive are high for farm workers because success will increase the union's membership by more than two-thirds and set the stage for recruiting tens of thousands of grape, lettuce and other produce workers. The stakes are also sizable for organized labor overall because the A.F.L.-C.I.O. is pouring more than \$1 million into the drive to show that union organizing is back and that the revived labor movement wants to make common cause with the humblest workers.

It is a big difference from the 1960's when the A.F.L.-C.I.O. and its president, George Meany, gave little help, and then only reluctantly.

"Meany's position was farm workers would never be organized, and it wasn't worth wasting money on them," said Paul Schrade, former head of the United Auto Workers in California. "There's far more support coming from the A.F.L.-C.I.O. now. They really believe in this cause."

In seeking to return to the union's glory days, Mr. Rodriguez has focused on California's \$550-million-a-year strawberry industry because berry pickers have perhaps the most grueling job in agriculture. They hunch over for 10, 12 hours a day, their hands turning crimson as they pull the red berries off the foot-tall plants.

Many workers complain of back injuries, of not having health insurance, of not being able to afford decent housing, of being discarded when they turn 50. Some workers say that growers force them to eat whatever unripe, green berries they pick.

"We wanted to focus on a work force in desperate need," Mr. Rodriguez said. "Their wages come out to \$8,500 a year. Even if families can afford a home, they often have to live two, three, four families together. We see our challenge as being out there to create a better life for these workers."

Arguing the other side, foremen and management consultants often tell strawberry pickers that the union lies and wants only the workers' dues.

"They set the stage by making us look like a real monster, and that I resent very much," said Miguel Ramos, a strawberry grower in Watsonville who says he pays pickers \$7 an hour. "They present the industry as violating basic human rights by claiming that we don't provide sanitation or clean water and don't pay the minimum wage and we carry out sexual harassment. It's not true. As is normal with every industry, there are probably a few bad apples."

In liberal and labor milieus, Mr. Rodriguez has won considerable praise for steering the union back to what made it famous: organizing in the fields.

"What they're trying to do today with organizing is terrific," Mr. Ganz said. "It's long overdue."

Each day, Mr. Rodriguez and more than 40 organizers fan out to visit fields, trailers and motel rooms along the gentle slopes of the Pajaro and Salinas Valleys. Until farm workers are told that he is the union's president, some ignore Mr. Rodriguez, a thin, unassuming 47-year-old with a face less round and more angular than his father-in-law's.

"Cesar had more charisma, but Artie's a better manager," said Miguel Contreras, a former United Farm Workers official who is executive secretary-treasurer of the Los Angeles County Federation of Labor. "Cesar was publicly perceived as more spiritual. Artie is more pragmatic. Cesar was never a fiery speaker and neither is Artie, but at a gut level, they both really connect when they speak to workers."

In an interview in his temporary strawberry-campaign office, where posters of his father-in-law look down at him, Mr. Rodriguez voices confidence that the union is on the brink of its first big strawberry victory. The reason is that the nation's largest strawberry grower, Coastal Berry, has agreed to remain neutral during the unionization drive; that is to say, its managers will not de-

nounce the union or intimidate or punish union supporters.

That is an important concession because some workers say they have been fired for supporting the union and because three growers in the Watsonville area were so anti-union that they plowed their strawberries under after their workers voted to unionize in 1994 and 1995. That left their workers without jobs and caused many local farm workers to think twice about backing the union.

"We had to take it on as an industry because every time we won at a company, they'd plow under their fields," Mr. Rodriguez said.

In light of Coastal's pledge to remain neutral, Mr. Rodriguez predicted that by August, more than 3,200 Coastal workers would vote to join the union — a development that he said would cause workers with other growers to follow suit.

In a novel strategy, the farm workers have lined up the support of several supermarket chains, including Ralph's, A&P and American Stores, which have signed statements backing the strawberry workers' right to unionize without intimidation. Mr. Rodriguez hopes that once a few growers are unionized, these supermarkets will favor their berries over those from nonunion growers, thus pressuring those growers to stop battling the union.

The farm workers first got the Monsanto Company, which sold its strawberry holdings to Coastal, and then Coastal to sign a neutrality pledge after the A.F.L.-C.I.O. lent a big — and threatening — hand. It helped file lawsuits charging Monsanto's strawberry operations with violating wage and hour laws. It sent picketers to stores warning shoppers that Monsanto's weed killers might be dangerous. It sent protesters to Monsanto's annual meeting and ran full-page newspaper advertisements accusing Monsanto of exploiting strawberry pickers. Monsanto officials denied exploiting anyone, but, with some senior managers embarrassed by the pressure and feeling sympathetic toward the farm workers, the company agreed to remain neutral.

The labor federation's unusually robust support is a major vote of confidence in Mr. Rodriguez, who was born in San Antonio, the son of a sheet-metal worker. When he was a graduate student in social work at the University of Michigan, he began campaigning for the grape boycott and met Mr. Chavez. Within a year, he had married Mr. Chavez's daughter, Linda, and they now have three children. Copying his father-in-law, he insists on a salary comparable to a farm worker's; his \$8,610 salary is a fraction of what most union leaders earn, although the union also provides him with a house.

In recent years, Mr. Rodriguez has led organizing drives that racked up an astonishing 14 victories in a row, for rose, grape, mushroom and strawberry workers. The union's membership has grown to almost 26,000 from 21,000. After some mushroom workers were unionized, their wages jumped by 40 percent to more than \$12 an hour.

"I think he's the Martin Luther King Jr. of this generation in that he stands and fights and dedicates his life in a private way and public way to social justice," said Richard Bensing, the A.F.L.-C.I.O.'s director of organizing. "He sits on motel floors and speaks to workers. He doesn't do this just in public. He's the real thing. He has increased his union's membership by 25 percent in just a few years. He's a model for the rest of the labor movement to follow."

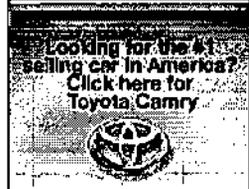
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Clinton Speech Addresses Education

By Terence Hunt
 AP White House Correspondent
 Monday, January 18, 1999; 7:19 p.m. EST

WASHINGTON (AP) -- President Clinton rehearsed a State of the Union address brimming with ideas on education, health care and other initiatives likely to get a chilly reception from a Congress bitterly divided by the impeachment ordeal.

As Clinton's lawyers reviewed the legal defense they will begin presenting on his behalf Tuesday, Education Secretary Richard Riley previewed one of the president's top education priorities: to hold states and school districts accountable for the achievements of students and teachers.

States that fail to end social promotions and set standards could lose some federal education aid. "Most of our schools are doing very well and are involved in this standards movement in a very exciting way," Riley said. "Yet there are places out there that things aren't happening."

In another preview Monday, the administration said Clinton would propose a tax credit of up to \$500 per child, age 1 or younger, to offset costs for parents who choose to stay home to care for their kids. The proposal is part of a larger child care package that seeks \$18 billion over five years to aid working poor and middle-class families.

The administration also floated a proposal for \$1 billion over five years to improve health care for many of the nation's 32 million uninsured adults. The money would be used to encourage community clinics and hospitals to work together to keep track of patients and make sure they get needed treatment.

Before a prime-time television audience, Clinton will deliver his State of the Union address at 9 p.m. EST Tuesday in the House chamber.

It was in that same chamber one month ago Tuesday that the House voted for only the second time in history to impeach the president. The only other time was when Andrew Johnson was impeached in 1868 and went on to survive by one vote in a Senate impeachment trial.

To build support, the White House Office of Public Liaison sent out faxes urging supporters to hold State of the Union watch parties at club and union halls -- and to tell news outlets about the gatherings.

A new poll from the Pew Research Center said the Senate trial has not changed Americans' minds about turning Clinton out of office, and that two-thirds of the public wants him to stay. The survey indicated 53 percent of Americans are satisfied with the way things are going in the country, and said 63 percent of the people approve of his performance in office.

Tuesday night, Clinton's House accusers and Senate jurors will listen as the president speaks for an hour or more about his agenda for the country. Chief Justice William Rehnquist, after presiding over Clinton's Senate trial, will be among the spectators in the House. The president, according to aides, will not mention the impeachment drama.

House Speaker Dennis Hastert sent House members a "Dear Colleague" letter telling them to be on good behavior despite "the discomfort" surrounding the Senate trial. "Out of respect for the office of the president and for the state of our union," Hastert wrote, "we will listen to the president's remarks soberly and with the dignity that befits the United States Congress."

White House press secretary Joe Lockhart said Clinton would be addressing the American people as much as the members of the House and Senate. Lockhart said the president "is always comfortable when he's dealing with issues, dealing with issues that impact real people's lives and dealing with how the government can help provide the tools that people need at home and at work."

Last year, Clinton challenged Congress to reserve all of the burgeoning budget surplus to "save Social Security first." This year, he is expected to urge Congress to join the administration in a bipartisan campaign to get the job done.

For all the fanfare and detail about Clinton's proposals, White House officials acknowledge that the Republican-led Congress will have its own ideas and won't be eager to rubber-stamp the ideas of a president that the GOP wants to oust from office. But both sides recognize that ideas for fixing Social Security and improving schools are popular.

Clinton will renew calls to increase the minimum wage, build new schools, impose a national settlement on the tobacco industry, reform the campaign finance system, increase Pentagon spending by \$110 billion over six years and allow Americans as young as 55 years old buy into the Medicare program.

On foreign policy, he will emphasize the importance of fighting terrorism and call on the Senate again to ratify the Comprehensive Test Ban Treaty. He will call for expanding cooperation and assistance to the former Soviet Union to strengthen the safety and security of nuclear stockpiles, proposing incentives for Russian weapons experts to study nonmilitary research.

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FYI - in case you didn't see it. E/ena Newsclap

THE HARD QUESTIONS

Bill K

Homegrown

The death of Albert Shanker, the remarkably effective leader of the American Federation of Teachers, has refocused attention on the great New York City school strikes of 1968 and the community school boards that emerged in their wake. The massive disruption of the strikes resulted in a new system of school government in New York City, largely shaped to satisfy Shanker. But, in the end, it also gave a modicum of satisfaction to the black leaders and their liberal allies who were demanding that the schools be managed by local communities. That system expired shortly before Shanker's death. Last December, the New York state legislature, acting after recurrent scandals involving community board members (some had taken bribes from aspiring principals), stripped the boards of most of their power.

Despite such scandals, though, the issue of community control is far from dead. The struggles of 1968 sought to bring urban government closer to the people it affected. For the schools, this meant an arrangement that gave parents more say in their children's education. At the time, the city's middle-class Jews and Italians had no great quarrel with the schools. Their children did well enough, and they provided most of the jobs in the school system's bureaucracy. It was struggling blacks and Puerto Ricans who were most upset by the highly bureaucratic system and who saw the solution in more direct democracy, in schools run by local boards elected by parents. With the support of the Ford Foundation, three communities soon set up experimental school boards. One of them quickly fired a group of teachers, many Jewish (as indeed were so many of the teachers in the system then), whom the board felt were unsympathetic to its aims and to black students. Strikes called by Shanker's union closed the school system down again and again.

"The 1968 battle over school decentralization in an obscure Brooklyn district called Ocean Hill-Brownsville ripped apart New York City as nothing has before or after," John Kifner wrote in *The New York Times*, commenting on the end of the school boards' power. "It played an early role in the deterioration

of relations between blacks and Jews. New York liberals ... were split into warring camps. Albert Shanker rose in stature from local union chief to hero to some and anti-hero to others."

Now, after nearly thirty years under local elected boards, New York City's schools are again under a strong chief and an appointed central board. Sadly, we are in an age in which we place more faith in powerful central administrators than in community control. Mayor Rudolph Giuliani fought to gain greater control over the schools; Mayor Richard Daley of Chicago has already achieved it; and Mayor Richard Riordan of Los Angeles, after his second electoral victory, is expected to seek it. Should we expect anything to change as a result? The past, alas, tells us no.

Thirty years ago, the left attacked centralized bureaucracies for their rules, their distance from the schools and their inability to improve the achievement of minority groups, in particular blacks. The left demonized the union and its single-minded leader, who it claimed was so fully committed to the interests of the teachers that those of the students took second place. Today, interestingly, the attack on school bureaucracies comes from the right. Conservatives offer the most fervent support for an odd descendant of community control: charter schools. These infant institutions are now flourishing in a number of states that permit parents and educational entrepreneurs to start schools. Though funded by the government, they are free of local bureaucratic controls and operate, therefore, more like private schools. Backed by conservative think tanks and business interests, charter schools promise to improve the achievement of minority and low-income students.

But charter schools raise many of the same fears that community control did thirty years ago. Can we trust local groups to run schools independent of centralized bureaucracies? Won't we find corruption as public money is distributed to various private groups? Won't bizarre school programs suddenly turn up funded by taxpayers' money?

The editor of this magazine, Michael Kelly, attacked charter schools in December. In "Dangerous Minds" (December 30), Kelly reported on an altercation at the new Marcus Garvey School in Washington, D.C., a charter school, which, as its name suggests, is committed to black nationalism. In the altercation, several students reportedly assaulted a white

female reporter and threw her out of the school. "Charter schools, and similar ideas like the use of vouchers to pay for tuition in private schools, enjoy support from the right and the left for essentially the same reason," Kelly wrote. "Conservatives like charter schools because they think the schools' autonomy will allow the teaching once again of conservative virtues—old-fashioned education, discipline, religious instruction. The race-and-gender left likes charter schools because autonomy will allow the teaching of its values: Afrocentric schools for blacks and feminist schools for girls, and so on." Actually, the race-and-gender left does not actively support charter schools. They do well enough

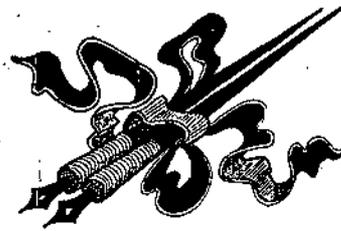
in the public schools, though it is true that charter schools in black neighborhoods will generally place strong emphasis on Afrocentric education.

Of course, the unions are suspicious of such autonomy. Their members may lose jobs as

parents desert public schools and patronize the new charter schools. Understandably, Shanker reprinted Kelly's attack in his weekly advertisement in *The New York Times* shortly before his death. Both have a point: charter schools may teach nonsense. But at least the nonsense has the support of parents, who can always shift their children to the public schools, or from one charter school to another. Charters come closer to restoring parents' control over the schools than any tinkering with big-city school bureaucracies, and that is a virtue in its own right. Furthermore, there is good evidence that schools that link parents, teachers and children in a common enterprise, accepted by all, are the most effective. Competition should ensure that the new charter schools deliver what parents most want—a good education for their children. Besides, there is a way to judge whether these schools perform well: national standards and national tests. Even if the schools teach nonsense, the public—and the parents—can at least find out if their students can read, write and calculate.

Shanker opposed vouchers and was wary of charter schools. But his most statesmanlike position was his steady support for national standards and national tests. That is the answer to Kelly's concern over charter schools—not, as some suggest, preventing these schools from coming into existence and maintaining power with central-office bureaucrats.

NATHAN GLAZER



Date: 02/18/97 Time: 16:12
SRiley: Change laws to fix broken schools

*Education
News*

WASHINGTON (AP) Americans should close or reorganize bad schools, even if it means replacing teachers and principals, Education Secretary Richard Riley said Tuesday in his yearly speech on the state of education.

Riley also said algebra should be taught routinely in the eighth grade. And he announced he would hold a forum this spring on how to address the looming shortage of teachers.

Riley devoted much of the speech to selling or further explaining proposals already made by President Clinton, such as national standards and tax breaks to finance a college education.

But Riley also stressed what states and communities should do to improve the quality of schools and teachers. Laws should be changed, if necessary, to make it easier to clean house at schools where students don't learn and dropout rates are high.

After the speech, a top aide, acting Deputy Secretary Marshall Smith, said those necessary changes might include overhauling union contracts with teachers.

"In America today, there are schools that should not be called schools at all," Riley said in the speech, delivered in Atlanta but televised in Washington.

"We need to stop making excuses and get on with the business of fixing our schools," he said to an audience that included former President Carter, under whose leadership the Education Department was created. "If a school is bad and can't be changed, reconstitute it or close it down.

"If a principal is slow to get the message, find strength in a new leader. If teachers are burned out, counsel them to improve or leave the profession. If laws need to be changed, get on with it," Riley said.

In reiterating Clinton's push for national tests of fourth-graders in reading and eighth-graders in math, Riley said schools should begin teaching algebra in the eighth grade, just as it is taught elsewhere in the world.

Smith said afterward that the proposal is politically touchy because people aren't trained to teach algebra at that level and high schools don't always want to yield control of the subject to middle schools.

But Riley stressed in his speech that the tests would be voluntary and that the administration opposes a national curriculum.

In announcing a national forum on teacher recruitment, Riley said 2 million new teachers will be needed in the next 10 years.

"New teachers like new lawyers and new doctors should have to prove that they are qualified to meet high standards before getting a license," he said. "This would mean that prospective teachers are able to pass a rigorous, performance-based assessment of what they know and what they are able to do."

Riley, however, did not mention raising teacher pay as a means of finding more teachers.

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*Ed
Newsclip*

THE WHITE HOUSE
WASHINGTON

January 21, 1997

**MEMORANDUM TO ERSKINE BOWLES
SYLVIA MATHEWS
JOHN PODESTA
RAHM EMANUEL
ANN LEWIS
MIKE McCURRY
VICTORIA RADD
BRUCE REED ✓
DOUG SOSNIK
GENE SPERLING
MAGGIE WILLIAMS**

FROM:

DONALD A. BAER

DAB

SUBJECT:

JONATHAN ALTER EDUCATION ARTICLE

I sent this in to the President today with the strong recommendation that this is the best statement I have yet read on the overarching importance of education for the second term and how he can pursue large goals on the issue.

Clinton believes history will judge him by how well he scores on education. A primer on what's coming in the second term. BY JONATHAN ALTER

Bill's Final Exam

HISTORY HAS AN IRONIC sense of humor. It turns out that President Clinton's fondest hope for the millennium is to fulfill one of George Bush's casual promises from back in 1988. Campaigning against Michael Dukakis, Bush pledged to be "the Education President." He wasn't. Nor was Clinton in his first term. But now, barring an unexpected crisis, Clinton will bet his legacy on educating the American work force for the future.

* Of course, this must be accomplished in what the Washington wonks are calling "the context of a balanced budget." And what exactly does that mean? The rap on Clinton is that by becoming essentially a

moderate Republican on fiscal issues, he'll be remembered mostly as a president who played a good game of defense against extremist ideas, with some nice on-court cheerleading to make everyone feel better. There was even a mantra for it in the campaign: "balancing the budget while protecting our values," the values being "M2, E2" (code for Medicare, Medicaid, education and the environment).

This defensive maneuver worked brilliantly last year, but it hampers Clinton as he begins his second term. Commitment to a balanced budget means little money for the big, bold initiatives that could catapult him to greatness—or at least greatness in the eyes of the liberals who write most American history. At the same time, by promising so feverishly to protect the elderly, the president will have a hard time making the long-term cuts in entitlement programs necessary to make balancing the budget anything more than a temporary achievement.

Clinton's new Medicare proposal, for instance, amounts to little more than an accounting gimmick that buys him nothing in the long run. Unless he pulls a Nixon-to-

China on entitlement reform, he will win few points for fiscal responsibility. The epitaph HE

CUT THE DEFICIT IN THE MIDDLE OF HIS TENURE, ONLY TO HAVE IT BALLOON LATER will not be carved on a monument any time soon.

This is what the British call a sticky wicket, and it has yielded a domestic agenda widely derided as too modest, even for a centrist. The usual Washington wise guys anticipate a kind of energetic do-nothingism from Clinton. His short-term goals are viewed as either futile, like campaign-finance reform and trying to roll back the food-stamp and welfare cuts for legal immigrants, or as cakewalks, like uncontroversial regional trade pacts and more money for community policing.

But don't write off Clinton's priorities as puny without a close look at education, a

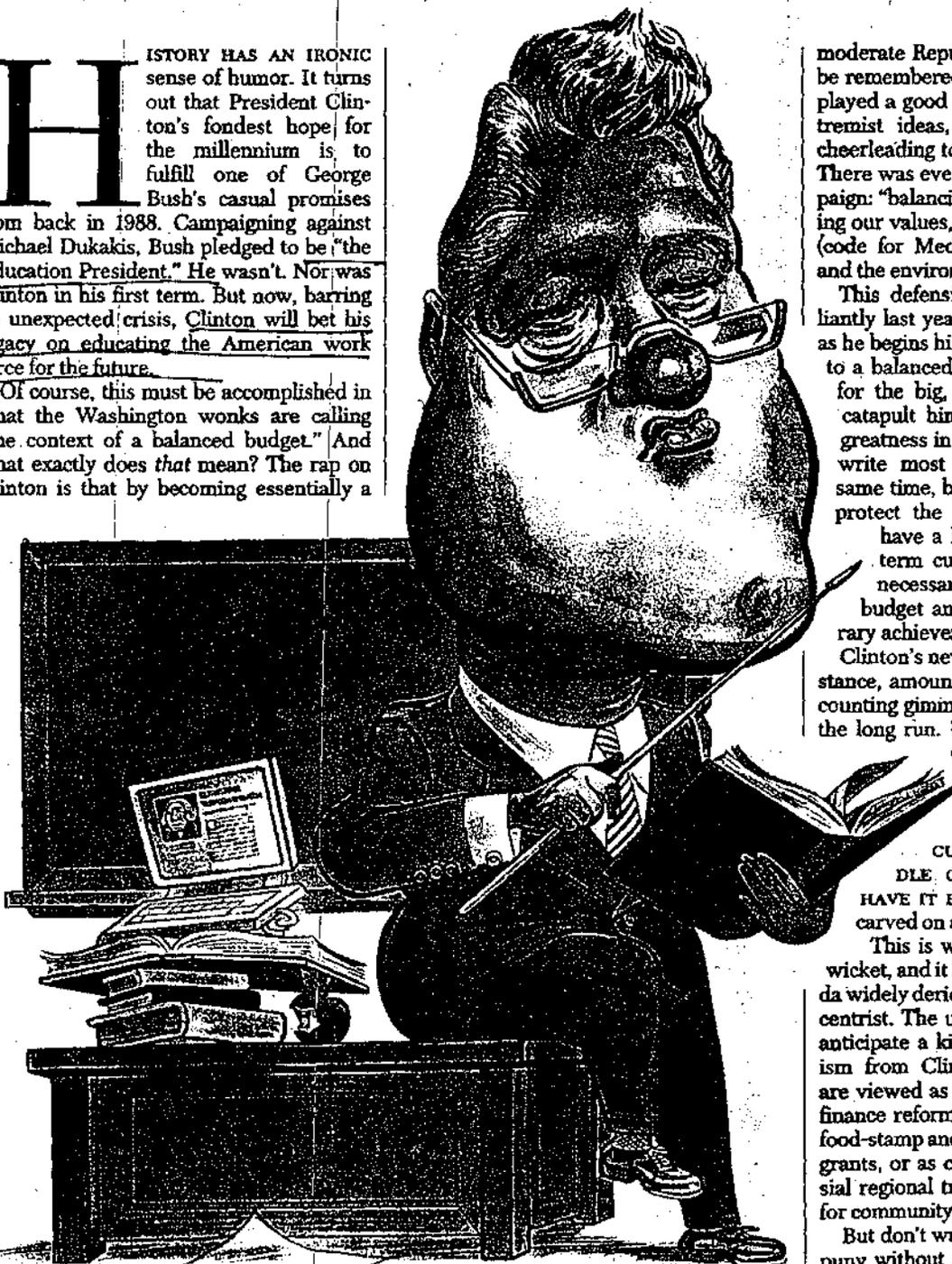


ILLUSTRATION BY JOHN KASCHIT

major concern of his since his earliest days in politics. The president's best hope for leaving a lasting imprint is that seemingly prosaic ideas like tax credits for college and national student-performance standards just might transform the country the way the GI Bill did in the 1950s. In 1996 the president began envisioning a nation where the first two years of college are as common as high school. Eventually, Clinton may be able to invoke "education" the way earlier presidents invoked "national defense"—as Mom-and-apple-pie crust for expensive goodies that would never be swallowed otherwise.

And that's not just political packaging. In today's knowledge economy, the idea of education is broadening beyond the classroom to welfare (job training) and health care (educating people to shift to preventive, less costly medicine). Clinton won election and re-election partly by convincing voters that education was their ticket to survival in the confusing future, and that he would help them write it. That is actually a mammoth promise.

But the odds are against him, and not just because he could be capsized by scandal or recession or a balky Republican Congress. Though the new line-item veto will help (recalcitrant Republicans will face a choice between losing their pet projects and siding with the president), the two domestic issues most likely to affect Clinton's historical reputation—education and welfare—are now largely state and local duties.

Which means the president will have to fashion a whole new way of governing, in which Washington doesn't run many programs or pass many laws but instead coordinates and leverages broader social change. Evoking Theodore Roosevelt, Clinton calls this the bully-pulpit approach. But given the reduced moral authority of the presidency and the increased complexity of public life, the pulpit's sound system is not strong enough. Exhorting Americans or highlighting successes is important but insufficient.

To move farther, Clinton needs what his communications director, Donald Baer, calls a domestic "Marshall Plan"—that's "marshal" with one "l." The original Marshall Plan, announced in 1947 by Secretary of State George Marshall, was a huge investment in postwar Europe. No one is expecting that now domestically. Instead, this organizational effort, whatever it is called, would move beyond eloquent words toward concrete-action plans for marshaling existing resources of govern-

ment, the private sector and nonprofits.

Despite endless conferences and a lot of talk about rebuilding "civil society," this is not fully happening yet. "Replication" of successful programs is all too rare. For instance, Oregon has an innovative health-care plan that has cut the rate of uninsured Oregonians to 11 percent—much lower than the national average. But the plan has not been emulated. Government engages in "a systemic suppression of good ideas," says Harvard professor Alan Altschuler, who is trying to address the replication problem by helping judge the Ford Foundation's Innovations in American Government awards.

Even if Clinton does educate and marshal, he will still swim upstream in the old-fashioned, everyday world of Washington policymaking. Here's some of the rest of this year's agenda.

The Plan From Hope: The president's "Hope Scholarships" are named not after his hometown but after a similar program

The Beltway wise guys are expecting an energetic do-nothing-ism from Clinton. But don't write him off yet: his education ideas could still transform the country the way the GI Bill did.

in Georgia. They would provide a \$1,500 tax credit (direct money) and a \$10,000 tax deduction for college costs. The plan, which is aimed at middle-class families more than poor ones, would make the first year of college essentially free. Students earning at least a B average would be eligible for a second year of the credit. This is a big-budget item—\$42 billion over six years—and it could generate both grade inflation and tuition inflation. But it's the biggest plank on Clinton's bridge.

Bricks and Mortar: Computers in the schools? Try classrooms that don't leak. A new report says that more than a third of American children attend schools that need to be rebuilt or undergo major repairs. The backlog now totals a staggering \$112 billion. Clinton is proposing \$5 billion over five years, with a bonding formula to leverage an additional \$20 billion locally. It's a start—and a way to get federal money into the schools without threatening local control over curriculum.

The Little Engine That Could: Clinton keeps the children's book of that title in the Oval Office, and it will take a similar Herculean effort to get enough reading tutors into the schools. America's Reading Corps is lightly funded—only \$200 million over five years to train 30,000 reading specialists, who in turn are supposed to train a million volunteers. The aim is to make sure every child reads by third grade, a noble goal that, if achieved, would yield huge personal and economic benefits for the country. But until Clinton and Congress add another zero to the funding, it's little more than a charade.

KiddieCare: One of Clinton's biggest campaign promises was to provide health coverage for the 10 million children who are uninsured. But when states and private employers now generously insuring some lower-middle-class families figure out that Washington will do it, they'll dump those kids into the federal pool, sending costs into the stratosphere. No one has figured out how to solve that one yet.

Help Wanted: For welfare reform to work, it must become an education program. Former recipients must learn how to hold down jobs. The president's favorite idea, based on a Kansas City plan, is to allow states to transfer a welfare recipient's check to an employer as a wage supplement. The government picks up at least half of the new worker's salary, plus benefits, and the employer picks up the other portion, often minuscule. By the time benefits expire, the company should have a fully trained employee.

In theory, anyway. Incentives to hire welfare recipients haven't worked in the past. Clinton may be forced to revisit the old idea of low-wage public-sector jobs, though he would have to persuade labor to drop its hidebound opposition. The president is seriously interested in making welfare reform a reality, but not yet seriously enough committed to what's necessary to accomplish it.

Having been burned so badly on health-care reform in 1993-94, Clinton has become a quintessential consensus politician, determined to move slowly with confidence-building measures that restore faith in government before trying big fixes. The confusion comes from interpreting this as a retreat from the lofty goals of the Inaugural Address. Under fire, the president is still trying to advance. But he must move from merely exhorting his troops to marshaling them for conquest.

With PAT WINGERT, RICH THOMAS and KAREN BRESLAU in Washington and bureau reports

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Philip Coltoff
Executive Director

March 5, 1997

Mr. Bruce Reed
Assistant to the President for
Policy Development
White House - 2nd Floor, West
1700 Pennsylvania Avenue
Washington, DC 20502

Dear Mr. Reed:

I am so pleased to enclose this copy of an op/ed piece on public school reform that appeared in *The Christian Science Monitor* last Monday.

In all of the coverage of President Clinton's education initiatives, it has seemed to us that one crucial point has been missed: education does not take place in a vacuum. We therefore ask for a broader concept of "public school reform" -- one that doesn't look at standards or curriculum in a vacuum, but at the realities that keep children from learning in the first place. Standards, alone, may not be enough.

We are delighted that the *Monitor* was able to publish this essay, and are especially grateful for your interest in our "community schools" where this approach is producing such positive results. I would welcome your call if you'd like to discuss these ideas. As we evaluate our model and adapt it to new sites in New York and nationally, I look forward to keeping you informed.

Sincerely,

Philip Coltoff
Philip Coltoff
Executive Director

PC:ea

Enclosure

'Full Service' Schools Broaden Definition of Education Reform

By Philip Coltoff

PRESIDENT Clinton wants a non-partisan commitment to education as "one of the critical national security issues" of our future. But higher standards, more choice, and better teacher training may not be enough to ensure that our children will learn.

With every new survey, the conclusion becomes clearer: The school reform movement has not succeeded in meeting the needs of poor urban children - children who come to school hungry or sick, who live in violent neighborhoods, in overcrowded apartments, with over-stressed families.

Why, then, in all the "post-game analysis" of these reports, do we hear only more calls for raising standards, reforming curriculum, changing governance structures, developing new test instruments, training teachers differently, or holding schools more accountable - as if the problem is strictly within the school, and has nothing to do with children's lives outside it?

It doesn't take an expert to know that education doesn't exist in isolation from all of the other areas of a child's life. Yet we continue to treat it as a separate component. We see educational achievement as the route to greater socio-economic opportunity, yet fail to see how current socio-economic conditions hamper achievement in the first place. We view schools as a cure-all for our social ills but don't equip them to deal with the social ills they face daily.

Partisanship is not the problem; our view of education is. Until we take a more comprehensive view, even the best reforms will fail. We need to change our concept of what school reform entails - to create models that enhance academic performance by recognizing the realities that keep children from learning.

This is the strategy behind a "community schools" project that the Children's Aid Society implemented five years ago, in partnership with the New York City Board of Education, in four public schools in Washington Heights. These schools offer the full range of programs and services that children and families need, including on-site health care, counseling, tutoring, recreation, adult education, and cultural programs. Before- and after-school programs tie

directly to the children's classroom experience. In the summer, the schools become camps for community children of all ages. Some of the schools offer Head Start programs, early childhood classes, and day care. All of the schools are open from 7 a.m. to 10 p.m., six days a week, 12 months a year.

Academic achievement has improved in these schools, despite the fact that fully half of these children are Limited English Proficient and all qualify for the federal free school lunch. At P.S. 5, a grade school that opened in 1993, third-graders who were reading at grade level increased from 10 percent in grade 3 to 16 percent in grade 4 to 35 percent in grade 5. At I.S. 218, a middle school that opened in 1992, math performance rose from 37 percent at grade level in 1994 to 44 percent in 1995 and 51 percent in 1996.

Scores still aren't as high as in schools with a selected student body or in high-income areas, yet performance is improving each year and the general needs of youth and families are being met.

This is only one model. Other "full service" schools are opening in rural, suburban, and urban areas, finding advantages - including cost efficiencies - in providing critical supports through the school. In New York, the model costs about \$850 per youngster per year - a small increment when taxpayers are paying almost \$7,000 per youngster now for schools that are not performing. And much of this cost could be covered by existing funding - Medicaid, drug-free schools, Goals 2000, or others - if we consolidated those funds in the public school. It's the location of services in the school - and the coordination among them - that is the biggest change, and challenge.

To espouse full-service or community schools doesn't mean we turn our backs on school reform, only that we broaden our definition of it. By bringing a panoply of new resources into a school, lightening the burden of teachers and students, we create an environment in which the best reforms have every chance at success - and, more important, so do the children.

■ Philip Coltoff is executive director of the Children's Aid Society in New York.

We view schools as a cure-all for our social ills but don't equip them to deal with the social ills they face every day.

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Limit to Gov't-Education Role Urged

By Anick Jesdanun
Associated Press Writer
Wednesday, January 27, 1999; 2:02 p.m. EST

WASHINGTON (AP) -- A current governor and a former governor urged Congress on Wednesday to limit the federal government's role in education, saying the Education Department should not become a federal school board.

Pennsylvania Gov. Tom Ridge and former Ohio Gov. George V. Voinovich, both Republicans, said states and local school districts should be given flexibility to innovate.

"Unleash the creativity of states, hold us accountable and give us the opportunity to partner with you," Ridge told the House Committee on Education and the Workforce.

Congress is set to consider legislation this year to renew federal programs for grades K through 12. Wednesday's House hearing was the first of several scheduled to prepare for that task.

President Clinton, in his State of the Union address this month, said he would seek \$200 million to help states fix their schools and \$600 million to triple funding for after-school and summer catch-up programs for failing students.

Administration officials also are working on proposals to tie the \$15 billion that states get from the federal education budget to Clinton's accountability goals, which include requirements that schools stop promoting students who are failing and that states fix or shut down low-performing schools.

Voinovich said governors are "concerned about the consequences for states and communities that fail to adopt the new federally mandated policies."

On school construction, Voinovich said Clinton's proposal would reward states that have not taken action to keep up with infrastructure. In states like Ohio, which committed more than \$1.5 billion to repair or rebuild schools, taxpayers essentially would be asked to pay for construction twice, Voinovich said.

Ridge and Voinovich both called for expanding to all 50 states a pilot program that now gives a dozen states, including Ohio, additional flexibility in spending their federal education dollars.

Ridge, who served in the House for 12 years, said states should be considered partners in any effort to overhaul education.

"Education policies and initiatives historically have been the domain of the states and their local school districts, not the federal government," Ridge said. "That's not to say we are not grateful of the dollars we receive and that objectives and goals of those dollars are not objectives and goals that we share."

He said Washington could properly establish a framework of standards, as long as states still can tailor policies to meet unique needs and get a range of options from which to choose. Existing federal mandates are too restrictive, Ridge said.

Rep. William Goodling, R-Pa., the education committee chairman, also spoke of a desire to keep policy decisions at the state and local levels, noting that more than 92 percent of all education spending come from those sources.

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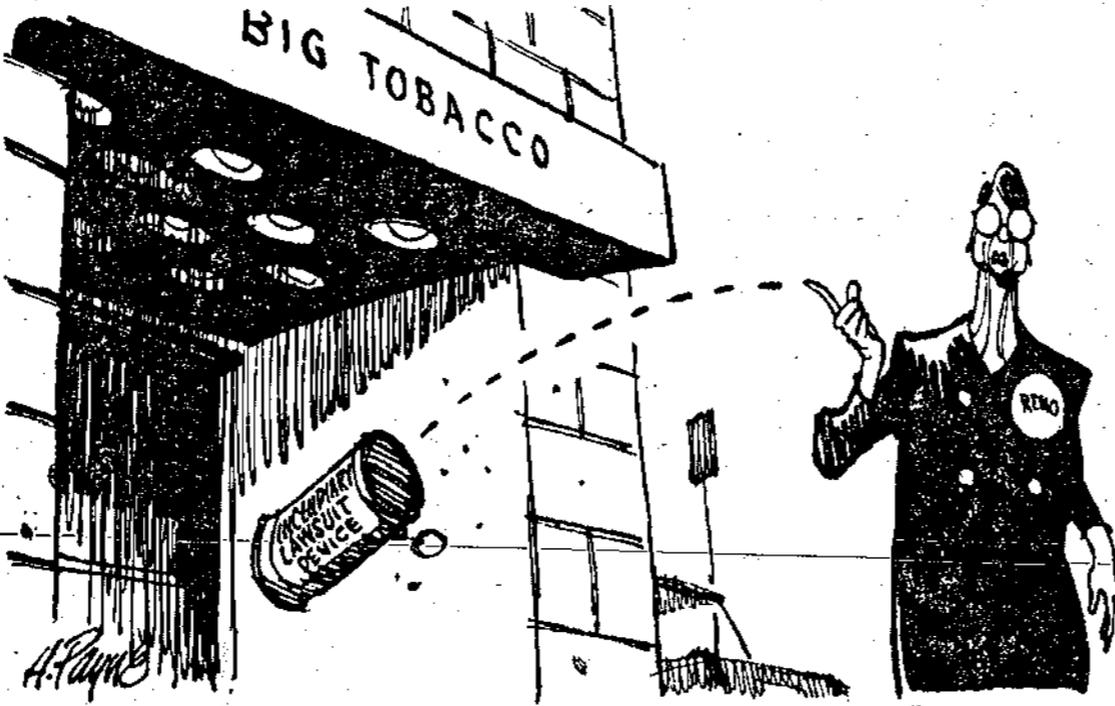
Trumping public extortion

The federal government is now following the states in seeking to extort billions from the tobacco industry. Cigarette companies aren't the only targets: Gun makers currently are seeking to settle a pack of municipal lawsuits, and alcohol producers, too, could find themselves in lawyers' legal gun sights. Yet a new Federal Trade Commission report concludes that when it comes to advertising, at least, self-regulation is the best means of addressing the problem of alcohol abuse.

The states' success in using litigation to loot the tobacco industry has spurred copycat suits. Already one case has been filed against the alcohol industry by a Florida group, "Victory Over Addiction International." The plaintiffs sought \$1 billion in restitution, unspecified punitive damages, and severe limits on advertising and marketing.

The latter remedy is a goal of even those who aren't suing. When the American Medical Association hosted an International Alcohol Policy Conference, participants charged alcohol makers with using "frogs, lizards, dogs and cartoonlike characters that appeal to youth to promote alcoholic beverages." Similarly, the Marin Institute, a major federal grantee, promoted efforts to stop Anheuser-Busch from using cartoons in its beer ads.

More threatening was the short-lived political campaign against liquor advertising three years ago. When Joseph E. Seagram and Sons abandoned its voluntary ban on broadcast ads, some people reacted as if cocaine merchants had taken over Madison Avenue. The



"I HEARD THEY WERE HARMING CHILDREN..."

Federal Trade Commission (FTC) and Federal Communications Commission (FCC) launched investigations. Members of Congress introduced legislation. Commentators fulminated and activists raged.

The protests never made any sense. If products can be legally sold, they can be advertised.

Indeed, at the very moment then-FCC Chairman Reed Hundt was attacking makers of distilled spirits for planning to advertise, the beer industry was spending more than \$600 million annually on television ads. Yet no one, least of all Mr. Hundt, complained about the latter.

Moreover, it isn't clear that

advertising has a substantial impact on the demand for alcohol (as opposed to brand preference). More than a decade ago the FTC admitted there was "no reliable basis to conclude that alcohol advertising significantly affects consumption, let alone abuse" and that "absent such evidence, there is

no basis for concluding that rules banning or otherwise limiting alcohol advertising would offer significant protection to the public."

However, threats from Congress and the FCC alike to investigate and legislate made networks reluctant to run any ads. The result has been a de facto advertising ban.

The political furor eventually died down, but not before Congress instructed the FTC to review the effectiveness of industry self-regulation in preventing alcohol advertising and marketing to those below the age of 21. Two years later the commission has released its report.

The result is a sharp rebuff to industry critics. Concluded the FTC: "Self-regulation is a realistic, responsive and responsible approach to many of the issues raised by underage drinking. It can deal quickly and flexibly with a wide range of advertising issues and brings the accumulated experience and judgment of an industry to bear without the rigidity of government regulation." The commission indicated such an approach was particularly important given the First Amendment protections afforded advertising.

All three alcohol industry associations — the Distilled Spirits Council of the United States (DISCUS), Wine Institute, and Beer Institute — have voluntary advertising codes covering content and placement. Most individual companies implement similar guidelines.

Despite the lack of government enforcement, the FTC reports that "for the most part, members of the industry comply with the current standards." Indeed, adds the com-

mission, "many individual companies follow their own internal standards that exceed code requirements."

The FTC did recommend that the industry tighten its restrictions, such as avoiding advertising in media that reaches even a small percentage of underage consumers. The commission also advocated creation of an outside, independent review panel, along the lines of the National Advertising Review Board of the Council of Better Business Bureaus.

Nevertheless, the agency's report offers a dramatic contrast to the usual attempt of government agencies to forever expand their power over private industry. When the controversy first arose, the FCC, led by Reed Hundt, seemed eager to regulate alcohol advertising. It only reluctantly concluded that it lacked the legal authority to do so.

Not so the FTC, which now emphasizes that self-regulation is better than government intervention. The commission's new, responsible stance should encourage the networks to accept ads from distillers, thereby treating them like any other companies.

Litigation is an awful way to make national policy. Almost as bad is regulation — or the threat of regulation — by largely unaccountable bureaucracies. As the FTC acknowledges, the alcohol industry has shown how private companies can cooperate, voluntarily, to better protect the public interest.

Doug Bandow, a senior fellow at the Cato Institute, is a nationally syndicated columnist.

KATHLEEN PARKER

It is said that the best thing a father can do for his daughter is to love her mother.

A girl lucky enough to observe her "first man" demonstrating affection and respect for the woman with whom she most strongly identifies grows up with confidence and high self-esteem.

More likely than not, she'll set her standards high when seeking her own mate.

Now, new research published in the August issue of the *Journal of Personality and Social Psychology*, suggests there's more fathers can do: Be there.

The gist of the study of 173 girls and their families is that girls who have a close, positive family relationship in their first five years —

A father's greatest gift

especially with their fathers — enter puberty later in life. Specifically, the researchers found that girls reaching puberty later had fathers who were active caregivers and had positive relationships with the mothers.

Conversely, the researchers — led by Dr. Bruce Ellis of the University of Canterbury in New Zealand — found that girls who grew up without their father at home, or in dysfunctional homes where the father was present, entered puberty earlier.

Why? Apparently, girls' biological clocks are tuned not only to

their physical environment but to the emotional atmosphere as well. We've all heard of female roommates who, after living together a few months, mysteriously synchronize their menstrual cycles. The same principle may apply to the onset of puberty in relation to the man of the house.

Dr. Ellis and his colleagues believe girls unconsciously adjust the timing of their puberty based on their fathers' behavior. Pheromones — those information-packed hormones we hear so much about — hold the key.

The theory is that girls who grow up in a stable relationship with their

biological father are exposed to his pheromones, which causes them to postpone puberty — possibly as a shield against incest. Who knows? Maybe Neanderthal Dad was a randy creep when Mom was napping.

Girls who grow up with stepfathers or their mothers' boyfriends, on the other hand, are exposed to other-guy pheromones that may accelerate puberty. Draw your own conclusions.

Those of us who grew up with fathers don't need convincing that dads matter. Nevertheless, this research adds dimension to the arguments that fathers are especially important to girls and their future well-being.

Even without scientific data, the researchers' theories make sense.

We've learned that girls who grow up without fathers tend to become sexually active at earlier ages; that girls without fathers tend to look for male approval in intimate relationships before they're emotionally ready.

In recent years, girls have become sexually active at earlier ages than ever before in American history. Is it mere coincidence that simultaneously, more girls than ever are growing up in households without their biological fathers?

It's a fact that girls are reaching puberty earlier and engaging in sex sooner than they should. It's a fact that sexual activity leads to unwanted pregnancy, disease and future health problems. Early sexual

activity and multiple partners are associated with cervical cancer, for instance.

Logically, girls don't experiment with sex — at least voluntarily — until they've reached puberty. Logically, the later the onset of puberty, the better.

Given that we can't seem to curb the media's insatiable appetite for titillation nor stem the onslaught of sexual messages that say, Just-Do-It, we might do better to seek ways to postpone puberty. How nice if the solution were as simple as having a good dad around the house.

Kathleen Parker is a nationally syndicated columnist.

CAL THOMAS

A team of conservative Christian Republicans has spent the last six months quietly interviewing all of the Republican presidential candidates, except Sen. John McCain and Elizabeth Dole, who declined because of scheduling conflicts. The purpose of the interviews was to determine the candidates' degree of acceptability to this important constituency.

Operating under the umbrella of a group called the Madison Project, which is headed by Michael Farris, president of the Home School Legal Defense Association, the group concluded its interviews last Friday in Washington with the leading contender for the GOP nomination, Texas Gov. George W. Bush. Some social conservatives have expressed concern that Mr. Bush might be "squishy" on such issues as abortion, school choice and other subjects dear to their hearts.

Inquiring of the front-runner's mind

Mr. Farris told me, "I think Bush is acceptable. I'll support him if he's the nominee." It is enough for Mr. Farris and the 14 other members of the group that Mr. Bush says he would appoint federal judges who are "strict constructionists." They reason that if such a phrase was good enough for their hero Ronald Reagan, it's good enough when Mr. Bush uses it. They don't need to hear the phrase "litmus test." Still, Mr. Farris said the group also would support Steve Forbes, should he win the nomination, a position apparently intended to keep Mr. Bush from courting the liberal wing. The other Republican

candidates, including Gary Bauer and Alan Keyes, were dismissed as "fooling themselves" by pursuing the presidency.

Among those on the interview panel were former Republican Sen. William Armstrong of Colorado, Houston Appeals Judge Paul Pressler, Tim LaHaye, a best-selling author and one of the founders of the modern religious conservative movement, Presbyterian minister D. James Kennedy of Fort Lauderdale, Fla., and Paul Weyrich, who earlier this year called on social conservatives to give up on electoral politics and establish "parallel institutions" to

train a new generation of young people with conservative beliefs and values.

Mr. Armstrong said Mr. Bush "favorably impressed him." Mr. Bush is "a man of conviction" and "he doesn't need to go further" in his pro-life statements. Mr. Armstrong believes Mr. Bush's religious faith is genuine. On the issue of gay rights, Mr. Armstrong asked the governor whether he thought it was OK for an ambassador and department heads to be openly homosexual. Mr. Bush told the group he would not "knowingly" appoint a practicing homosexual as an ambassador or department head, but neither would he dismiss anyone who was discovered to be a homosexual after being named to a position. The impression Mr. Armstrong received was that as long as someone kept his or her sexual preferences private and did not promote them to influence policy,

Mr. Bush could live with such an arrangement. "I wish he had nailed that down a little more," said Mr. Armstrong.

On the Department of Education, which some conservatives have tried but failed to eliminate since Ronald Reagan's administration, Mr. Armstrong said Mr. Bush was not prepared to make such a promise, but that he will "decentralize the money," allowing more state and local control of public schools.

Mr. Pressler told me that "social conservatives have nothing to fear from a George W. Bush presidency." Mr. Farris said Mr. Bush promised him that, as president, he would make sure government leaves the growing home school movement alone and would protect it from encroaching federal agencies.

Social conservatives want to win the next election, so they are willing to abandon the candidates who

might more clearly articulate their beliefs but can't attract the vast middle necessary to any political victory. Increasingly they are lining up behind the Texas governor, while keeping Steve Forbes as a "reserve quarterback" in case Mr. Bush is injured. I've called this strategy "principled pragmatism," and it's the only approach that can win.

The series of candidate interviews, which remarkably did not leak, seems to have settled the question of George W. Bush's social-issue bona fides. Mr. Bush's perceived convictions, coupled with a non-threatening demeanor, will make it harder for the Democratic nominee to marginalize Mr. Bush as an "extremist" and a lackey of so-called Religious Right. Bush won't keep him from trying.

Cal Thomas is a nationally syndicated columnist.

Mexico's trial of the century

Mexico's own "trial of the century" concluded last week. After rendering a guilty verdict, the judge sentenced 52-year-old Raul Salinas de Gortari, the brother of Mexico's disgraced former president, to prison for 50 years without the possibility of parole. In an investigation and trial that lasted more than four years, frequently interrupted by bizarre and shocking developments, Raul Salinas was found guilty of being the "intellectual author" — the mastermind — of the September 1994 assassination of Jose Francisco Ruiz Massieu, who was Salinas' former brother-in-law and the second-most powerful official of the Institutional Revolutionary Party (PRI), Mexico's longtime ruling party.

Not surprisingly, since Raul Salinas was arrested and detained in one of Mexico's most notorious prisons in February 1995, Mexican President Ernesto Zedillo has showcased the detention, the investigation and the trial as proof that the rule of law had finally been introduced in Mexico. To be sure, the trial was unprecedented, and the verdict ostensibly reinforced President Zedillo's claims.

However, not all critics have been convinced that legal reform has taken root in Mexico. They argue, for example, that the investigation was so flawed that Raul Salinas could only have been convicted on the direct orders from President Zedillo, who had a long-running feud with his predecessor, Carlos Salinas de Gortari. Within days of his brother's arrest, meanwhile, Carlos Salinas fled himself to Ireland, which, conveniently for him, has no extradition treaty with Mexico. At the time, it's important to recall, the Mexican economy was reeling from a currency devaluation made necessary after President Salinas had bequeathed empty hard-currency coffers to his successor. Moreover, the subsequent discovery of more than \$100 million in Raul Salinas' Swiss bank accounts — drug-tainted loot, according to Swiss investigators — did not improve his image among Mexico's impoverished middle class.

Among the bizarre developments in the flawed

investigation was the discovery of a skeleton on Raul Salinas' property that was said to be the remains of a missing PRI official whom Salinas had presumably killed after conspiring with him to murder Ruiz Massieu. The skeleton, it turned out, had been planted by a clairvoyant whose services were enlisted by investigators. In another questionable twist, a special prosecutor appointed by President Zedillo made payments of \$500,000 to the sister of Raul Salinas' principal accuser. Problems certainly did not begin with Mr. Zedillo's prosecutors. The initial special prosecutor, who was appointed by then-President Carlos Salinas, was the brother of the murder victim. Nevertheless, he was later accused of covering up evidence that implicated Raul Salinas. To avoid obstruction-of-justice charges, Mario Ruiz Massieu, the victim's brother, fled to the United States, where he had earlier deposited millions of dollars in Houston bank accounts.

Considering the flawed investigation and the political capital President Zedillo would gain from a conviction, an opposition senator told the Los Angeles Times, "This is a sentence dictated from the desk of Zedillo. If Raul Salinas was acquitted, Zedillo would have been indicted by 90 million Mexicans." Indeed, the judge, who declared Raul Salinas guilty found it necessary to note in his decision that his ruling was one of "absolute impartiality, honesty, probity and independence." The judge also felt compelled to deny receiving "instructions, pressures or orders . . . that could imply subordination to some interest other than those of justice."

Indisputably, from beginning to end, the case was no hallmark of legal reform. As Mexican analyst Jorge Castaneda noted, "It's so clearly a political decision. I don't think one will see this as a step forward in the establishment of the rule of law in Mexico." The narco-corruption that has pervaded the PRI and other powerful Mexican institutions surely offers Mexico's judicial system enough opportunity to demonstrate to what extent real legal reform has taken root in Mexico.

The Washington Times

TUESDAY, JANUARY 26, 1999

Give D.C. students a break. . .

As most everyone has come to accept, the University of the District of Columbia is not all it can be, which means that its students are prone to missing the high mark as well. Fortunately, UDC and city officials are trying to turn that around. In the meantime, Rep. Tom Davis is offering a promising solution.

Rep. Davis, Northern Virginia Republican, wants D.C. students to be able to attend the state university of their choice at in-state costs. For parents struggling to come up with the ever-increasing costs of higher education, the legislative proposal holds out much hope. Even better, UDC will not have to close its doors. To the contrary, the proposal affords UDC and city officials more time to continue reforming the troubled 20-year old university. The opportunity to improve the lot of D.C. residents, however, should not hinge on the stability of UDC.

Imagine, for a moment, a single D.C. parent whose child attends a public college in another state. While the average tuition in-state costs are about \$4,000, which is about the price at the University of Maryland-Eastern Shore, out-of-state tuition at state schools is as low as only \$2,000 more and as high as \$10,000. How unfortunate it is when an academically astute high-school senior is lost to an inferior college, or worse the streets, because her parent(s) could not afford to send her to college at all. Such is the sad fact of life for hundreds of D.C. graduates each and every year.

"We're going to create greater opportunity for D.C. residents," Rep. Davis has said. They really don't have a state university. UDC doesn't cut it. UDC has been troubled for a long, long time." Indeed, should bright D.C. students suffer

because adults can't seem to get it right?

Financially, UDC continues to struggle. Managerially, it has solved some of the more negative problems of years past — most of which centered around mismanagement, some of it criminal, by school officials. And although most of that is water under the bridge, UDC still must have a narrowly focused mission and the right mix of administrators and faculty to carry it out. Such is not the present case. But, while UDC is on the mend, students in the nation's capital can look forward to reaping the educational benefits of attending schools around the country.

The Davis proposal, besides widening opportunities for D.C. residents, would aid the universities as well, as the federal government, not the state, would pick up the tab for the difference between in-state and out-of-state tuition costs. Moreover, additional students at state schools means additional money. Who could balk at that?

D.C. Delegate Eleanor Holmes Norton supports the idea, saying the proposal is another way for the federal government to give back to the nation's capital. And she is right. Besides, D.C. students would have to compete for slots against other out-of-state students, and Rep. Davis and co-supporters must be certain the legislation spells that out as clearly as possible.

Initially, the in-state tuition program would only benefit about 400 public high school grads who live in the District; it costs about \$7 million. But this is a winning situation for all pertinent parties and the program should eventually be expanded citywide. When it comes to education, bright students deserve all the chances we can give them.

. . . free captives of the government schools

Employing the high-sounding rhetoric of "accountability," Mr. Clinton proposed a major federal education initiative in his State of the Union speech. According to a White House "fact sheet," these "accountability measures" are "designed to hold students, teachers and schools to high standards." More likely, they are designed to protect the teachers' lobby from any real threat to its near-monopoly power.

Federally determined "accountability measures" represent President Clinton's reflexive solution. These ideas are hardly earth-shattering. The president wants to end social promotion, finally. He wants teachers who are "qualified to teach the subjects they are assigned." What a novel idea. Mr. Clinton bemoans the fact that "fully one quarter of secondary school teachers [are] lacking even a minor in their main teaching field!" but he does not require them to get one.

To guarantee that teachers are qualified, the president proposes teacher "performance examinations," but he specifically exempts current teachers, many of whom are clearly part of the problem. He would test only new teachers. He does not call for an end to tenure, which would be truly revolutionary. He also wants states to turn around low-performing schools — how insightful — and he has promised a \$200 million down payment in the next budget to help them start their turn-around mission.

The idea that competition — the lifeblood of capitalism and the source of this nation's unprecedented accumulation of wealth — should play a major role in education is abhorrent to Mr. Clinton and the Democratic Party. The reason is axiomatic: The

party has been a longtime captive of the teachers' lobby and has become addicted to the millions of dollars teachers' unions contribute to its candidates' campaigns.

Fat and happy with their monopoly of public funds, public-school teachers detest competition. Mr. Clinton has been determined to preserve that monopoly, even if it requires that yet another generation of inner-city schoolchildren is victimized by the system's utter failure to educate the vast majority of them adequately. How else to explain the president's veto of an experimental inner-city scholarship plan that would have given 2,000 poor Washington, D.C., students as much as \$3,200 per year to attend private or suburban schools.

The president has found \$200 million in a single year to begin funding so-called state turn-around efforts, but he vetoed a five-year, \$45 million experiment that had so much potential that the teachers' unions called in all their chips to kill it. Since the D.C. scholarship experiment was to be federally funded, not a dime would have been subtracted from the D.C. school budget. Under that condition, even D.C. schools Superintendent Arlene Ackerman would not oppose it.

In 1963, Alabama Gov. George Wallace stood in the doorway at the University of Alabama to prevent black students from integrating the school. In 1999, Bill Clinton and the Democratic Party are standing in the doorways of failed inner-city schools throughout America, determined to keep poor black and Hispanic students inside and consigning the overwhelming majority of them to vastly inferior educations.

Essay

WILLIAM SAFIRE

The Witness Issue

WASHINGTON

It all depends on what you mean by the word *depose*.

Rooted in the Latin *ponere*, "to put down," the meaning in English in 1300 was "dethrone; to put down from high office."

Because of some confusion in the Middle Ages with *deponere*, "to deposit," the verb *depose* developed a second meaning: "to give evidence under oath; to make a deposition."

Thus, if by *depose* you mean "should President Clinton be removed from office?" the answer is no.

But if by *depose* you mean "should Clinton be invited to tell the whole truth at his Senate trial?" the answer is yes.

Last week the House managers presented a persuasive case that the President of the U.S. had systematically lied under oath to support an obstruction of justice. Though his removal by the Senate gained little ground, the impeachment by the House gained respectability. Hutchinson, Graham, Rogan and Barr are future senators and governors.

This week the President's lawyers — whose contemptuous answers to 81 House questions triggered Clinton's impeachment — demonstrated that artful lawyering can cast doubt on any set of facts.

Clinton's lead counsel, Charles Ruff, was at his most effective in countering the charge that Vernon Jordan's sudden burst of activity in getting Monica Lewinsky a job was caused by a Jones court decision that could have required her to testify.

He was least effective, however, in pressing Clinton's claim that he was "not paying attention" when his Jones deposition lawyer, in his presence, unwittingly misinformed a Federal judge that no sex had been engaged in "in any way, shape or form." The prosecution's videotape of Clinton, his eyes first riveted on his lawyer, then switching to the judge, proves him to be lying about "inattention" on a central matter.

In necessarily coming to grips with the House's charges, the President's lawyers were forced to defeat their own aim of avoiding the calling of witnesses. When grand jury testi-

mony is in conflict, as Clinton defenders insist some to be, the Senate must decide for itself who is telling the truth.

That means that next week the Senate will have to deal with the Witness Issue. And that brings us to the second meaning of *depose*.

Before any witness is brought to the well of the Senate, he or she would be examined under oath in private. Each side would see the other's depositions. That would speed the public testimony and disappoint the lascivious.

Vernon Jordan will explain the cause of the sudden urgency to get Monica employment, and she will be asked to verify or confront the President's denials of tampering. Betty Currie will explain how the subpoenaed gifts got under her bed, and with whom she discussed her story while on the President's Africa trip. And if undue pressure last month on House members is suspected, that could be quietly explored.

What about Clinton as witness? Believers in the separation of powers properly recoil at compelling his testimony (just as they do at the notion of censure). But the Senate should ask for a deposition, the transcript to be released before the trial ends. If he gutsily agrees, that would be a pleasant surprise, but he'll decline, as is his right.

What's the purpose of depositions, if the accused is unlikely to be deposed from power? To what end is a full trial when the end seems sure?

It's not a waste of time. The White House threat to call a parade of witnesses and drag this out through the summer is pure bluster. The Senate won't allow it; and even if it did, the public would soon put the blame for shutdown on the filibustering President. That threat is idle.

The purpose of depositions is to let lawyers on both sides cross-examine witnesses at length in private. An ineradicable record is being made. A hundred years from now, scholars will be poring over these depositions to understand the man, our times, and why this generation gave a pass to perjury and obeisance to obstruction.

Punish the President? The House impeachment was strong censure; the adversarial process in the Senate to get at the truth is itself serious chastisement. In a few weeks comes the vote to acquit or depose. And then it should be over, except for the fully documented judgment of history.

Bob Herbert is on vacation.

Separate but Equal Schools

By Jonathan Zimmerman

Imagine two public schools, somewhere in America's checkered educational landscape. School A lacks services for bilingual children, sports teams for girls and elevators for the handicapped. In School B, meanwhile, more than half of the teachers lack training in the subjects they instruct.

Which school discriminates against its students?

They both do, of course. School A harms those groups that suffered discrimination in the past. But School B discriminates against all of its students, who will surely get a far worse education than children with better-trained teachers receive.

Which school is breaking Federal law?

The answer, until now, has been School A alone. Thanks to a flurry of legislation in the 1960's and 1970's, schools receiving Federal funds may not discriminate against women, racial minorities or the physically disabled. But no Federal policy prevents School B from hiring ill-prepared teachers, retaining incompetent ones or promoting illiterate pupils into higher grades. All we ask of lousy schools, in short, is that all of their students get the same lousy schooling.

In his State of the Union address, President Clinton attacked this illogical and deeply inequitable state of affairs. Under Mr. Clinton's proposed Education Accountability Act, schools that provide substandard education would face the same loss of Federal money as schools that

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violate civil rights laws. To put it another way, decent public schooling — with qualified teachers, high standards and suitable facilities — would itself become a civil right.

To qualify for Federal aid under the President's plan, schools would have to demand that all new instruc-

Making decent public education a civil right.

tors earn certificates in the disciplines they teach. Schools would also have to abandon the longstanding practice of "social promotion," requiring instead that all students get the help they need to meet the same standards before passing a grade.

Mr. Clinton's critics have no problem with the policies themselves, but they do not think education should be "federalized." For more than a century, this bugbear has hounded every national attempt to improve public schooling.

Yet Federal funds only represent about 7 percent of American school spending. That money — some \$15 billion a year — is an important carrot for cash-starved districts, to be sure, but hardly the coercive stick that the opponents of reform imagine.

Moreover, nothing in the Clinton package tells schools what they must teach. Politically charged curricular decisions would remain where they belong, at local and state levels. Whatever schools decided to teach, however, they would all need to comply with a few basic standards of educational practice.

We can expect another objection to the new proposals: since the Federal Government plays such a small day-to-day role in American schooling, some critics will no doubt charge that Mr. Clinton is engaging in mere "symbolism."

But the plan's symbolic function should not be dismissed so blithely. School policies, especially at the Federal level, should express the rock-bottom principles that everyone can embrace. Ever since the landmark reforms of the civil rights era, one of these principles has been equal opportunity for all students. If we agree that race and sex shouldn't bar a child from learning, neither should poor teachers and weak standards. □

The New York Times

THURSDAY, JANUARY 21, 1999

Jim Hoagland

World Hero: The American Consumer

The Washington Post

THURSDAY, JANUARY 21, 1999

It is beyond trite to note that U.S. markets have absorbed Bill Clinton's impeachment without fear or agitation but would buckle if the guillotine blade were hurtling toward the neck of Treasury Secretary Robert Rubin or Fed Chairman Alan Greenspan.

That analysis is also misleading: It takes credit away from the truly heroic figure of the current history-defying U.S. economic expansion in a world of strong deflationary pressures. The hero to whom economists will build statues to commemorate this epoch is the American consumer.

Yankee Consumer shoulders the burden of a world suddenly adrift economically by continuing to borrow, spend and consume with impressive single-mindedness. If that spending suddenly stops, the international financial game of musical chairs played in the Clinton years will come to a devastating halt.

But there's also evidence that American consumers have instinctively understood that the world economy now operates on a new and still poorly glimpsed paradigm that pays little attention to classic rules of inflation, productivity or the relationship between currency values and interest rates.

American buying habits are fueling unprecedented rises in U.S. private debt—now estimated at 4 percent of gross domestic product—and stock market valuations, which are feeding each other to produce a potential "bubble economy." This should be the stuff of nightmares for Greenspan and Rubin.

But counterbalancing trends allow them to keep Humpty Dumpty perched on the wall. Chief among these is the fact that deflation and not inflation shapes the financial environment, domestically and internationally. This helps Greenspan ride out Wall Street's "irrational exuberance" while pushing interest rates lower and keeping the music playing.

Take a cigarette tax increase out of the last consumer price index and U.S. inflation tilts toward zero, a steady pattern in recent months.

The world's second largest economy, Japan, continues to contract. China is buying growth by impounding household savings and by desperately exporting the kitchen sink and everything else to the United States while shutting off U.S. imports. Other Asian nations can recover from depression only if the American consumer continues to buy their ever cheaper exports. France last year record-

ed one-half of one percent inflation, its lowest such figure since 1954.

Technology, the growth of capital markets, open trade—and all the other factors bunched together under the label of "globalization"—have combined to change fundamental assumptions about pricing power and competitiveness.

Economists and policymakers must now consider the proposition that "the forces of globalization have a deflationary structural impact on the world economy akin to the gold standard of the 19th century," says Richard Medley, who runs his own consulting firm and is one of Wall Street's keenest global analysts. The thought echoes a theme Greenspan has touched on in his Delphic public utterances.

That helps us understand why this cycle pushes on: Imports no longer seem to be totally bad news. They help keep inflation and interest rates low, allowing U.S. consumers to mall themselves into surfeit.

But U.S. manufacturing is slipping into recession because of this flood and the shutting off of markets abroad to U.S. goods. There may soon come an answer to the question of how much of a good thing is too much.

The most significant long-term effect of

Brazil's surprise devaluation last week could be to impose yet a new burden of buying on the American consumer. The devaluation makes imports more expensive for Brazil. Its regional trading partners could now copy the Japanese, Chinese, Russians and Europeans and target hopes for new growth on persuading the American consumer to Buy Latin American.

Greenspan and his colleagues on the Fed adroitly managed the severe capital crunch that the combination of Asian depression, Russian collapse and hedge fund recklessness threatened last autumn for the U.S. economy. They went the extra mile with an unexpected third cut in interest rates on Nov. 17. And they have not been spooked into hinting at rate increases this year by an overvalued Dow Jones, a nutsy Internet stock buying spree and a cyclical weakening of the dollar against the yen.

Greenspan was deservedly chosen Man of the Year by the Financial Times of London. But in economic affairs the Global Person of the Decade can only be the American consumer, a happy-go-lucky Atlas. The world will need all of that consumer's strength and Greenspan's smarts to get through this year in good shape.

David S. Broder

Two Bill Clintons

So much was made of the fact that President Clinton allowed no shadow of the impeachment trial to intrude on his State of the Union Address Tuesday night that few noticed there were really two Bill Clintons speaking in the House chamber: the president looking to the next century with a serious, constructive proposal for reforming Social Security and the former Arkansas governor who can't resist going back to tinker with state education policies that were his preoccupation during the 1980s.

Education is a national concern—but a state and local responsibility. When Clinton was in Little Rock and Education Secretary Richard Riley was governor of South Carolina, they were in the forefront of the movement to increase spending on schools and to raise standards of performance for teachers and students.

The cause which Riley and Clinton and a handful of Republican governors championed in the 1980s has been taken up with far greater unanimity in the 1990s, as states have invested much of the proceeds of the long economic boom in improving their schools.

It is perfectly understandable that Clinton and Riley want to remain at the center of this movement. And goodness knows, they have been ingenious in finding ways to try. In the first term, they came up with Goals 2000, a packet of money states could use to help finance and measure their own school improvement plans. In the second term, they have proposed national school standards and tests and federal funds to build or renovate classrooms and hire new teachers.

This year their idea is to use renewal of the biggest federal school program—the Elementary and Secondary Education Act—as leverage to require states and local communities to do the things the reform movement now regards as

critical: require new teachers to prove mastery of their subjects; enforce school discipline; turn around or take over failing schools; and end the practice of promoting students who have not completed the work of their current grade.

As Bruce Reed, a White House domestic policy architect, noted, "Many of the states are already doing this." Which raises the question: Why impose a layer of federal bureaucratic requirements on them? The answer, I suspect, is that Clinton and Riley want to be involved—not just sitting on the sidelines.

But Rep. Bill Goodling, a Pennsylvania Repub-

lican and former teacher who now heads the House Education and Workforce Committee, raised the same objections that led him to sink the earlier plan for national standards and tests. As several Republican governors argued Wednesday morning: The federal government finances only 8 percent of education. It shouldn't be making those who do the rest jump through Washington's hoops.

On Social Security, by contrast, Clinton is dealing with an overriding federal responsibility—providing a safety net for current and future retirees. Last year, he orchestrated a serious, civil

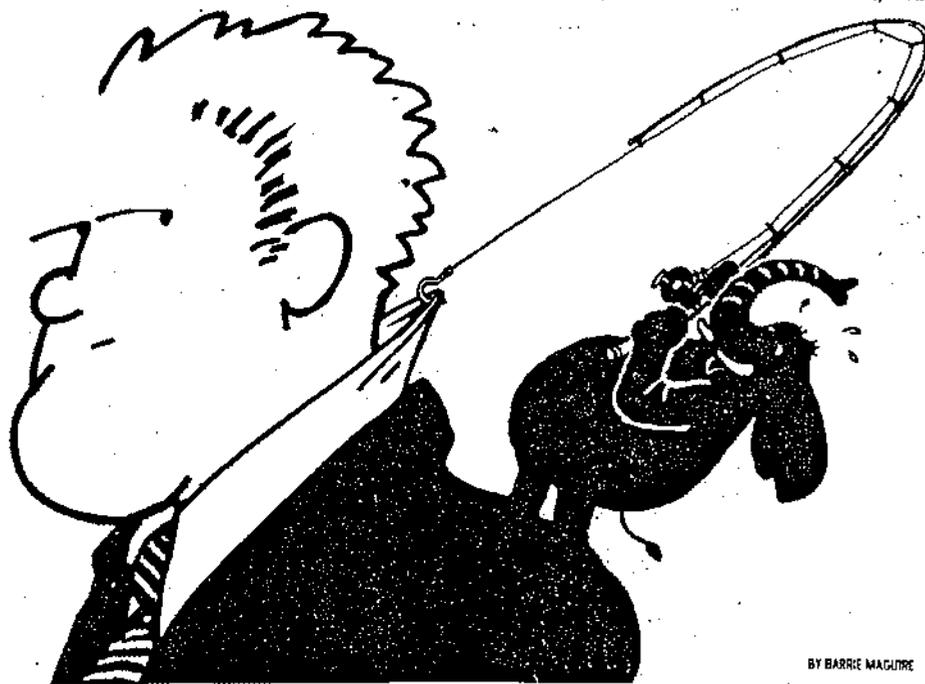
national dialogue on the burdens his baby boom generation will place on this most popular of all government programs. Now he has followed with what appears to be a balanced, substantial proposal for extending the life of the Social Security trust fund and improving its returns.

It is, as he acknowledged, the starting point of a negotiating process—not a frozen design. Those on the extremes of the debate lost no time in finding fault. Rep. Bill Archer, the Republican chairman of the House Ways and Means Committee, said the prospect of having the government invest a small portion of Social Security funds in the stock market was obnoxious to him—even if it were done by an independent agency insulated from political controls. "Government-controlled investment in markets is contrary to free enterprise," he declared.

At the other end of the political spectrum, Rep. Dennis Kucinich of Ohio, spokesman for a couple of dozen liberal Democrats, said he objected to the second part of Clinton's proposal, the creation of new individual savings accounts, subsidized by the government for low- and middle-income families, to supplement Social Security from investments that could—at the individual's option—include stock market mutual funds. "He's headed in the right direction," Kucinich said, "but I hate to see him take a detour down Wall Street."

Clinton did not satisfy the hard-liners on either side. But influential centrists on key committees—such as Democratic Rep. Ben Cardin and Republican Rep. Rob Portman, both on Ways and Means—welcomed the president's proposal.

Republicans who argue it's more important to cut taxes 10 percent now than to preserve and improve Social Security have a tough case to make. Maybe even tougher than impeachment.



BY BARRIE MAGUIRE

The Washington Post

THURSDAY, JANUARY 21, 1999

School plan intrudes in state matter, opponents say

By John Ritter
and Tamara Henry
USA TODAY

With polls showing education as the public's top concern, President Clinton used his State of the Union speech to inject the federal government into the toughest and most controversial aspect of school reform: accountability.

In asking Congress to link \$20 billion in education spending to gains in turning around failing schools, raising teacher quality and ending "social promotions," Clinton offered a carrot and stick reminiscent of federal efforts to desegregate schools in the 1960s and create equal opportunities for girls in the 1970s.



Alexander Says
'freedom' needed

The president's message was simple: Support schools that work and punish those that don't by withholding federal dollars.

And even though his specific proposals have little chance of passage in a Republican-controlled Congress, educators who are impatient with the pace of school reform welcomed them as a wake-up call to schools. They saw in Clinton's speech urgently needed

national leadership on an issue that lacks national continuity.

"The power of what he did is calling the states and localities on what they are not doing," says Adam Urbanski, a vice president of the American Federation of Teachers. "The only criticism they could have is that Clinton is doing what they should be doing. But they aren't."

Opponents saw Clinton's initiative as an unprecedented intrusion into a realm traditionally controlled by states. They said Washington has no business imposing accountability on localities when the federal share of educating public school children amounts to just 8 cents on the dollar.

"It's not that Clinton has picked the wrong problem or diagnosed the problem wrong," says Chester Finn, an assistant secretary of Education in the Reagan administration. "It's the notion that this can be fixed by management from Washington. Talk about the tail wagging the dog — 8% of the money should not buy 92% of the rule-making authority."

Finn says it's fine for Washington to hold each state ac-

\$4 billion proposal coming for deteriorating schools

By Tamara Henry
USA TODAY

Vice President Gore is set to announce today an administration proposal to spend nearly \$4 billion to renovate, repair and build crumbling schools.

Gore, who will meet with students at Ventura Elementary School in Orlando, says the school construction proposal would also grant \$25 billion in bond authority over two years to assist in the construction of up to 6,000 schools. Although Congress defeated a similar proposal last year, Republican leaders already indicate they would now favor a school construction bill.

Clinton is proposing federal tax credits as incentives to help states

and school districts build and renovate public schools. His proposal would give half of the bond authority to the 100 school districts with the largest number of low-income children. The other half will be allocated to the states.

"The concept of using the tax code to encourage school construction is heartily agreed to" by the GOP, says Ari Fleischer, staff member of the House Ways and Means Committee.

Fleischer says the Republicans would oppose allocating half of the bond authority to urban, low-income districts. But he says there is room for negotiations.

The House passed a GOP school construction bill last year but attached it to a bill that Clinton vetoed.

countable for its share of federal money, but not individual schools. "For him to think that the Department of Education is going to manage 15,000 school districts or 85,000 schools is just lunacy."

Lamar Alexander, the former Tennessee governor and Education secretary and a likely 2000 Republican presiden-

tial candidate, says Clinton's proposals amount to nothing short of "a national school board."

Alexander, who served in the Bush administration, says: "The schools don't need more control from Washington and more regulations. They need more freedom."

But Marshall "Mike" Smith



By Stephen Jaffe, Agence France Presse

Gore: The vice president, with Hillary Rodham Clinton at a Buffalo, N.Y., rally Wednesday, unveils the plan today.

of the U.S. Department of Education sees Clinton's initiative as "a serious accountability move" that jump-starts a national discussion as Congress takes up the primary legislation that sends federal dollars to school districts. Many of the accountability measures already are in the Elementary and Secondary Education Act,

but Clinton wants to "accelerate state action," Smith says.

By most measures, school reform across the states has gone at a glacial pace. Reading and math scores of U.S. 12th-graders still trail those of students in other highly developed nations. Most states have recently tried to boost reading competence and write tougher

standards in English, math and science. Many now are testing students.

But without the extra step of holding schools to the fire, progress will be fitful, experts say. Nineteen states require students to pass an exit exam to get a high school diploma, but just six have laws that will ban social promotion, the practice of passing failing kids on to the next grade.

A survey released this month by *Education Week* and the Pew Charitable Trusts found only two states, Texas and North Carolina, with full-fledged accountability systems. They also were the two states with the biggest average test score gains since 1990.

Just a handful of states are rewarding schools that improve and leveling sanctions against those that don't. "Few states are ready and willing to use" penalties, the survey said.

Michael Casserly, executive director of the Council of the Great City Schools, a coalition of 53 of the nation's largest urban public school systems, says 35 major school systems have moved to eliminate social promotion. Clinton pointed to Chicago, which started summer school and after-school programs three years ago to give disadvantaged students extra learning time. The result has been large test score gain.

Growing surplus unites Republicans on need for tax cut

Many favor 10 percent rate reduction

By John Godfrey
THE WASHINGTON TIMES

Republicans promising sweeping tax cuts this year bring to the table something they couldn't muster last year: unanimity.

The GOP still faces the same budget rules that blocked a tax cut last year, and the cost of any plan that would provide more than token relief would be enormous. But the growing budget surplus and the specter of spendthrift Democrats wasting it on hundreds of new programs, for now, is unifying Republicans.

"Now is the time to have a tax cut, and the best kind is an across-the-board cut to make sure that we are adding to the American economy," Senate Budget Committee Chairman Pete V. Domenici said yesterday. Last week the New Mexico Republican announced an across-the-board cut that would increase from 4 percent to 15 percent over the next 15 years.

The newest plan — and the one with the most momentum for now — would cut income tax rates by 10 percent. For example, the lowest tax bracket would drop from 15 percent to 13.5 percent. The top bracket would drop from 39.6 percent to 35.64 percent.

The plan does not change the alternative minimum tax, so at least 975,000 middle-income taxpayers would get no break, and several million more would get only a portion of the benefit, according to a Democratic tax aide. A Republican lobbyist said the obvious glitch will be fixed.

Some variation of the plan is backed by Senate Republican leaders and the chairmen of the House and Senate budget committees.

"At a time when the combination of federal income and payroll taxes, state and local taxes, and hidden taxes consume over half a working family's budget, the taxpayers are in desperate need of relief," said Sen. Rod Grams, Minnesota Republican.

Mr. Grams introduced the 10-

percent plan with Senate Finance Committee Chairman William V. Roth Jr., Delaware Republican, as one of the Senate Republicans' top five bills. House Budget Committee Chairman John R. Kasich, Ohio Republican, backs the same plan.

Rep. Jennifer Dunn, Washington Republican, announced in Tuesday night's GOP response to the State of the Union address that "we're proposing" the same plan. House Republican leadership aides backed off that pronouncement yesterday. "It's not like we took a vote," said one aide. "It's just one of many ideas," said another.

But the House GOP caucus will back some broad-based tax cut, if only to keep the president from spending the budget surplus.

"In the last month alone and excluding the State of the Union, Bill Clinton has proposed 41 new programs," said one incredulous Senate Budget Committee aide.

Even moderate Republicans who opposed tax cuts last year will be on board this year. Faced with a choice between more spending and tax cuts, "moderate Republicans more likely to want a tax cut," said Mark Weinberger of the lobbying firm Washington Counsel.

Federal Reserve Chairman Alan Greenspan said his "first preference" would be to allow budget surpluses to pay off some of the federal government's debt. But if that can't be done, then tax cuts would be preferred over more spending.

"I don't think it's a close call," Mr. Greenspan told the House Ways and Means Committee yesterday.

"Some Republicans will ignore Mr. Greenspan's clear preference," said Rep. Charles B. Rangel, New York Democrat. "Congress has a choice — fiscal responsibility or short-term gratification."

Democrats also said they will not be forced into backing a tax plan, just because President Clinton has broken his own "save Social Security first" pledge with a host of new spending proposals.

GOP gives mediocre marks to school plan

By Kim Asch
THE WASHINGTON TIMES

Republican leaders applaud the Clinton administration's new focus on education issues they have long championed, such as banning social promotion and emphasizing school accountability and teacher quality. But they are wary of Mr. Clinton's big-government approach to implementing the reforms.

There are already 800 federal education programs administered by 39 U.S. agencies, Rep. Bill Goodling, Pennsylvania Republican, pointed out in a statement he issued in response to the State of the Union address.

"For six years now, we have watched President Clinton address the American people with promises of new federal programs, initiatives, studies and regulations," said Mr. Goodling, chairman of the House committee on education and the work force. "If new federal education programs were the answer to improving our schools, we would already have the best education system in the world."

Republicans will work instead to consolidate federal education programs, reduce bureaucracy and send more money directly to school districts to spend with fewer regulations, Mr. Goodling said.

Education reform will get much attention during the 106th Congress, as members take up the Elementary and Secondary Education Act (ESEA), the most sweeping federal education pro-

STATE OF SCHOOL ACCOUNTABILITY

Here's a look at what states are already doing to hold schools accountable.

School Report Cards

- 36 states have annual report cards on their schools.
- 13, including Virginia, require school report cards to be sent home to parents.
- 36 include test scores on school report cards.
- 16 include teacher qualifications on school report cards.
- 17 include safety or discipline data on school report cards.

Low-performing schools

- 19 states will rate schools this year.
- Those states will make some assistance available to low-performing schools, while 11 states will make such help mandatory.
- 1,024 schools were rated low-performing by states last year.

Student achievement

- 19 states require students to pass tests to graduate from high school.
- 7 plan to adopt that requirement.
- 6 have laws that will eventually link student promotion to test results.

Teacher quality

- 21 states have adopted standards new teachers will have to meet to earn a license.
- 15 measure whether new teachers meet standards for mastery of subject matter and teaching skills.
- 36 require professional development time for teachers.

Source: Education Week article "Quality Counts '99."

The Washington Times

gram that will direct funding for kindergarten through 12th grade over the next five years.

In what the Clinton administration touts as a "sea change" in national education policy, the president's ESEA proposal holds students, teachers and schools to high standards with a threat of withdrawing money if improvements aren't achieved.

The president's plan, among other things, would require states and school districts to end the practice of promoting students from grade to grade regardless of whether they are academically prepared to advance. They will also have to ensure that teachers are qualified to teach the subject they're assigned; that parents get annual report cards on school performance; that schools implement effective discipline policies; and that districts turn around their

lowest-performing schools.

Education Secretary Richard W. Riley said at a press conference yesterday that state and local governments will retain primary responsibility for education. But he added, "We are not going to say you can have the people's money going out to programs that clearly aren't working."

House Republicans plan to "scrutinize" the president's education proposals once they are introduced as legislation, said Mr. Goodling. They will only pass muster if they send more federal dollars to the classroom, foster education excellence, increase parental involvement in education and respect state and local education authority.

"Americans want those common-sense education ideas," he said.

Suits Say Unscrupulous Lending Is Taking Homes From the Poor

By RANDY KENNEDY

By all appearances, the loan agreement Gloria Knight signed in 1995 was a classic transaction between savvy mortgage salesmen and an unsophisticated borrower in a poor Brooklyn neighborhood.

Ms. Knight, a retired teacher, says the salesmen who knocked on her door persuaded her to put her house up as collateral for an \$88,000 loan, at 13 percent interest, to help with bills and a previous loan — even though she had no income and no way to make the \$973 monthly payments.

But when she defaulted on her loan, leading to eviction notices last year, she ended up in the grip of something far larger than Delta Funding, a relatively obscure Long Island mortgage company that solicits business from poor homeowners. Delta's partner in trying to take her home is Bankers Trust Company, America's eighth-largest bank.

High-interest lending in poor neighborhoods has long produced high profits for lenders and, often, equally high burdens for homeowners.

But the entry of big banks like Bankers Trust is part of a growing trend in such lending and has changed the equation. Over the last several years, Delta has converted hundreds of millions of dollars' worth of its mortgages into securities much like bonds, which it sells to investors through Bankers Trust.

In turn, Bankers Trust has provided Delta with hundreds of millions of investors' dollars, allowing it to make more loans and become a major player in high-interest lending in New York and 21 other states.

But there is a problem: a high percentage of the homeowners can't afford Delta's mortgages. Many say they were duped into taking the loans and now may lose their homes as Delta and Bankers Trust try to reclaim the money for their investors.

Delta and Bankers Trust defend their activities. But Delta's business

has recently produced civil lawsuits in three states, and advocates for the poor and social-services agencies say the company has generated more complaints of abusive lending than any other high-interest lender in New York City. They contend that Delta has taken advantage of scores of homeowners and violated Federal and state laws.

Ms. Knight, 55, who has since been found to be delusional by a psychiatrist for the city's Protective Services for Adults, cannot even afford electricity. She keeps warm with a kerosene heater and cooks over a makeshift grill in her backyard. But she had something that made her attractive to lenders like Delta: her row house in East New York, which was fully paid for and which served as security. Legal Services lawyers say she will now almost certainly lose it.

Last month, Chief Judge Charles P. Sifton of the Federal Court for the Eastern District of New York stopped the foreclosure sales of homes of three people who defaulted on Delta loans, because, he wrote, the mortgages "on their face" violated Federal law, and so the borrowers showed a good chance of winning their lawsuit.

The homeowners have sued Delta and Bankers Trust, claiming they violated, among other laws, a Federal prohibition on making loans based solely on equity in a house and not on a homeowner's ability to repay. The suit seeks to represent tens of thousands of other Delta borrowers who lawyers say are in similar circumstances.

Officials with Bankers Trust, which is being acquired by the German banking giant Deutsche Bank, declined repeated requests for interviews. On Friday, William McBride, a bank spokesman, said in a statement: "Bankers Trust's sole responsibility in these situations is to safeguard the interests of investors. We have no other connection to these actions."

Marc E. Miller, Delta's general counsel and a son of its founder, vigorously denied that the company engages in deceptive lending, saying it made no sense financially for the company to make loans it knew would fail. "There is sometimes this myth that's spread around that lenders do make money" from foreclosed properties, Mr. Miller said. "And it is a myth."

While refusing to comment on cases that are in litigation, he added that "if a loan simply doesn't make sense for a borrower, we won't do it."

But city real estate records show high foreclosure rates on Delta mortgages in some neighborhoods. In Brooklyn, where the company is most active in the city, a search of records found that 48 of 363 loans made by Delta in 1995 — or about 13 percent — have ended up in default, and Delta has begun foreclosure actions. For 1996 loans, the records show, the figure is 99 of 923 — more than 10 percent.

In its annual report to the Securities and Exchange Commission last year, Delta reported that 4.65 percent of all its loans were in foreclosure, calculated by the dollar amount of the loans.

According to Inside B&C Lending, an industry newsletter that reports statistics from several large lenders, about 2.65 percent of the high-risk loans nationwide, by dollar amount, were in foreclosure as of September 1998, the most recent date for which information was available. An additional 1.9 percent were 90 days delinquent and in danger of foreclosure.

Delta's critics contend that the company has devastated the lives of many working-class homeowners, most of them elderly. "These folks not only lose their homes, but lose every dime of equity they have built up, and in most cases this is all they have to show for years of hard work," said Josh Zinner, a lawyer with the Foreclosure Prevention Project for Seniors, a branch of South Brooklyn Legal Services set up last year to pursue claims of abusive lending.

Anna Dawson, a 67-year-old Brooklyn widow who is fighting Delta and Bankers Trust in state court for her home, may get help from prosecutors. The Brooklyn District Attorney's Office is investigating an independent broker who refers business to Delta and who, she contends, falsified her mortgage application without her knowledge to make it appear she could afford a \$99,000 mortgage with monthly payments of \$1,017.

In reality, her only income was roughly \$700 a month in survivor's benefits from her late husband. But her application included a letter saying she was an office manager at United Equities in Brooklyn and a lease that made it appear she rented out a floor of her home. The company does not exist at the address on the letter, and Ms. Dawson said she has not worked in more than two decades. She has no renter. In addition, the signature on the lease is not hers, she said.

Her loan became part of \$340 million worth of 1997 Delta mortgages put into a trust managed by Bankers Trust and sold to investors.

In a lawsuit filed in State Supreme Court in Brooklyn, her lawyers contend that the mortgage broker and a home-improvement contractor came to her house uninvited several times, persistently pushing her to get a loan for repairs to her house.

In the end, she was unable to make her payments, and Delta and Bankers Trust have begun to foreclose against her. Meanwhile, she said she was left with almost no proceeds of her loan — after paying Delta's fees, settling a previous low-interest loan and paying the same home-improvement contractor, who she said did little work.

The Growing Trade Of High-Risk Loans

High-interest lending became a big business in low-income neighborhoods nationwide after 1986, when a change in the Federal tax code gave a break to homeowners who took out second mortgages. But complaints about abuses began almost immedi-

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Mr. Clinton also plans to renew his call for \$4 billion in Federal spending over five years to build schools and classrooms to relieve crowding and reduce class size in early grades, aides said. He will also ask for more than \$1 billion to help pay for the hiring of 100,000 teachers, a program approved last October in the final negotiations over the current budget.

But the chief incentive in the President's proposal is the withholding of existing money from schools that fail to meet Federal standards.

"For the first time, we're insisting that states and school districts take steps, such as providing qualified teachers, ending social promotion and turning around failing schools," Mr. Reed said.

"We think schools will do these things," he added. "But if they don't, their money will be at risk."

Many of Mr. Clinton's proposals have a familiar ring, having been offered as Federal legislation or enacted at the local level over the last several years. Chicago, for example, has extensive after-school programs for lagging students and Gov. George W. Bush of Texas, a Republican, has pushed many of the same measures through the Legislature in his state. Mr. Clinton and Hillary Rodham Clinton advocated several of the ideas in the mid-1980's in Arkansas.

Republicans, too, have made education one of their chief issues in recent years, but they have policy differences with Mr. Clinton. Last year, Republicans rejected a school construction proposal, and they have been resistant to programs that give the Federal Government a say in how school dollars should be spent by localities.

The most controversial piece of Mr. Clinton's plan is a requirement that all new teachers be tested for competence and certified to teach the subjects to which they are assigned. In many rural and inner-city districts, less than half of the math and science teachers have certificates to teach those subjects, the Education Department says.

Teacher unions have balked at subjecting teachers to standardized testing, arguing that such examinations do not adequately measure a teacher's competence.

In a concession to the unions, the President's proposal does not require testing for experienced teachers, only for new teachers.

David W. Hornbeck, the superintendent of schools in Philadelphia, applauded Mr. Clinton's proposals. Mr. Hornbeck said that his 215,000-student district has adopted many of the same policies, but welcomed the Federal emphasis on programs that appear to be bringing results.

"We appreciate the funds that come along with it," Mr. Hornbeck said today. "But I think one of the biggest contributions is to give publicity to these things, to use the bully pulpit and say this is important."

The foreign policy passages of the speech will highlight Administration progress toward bringing peace to troubled parts of the world, from Northern Ireland to the Middle East to the Balkans, a senior Administration aide said.

Mr. Clinton will urge the Senate to quickly ratify the Comprehensive Test Ban Treaty, an agreement signed by 151 nations but not yet ratified by the United States, the official said. Mr. Clinton will make the case that the United States will lack the moral authority to press India and Pakistan to restrain from testing nuclear weapons until the Senate approves the test-ban treaty.

The President will propose spending \$4.2 billion over the next five years for converting Russian defense industries and safeguarding its nuclear stockpile, a 70 percent increase over current spending levels. The official would not divulge the amount of new money to be devoted to combating biological weapons, although he said the figure will be released as part of Mr. Clinton's budget submission to Congress on Feb. 1.

Tentative Bid To Succeed Moynihan

Lowey, a Democrat, Is Gauging Support

By ADAM NAGOURNEY

Amid growing concern among New York Democrats over finding a candidate to run for the Senate in 2000, Representative Nita M. Lowey of Westchester said yesterday that she was considering a race for the seat and that she had begun calling Democrats and contributors to measure potential support.

As things now stand, Ms. Lowey, 61, would have the field essentially to herself if she sought the job held by Daniel Patrick Moynihan, even though she is barely known statewide. Many Democrats said yesterday that the thin ranks of potential candidates pointed to a troubling weakness in the party as it approached the 2000 election.

Several prospective candidates — including the State Comptroller, H. Carl McCall, and Andrew M. Cuomo, the Secretary of Housing and Urban Development — have ruled out the contest, leaving Democratic leaders worried that potential candidates are being scared off by the possible Republican candidacy of Mayor Rudolph W. Giuliani of New York.

Some state Democratic leaders have urged Hillary Rodham Clinton, the First Lady, to move to New York next year and run for the Senate. Ms. Lowey said yesterday she would immediately abandon her prospective campaign if Ms. Clinton ran. Mrs. Clinton has not publicly ruled out the idea, although her friends describe it as highly unlikely.

In an interview yesterday, Ms. Lowey said she had spent the day calling Democratic leaders and contributors to measure how well she would do in lining up support. She also said she would spend the next few months traveling the state to discuss her prospective candidacy.

"I'm seriously, actively exploring the Senate race," she said. "I'm going to make a definitive decision in the spring."

Mr. Moynihan's decision not to seek a fifth term in 2000, which he announced three days after the election of Charles

E. Schumer, a Democrat and former Representative, to the Senate, has underlined the absence of formidable statewide candidates in the party.

The party's inability to recruit a strong candidate has been chilled as well by the prospective candidacy of Mr. Giuliani. The two-term Mayor presumably would have no trouble drawing Democratic votes in New York City and raising the money needed for the contest.

But the vacuum in the Democratic Party has, it seems, created an opportunity for Ms. Lowey, a five-term member of Congress who is barely known outside her district, which includes parts of Westchester, the Bronx and Queens. Several Democrats said that she would, if by default, be the front-runner if she decided to run.

Ms. Lowey's aides said yesterday that she had \$800,000 in her campaign account that could go toward the race. Ms. Lowey said that a Senate race would be expensive, but she said she did not believe she would have any difficulty financing a campaign. "You have to raise a huge amount of money, and I think I can do it — I think between \$15 million and \$20 million," she said.

The main promoter of a Clinton candidacy in New York, Representative Charles B. Rangel of Manhattan, said yesterday he would welcome Ms. Lowey into the race if Mrs. Clinton ultimately decided not to run.

"I think outside of Clinton, she would be the most outstanding candidate that we have," Mr. Rangel said. "If Hillary Clinton doesn't run, I cannot think of any candidate who has a better chance to win, who is better qualified, than Nita Lowey."

Mr. Schumer also said he believed that Ms. Lowey would be "a strong candidate" and that "she has a strong record in Congress." The new Democratic Senator said he did not believe that Mr. Giuliani was necessarily as a fearsome political force as many Democrats have suggested.

"Giuliani is not a pushover," Mr. Schumer said. "But we're a long way away from the election. I had 1 percent in the polls at about this time, and no one thought I could win the primary, let alone beat D'Amato."

If Ms. Lowey decides against running, the field as of now would include Representative Carolyn B. Maloney and the Rev. Al Sharpton.



Nita M. Lowey
of Westchester

Educators Praise Clinton's School Goals, but Question His Means

By ETHAN BRONNER

President Clinton's proposal to use Federal education money to hold public schools accountable drew a mixed reaction from Republicans and educators yesterday. While almost all said they shared his goals, some opposed his means: an increased role for the Federal Government in local schools.

The proposal, expected to be prominent in Mr. Clinton's State of the Union Message tonight, would financially reward school districts that adhere to Federal guidelines that will be drafted on the training of teachers, enforcement of classroom discipline and ending the promotion of unqualified students. Schools that fail to meet the guidelines would be penalized.

Accountability has become the focus of many politicians and educators who favor increasing money for schools that produce results. But the President is likely to run into strong

opposition from many Republicans who argue that the Federal Government should leave these matters to the states and local school districts.

"The President has proposed a national school board," charged Lamar Alexander, the former Education Secretary and Tennessee Governor, who is expected to seek the Republican Presidential nomination in 2000. "But we should go exactly in the opposite direction — liberating the schools, not regulating them. We should send the money to the parents and let them choose where their children attend school."

Linda Chavez, president of the conservative Center for Equal Opportunity and a former senior official in the Reagan Administration, disagreed. She said it was a good idea to tie accountability to financing, because it is generally the schools that fail that receive more aid, not those that succeed.

"I like to see success rewarded, and I say that as long as there are

Federal dollars going in to the school system, keeping it accountable is a good idea," she said. "I don't see any point in being overly ideological on this question of local control. I would urge Republicans to do what they did with welfare control — seize on it and take it further."

Federal aid to education is quite limited, amounting to about 7 percent of overall spending on schools. It comes largely through the Elementary and Secondary Education Act, first passed in 1965 and due to come up for renewal this year.

The debate over renewal is likely to be contentious. Some \$8 billion is disbursed to poor schools through the act, and conservatives have expressed doubts about the effectiveness of the program.

Like Mr. Alexander, some conservatives have been arguing that the public school system needs to be drastically altered through the expansion of charter schools and the use of school vouchers.

Adam Urbanski, a vice president of the American Federation of Teachers, said Mr. Clinton's proposal was an effort to combat the growing voucher and charter movements by improving all public schools. "Vouchers and charters are most likely to thrive when there is no accountability, when there is no way to determine whether public schools are succeeding," he said. "President Clinton is sending the message that public schools are salvageable. The best way to restore confidence in public schools is to get better results in public schools. And that comes about through tough love."

The President's proposal calls for schools to meet several criteria, among them ending what is called "social promotion," in which pupils are moved to the next grade irrespective of performance. Schools would also have to increase the quality of teachers by insisting on ongoing training for experienced teachers and high scores on tests for new ones.

States would have to identify low performing schools, working to improve them through teacher training and a focus on discipline and, if all else fails, depriving them of money.

A number of states have already adopted some or all of these approaches, and the President's advisers say his plan aims to complement those efforts.

But Charles L. Glenn, a professor of education policy at Boston University, said there was good reason to be concerned about more Federal regulations on local schools. "I consider Federal funds to be an awkward instrument for these policies," he said. "This will tie the hands of folks at the local level."

Chester E. Finn, Jr., an assistant secretary of education under President Reagan, said he did not see how the Federal Government could "micromanage 15,000 school districts." He added, "The test of this debate will be to see whether Republicans have a better idea how to do this."

TUESDAY, JANUARY 19, 1999

The New York Times

The President With the Grace to Resign

By JOHN H. TAYLOR

During the impeachment trial on Saturday, I stood with nine new Nixon library volunteers before a mural showing President Nixon waving to family and friends as he left the White House on Aug. 9, 1974. As always on these tours, I told them how painful the moment must have been, since resignation wasn't inevitable. Although the House Judiciary Committee had passed three articles of impeachment, the House hadn't voted yet, and a Senate trial was assumed to be months away.

While GOP leaders believed Nixon still had up to 13 votes for acquittal in the Senate, he decided winning back another 16 would be too hard on the country. "By taking this action," he said in his resignation speech, "I hope that I will have hastened the start of that process of healing which is so desperately needed in America." Few acknowledged the grace of his self-sacrifice, and many even ridiculed him for giving them what they had wanted by jeering him as a quitter. Nowadays we hear that he "resigned in disgrace" and that Watergate proved "the system worked."

Glorious '60s

We now have a test case for the other way the system works, because Bill Clinton promises he's staying. It's true Nixon had lost some Republican congressional votes in 1974, while most Democrats are still standing by Mr. Clinton, but that shouldn't be a surprise. In the midst of an upbeat economy and a raging right-left culture war, Democrats are more inclined to support the president during his crisis than Watergate Republicans were in a society and culture riven by Vietnam and the deteriorating economy of 1973-74. If there is anything left-leaning baby-boomer pols consider worth defending with their political lives, it's the verities of the glorious '60s, and the president is still the high priest.

But Mr. Clinton's decision to tough it out makes it easier to see that Nixon could have had his day in court, too. Instead, his demer gave his tormentors a reputation they do not deserve for fairness and bipartisanship. Watergate Democrats were ruthless partisans who hated Nixon as passionately as many conservative Republicans hate Clinton. They hated him for his crusading anticommunism, for Vietnam and for political triumphs ranging from the conviction of Alger Hiss to his landslide reelection in 1972.

Indeed the Watergate Democrats make Kenneth Starr and Henry Hyde look like milquetoasts. The then-chairman of the

House Judiciary Committee, Rep. Peter Rodino, announced before the hearings had opened that all 21 Democrats would vote for impeachment. Yet they pretended during the televised hearings that their minds weren't made up, and the media let them get away with it. Rep. John Conyers, who now narrowly defines an impeachable offense, favored ousting Nixon for abolishing the Office of Economic Opportunity, while Mr. Conyers's Judiciary Committee colleague, Father Robert Drinan, had called the president a "fascist war criminal" on the House floor.

Rep. Jack Brooks falsely suggested Nixon had spent government funds for per-

Ellsberg break-in had taken place, just as he had always said. It's true that on the June 23 tape the president is heard approving a plan to limit the FBI's Watergate investigation, but only because his obvious first instinct was to protect his beleaguered friend and campaign manager, John Mitchell. But nowhere in the tapes does he express any fear that the FBI will learn about the plumbers. Indeed, when an aide tells him soon after the Watergate break-in that the FBI had already learned burglar E. Howard Hunt had worked for the White House on national security issues, the president is impassive. Meanwhile, the tapes show him telling aides over and over

Mr. Clinton's decision to tough it out makes it easier to see that Nixon could have had his day in court, too. Instead, his demer gave his tormentors a reputation they do not deserve for fairness and bipartisanship.

sonal purposes at his homes. Rep. Wilbur Mills predicted the president would resign in 1973 for cheating on his income taxes. When Nixon pointed out that the Secret Service and other agencies had called for the expenditures and that an accountant had backdated a key tax document without his knowledge, few gave him the benefit of the doubt. Without the political damage done by character assassination, as well as by the Arab oil embargo and a deteriorating economy, the release of the famous "smoking gun" transcript in August 1974 might not have had such a devastating impact.

By resigning, Nixon appeared to stipulate his opponents' case. About the central facts of Watergate—the break-in, the coverup and what the "smoking gun" conversation on the June 23, 1972, tape suggests about them—history has been frozen in amber for a quarter-century. No effort to challenge the conventional tales of presidential mischief has caught the media's fancy. Yet based on what we know today, it is hard to believe the Senate would have convicted him for Watergate.

There is no evidence that Nixon knew in advance about the Watergate break-in, despite recent statements to the contrary by Mr. Clinton's lawyer David Kendall. Textbooks recite that he nonetheless launched a coverup because he was afraid the FBI would find out about the unrelated illegal activities of the White House plumbers, who had broken into Daniel Ellsberg's psychiatrist's office the year before following the massive wartime leak of Vietnam documents known as the Pentagon Papers.

Nixon's alleged motive for a coverup is belied by new tapes released in 1996. The tapes suggest strongly that at the time of the Watergate break-in he didn't know the

throughout the summer and fall of 1972 not to cover up Watergate—but that he had the right and responsibility to use the plumbers to prevent the leaking of national-security secrets.

If one reads the tape transcripts with Nixon's bias—that legal measures to protect secrets during wartime were legitimate, but political burglaries weren't—then nothing on the tapes can be taken as evidence that he sanctioned or knew about a systematic coverup of the Watergate burglary or that he considered the payment of hush money until March 1973, when Watergate essentially overwhelmed him. As for the June 23 tape, it doesn't necessarily demonstrate an illegal intent if we assume that he already favored limiting the investigation for national-security reasons. In any event, less than two weeks after June 23, when the FBI complained about the pressure, Nixon personally told acting director L. Patrick Gray to conduct an unfettered investigation.

Mr. Clinton's lawyers ask us to keep in mind what was going through his mind at the time he made apparently false statements under oath. Seeing the complex Watergate record Nixon's way requires certain assumptions as well, including the stipulation that he was a war president whose outrage at leaks he believed might lead to soldiers' deaths was justifiable. But few Nixon critics, then or now, have been willing to concede him the right to think as a commander-in-chief. By the early 1970s the *Zeitgeist* had turned against the war, so that Nixon was required to govern by peacetime rules in the most fractious political environment since the Civil War. Vietnam was the principal source of his enemies' rage as well as of the reciprocal anger he sometimes expresses on the tapes

at his political opponents. Anyone who still finds Nixon's anger distasteful might try imagining the pressures inherent in lifting one's hand from the Bible on the steps of the Capitol after taking the oath of office and instantly taking responsibility for 540,000 young lives half a world away.

The link between Vietnam and Watergate is as vital as that between the Civil War and the impeachment of Andrew Johnson. Indeed, Watergate's most profound consequence may be that it squandered the advantage Nixon won in Vietnam through a series of military decisions ranging from the Cambodian incursion in 1970 to the Christmas 1972 bombing of North Vietnam, each of which added fuel to partisan fires in Congress. Had there been no Watergate, could he have bombed North Vietnam to punish violations of the Paris Peace Accords in the spring of 1973 and persuaded Congress to continue to support Saigon and even pay developmental aid to North Vietnam? We'll never know, but we can guess.

Historian Stephen J. Morris argues that Hanoi was so terrified of U.S. air power and appalled by the casualties it had suffered on the ground that, at Moscow's urging, it had given up the prospect of conquering Saigon militarily. When the U.S. folded its hand during and after Watergate, however, the communists' calculations changed. They resumed their aggression and overwhelmed South Vietnam and Cambodia in 1975.

Perfect Scapegoat

The influential liberal elite of the Clinton era are not interested in questioning whether Watergate negated the sacrifices made by nearly 60,000 of their fellow Americans—and since they have the perfect scapegoat, they don't have to ask. Like the Suffering Servant in the Book of Isaiah, Richard Nixon bears the iniquities of all of us, preserving our illusion of superior morality and masking the consequences for both Americans and the people of Indochina of our decision to abandon our allies in South Vietnam and Cambodia.

President Nixon's resignation was a gift to a country he loved. He hoped it would help heal a nation, but it merely hid a bleeding wound. It is supremely presumptuous to second-guess his courageous decision. But I wish he had not resigned. A Senate trial, properly managed, could have served as a national forum on the war that John Kennedy and Lyndon Johnson had begun, the war that President Nixon ended honorably, and the war that begot Watergate. Only then by Richard Nixon's stripes might we truly have been healed. Perhaps Mr. Clinton's trial will provide an opportunity for healing today.

Mr. Taylor is executive director of the Richard Nixon Library and Birthplace Foundation.



Richard Nixon

THE WALL STREET JOURNAL

WEDNESDAY, JANUARY 20, 1999

Clinton's School Plan Is a Good Start. Let's Go Further.

By DIANE RAVITCH

Every opinion poll shows that education is now the public's top domestic priority. Every poll also shows that the public wants schools to have higher academic standards and to be safe and orderly places. So it was not surprising that President Clinton would stress education in his State of the Union address last night.

The president wants to set federal guidelines for teacher training, student discipline, school performance and promotion policy. School districts that violate the new federal guidelines would risk losing their federal funding. Federal aid to the schools—about \$20 billion—is considerably less than 10% of what Americans spend for public education, but no district is going to risk losing even that fraction of its budget.

The White House has raised the right issues, and it is about time. In the 34 years since Congress passed the Elementary and Secondary Education Act, federal money has been spread to as many districts as possible with scant regard for whether its beneficiaries—especially poor kids—were actually learning anything. For too many years, federal aid to the schools has been both burdensome and ineffective. Now the president wants to establish quality standards to accompany the federal aid.

This proposal makes some important points: Schools should never have started promoting kids who have not mastered the work of their grade; they should have effective disciplinary codes; they should never hire teachers who don't know their subject; and they should issue informative school report cards to parents and the public.

And yet experience suggests that when the education lobbyists begin to influence any future legislation, we can expect more regulation and more bureaucrats, and precious few real standards. This is why Mr. Clinton must link his proposals to deregulation, thus liberating schools from redundant administrators, onerous regulations and excessive costs, most of which are imposed by current federal education programs.

The best way to do this would be to turn the key federal program for poor kids—Title I—into a portable entitlement, so that the money follows the child, like a college scholarship. Presently, federal money goes to the school district, where bureaucrats watch it, dispense it and find manifold ways to multiply their tasks and add to their staffs. As a portable entitlement, Title I's \$8 billion would allow poor children to attend the school of their choice instead of being stuck in low-per-

forming schools. It would be a powerful stimulus for school choice. At the very least, states should be given waivers to direct federal money to the child, not the district.

There are additional steps that Mr. Clinton should take now to enhance incentives for student performance in current federal programs:

- Renew a campaign to authorize national tests in fourth-grade reading and eighth-grade mathematics. President Clinton proposed this last year, but it has languished because of opposition from conservative Republicans and liberal Democrats. If he can't resuscitate that proposal, then he should ask Congress to allow individual districts and schools to administer the excellent subject-matter tests devised by the National Assessment of Educational Progress (which only statewide samples of students can take now). As the excitement over a new fourth-grade reading test demonstrated last week in New York state, nothing concentrates the mind of students, parents and teachers like a test.

- Adopt, by executive order, a terrific idea floated by columnist Robert Samuelson: Require any student who wants a federal scholarship for college to pass a 12th-grade test of reading, writing and mathe-

matics. Half of all college students get some form of federal aid. This should not be an entitlement: If students must pass a moderately rigorous examination to get their college aid, there would be a dramatic and instantaneous boost in incentives to study hard in high school and junior high school.

- Adopt, by executive order, real educational standards for Head Start and set better qualifications for Head Start teachers. This preschool program was supposed to give poor children a chance to catch up with their better-off peers, but it has turned into a big day-care program with no real educational focus for the kids who need literacy and numeracy the most.

- Require that those who teach in federally funded programs have a degree in an academic subject and pass a test of subject-matter knowledge and teaching competence. This should apply to all teachers, not just the newly hired.

Mr. Clinton has described some important changes for American education. Whether or not Congress endorses his plan, he has pointed the national discussion about education in the right direction, toward standards and accountability. If we can add to that a strong dose of deregulation, choice and competition, we will be on the road to educational renewal.

Ms. Ravitch is a senior fellow at the Brookings Institution, a research professor at New York University and a former assistant secretary of education.

THE WALL STREET JOURNAL

WEDNESDAY, JANUARY 20, 1999

Denver Hurdles the Jets and Rushes Back to the Super Bowl

Comeback Day Ends With Broncos Set to Face Falcons

By GERALD ESKENAZI DENVER, Jan. 17 — For more than half of today's American Football Conference championship game, the Jets could see all the way to Miami and the Super Bowl, the game that they had helped turn into one of the biggest spectacles in sports 30 years ago...



Denver's John Elway, left, and Atlanta's Jamal Anderson helped their teams to playoff victories yesterday.

CLINTON TO URGE MORE U.S. CONTROL ON AID TO SCHOOLS

To Stick to Policy, Not His Trial, in State of the Union Address

By JOHN M. BRODER WASHINGTON, Jan. 17 — President Clinton will propose in his State of the Union Message on Tuesday the most aggressive nationwide effort ever to bring greater accountability to state and local school systems, potentially affecting the allocation of billions of dollars in Federal education aid...

Suits Say Unscrupulous Lending Is Taking Homes From the Poor

By RANDY KENNEDY By all appearances, the loan agreement Citrix Knight signed in 1995 was a classic transaction between savvy mortgage salesmen and an unsophisticated borrower in a poor Brooklyn neighborhood...

Trade Trash For Culture? Not Virginia

By BLAINE HADEN RICHMOND, Va., Jan. 17 — Virginians are struggling to decide what odors wafting out of New York City smell more foul...

Advocates Preparing For Trial's Next Stage

After three days of what experts said were the strongest legal arguments yet for the removal of President Clinton, Republicans and Democrats debated the strength of the case against the President...

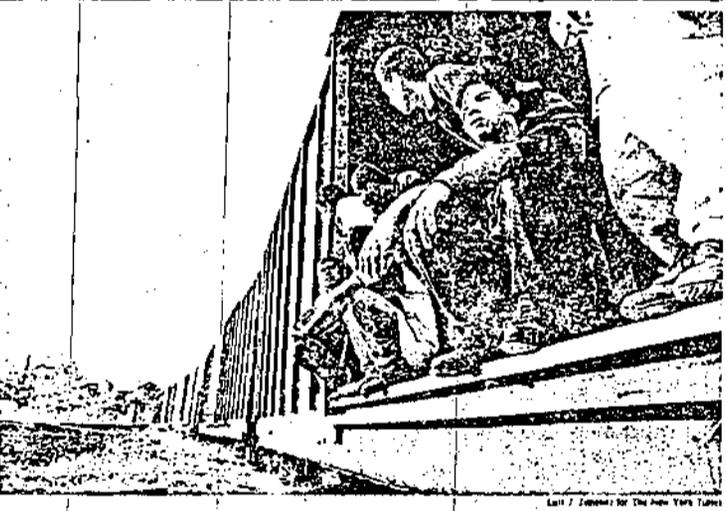
On the best of days it would have been difficult for the Jets to halt Denver, which was 1-12 in the regular season and had won 18 straight games at Mile High Stadium...

Continued on Page D3

Continued on Page A13

A Campaign for a No-Kill Policy For the Nation's Animal Shelters

By EVELYN NIEVES SAN FRANCISCO, Jan. 17 — When Richard Avanzino leads a tour of the headquarters of the San Francisco Society for the Prevention of Cruelty to Animals, he cannot help sounding terribly pleased...



With ravaged lives behind them, Hondurans wait to head north on a freight train in Tapachula, Mexico.

Storm Victims Surge North, With U.S. as Goal

By JINGER THOMPSON TAPACHULA, Mexico — About every two days, a cargo train loaded with fuel and other supplies arrives in this city near Mexico's border with Guatemala...

INSIDE

NATO Meets on Kosovo, Appealing for Cease-Fire

NATO ambassadors in Brussels, in an unusual Sunday meeting called to discuss the violence in Kosovo, called on Yugoslavia to respect a cease-fire...

Behind a \$60 Billion Deal

Vodafone won its narrow victory over Bell Atlantic in the bidding for AirTouch through two weeks of aggressive courtship and all-night strategy sessions...

Reviving the Sun Ceremony

High in the Canadian arctic, Eskimos in the town of Igloodik, who now prefer to be known as Inuit, are finding new merit in celebrating their old way of life...

Table with 2 columns: News Summary and Page numbers. Includes items like Arts, Business Day, Editorial, Op-Ed, Inauguration, National, New York, Sports/Monday, Outlook, and Weather.



Laica awaits adoption at the specially designed San Francisco S.P.C.

CLINTON TO URGE MORE U.S. CONTROL ON AID TO SCHOOLS

To Stick to Policy, Not His Trial, in State of the Union Address

By JOHN M. BRODER

WASHINGTON, Jan. 17 — President Clinton will propose in his State of the Union Message on Tuesday the most aggressive nationwide effort ever to bring greater accountability to state and local school systems, potentially affecting the allocation of billions of dollars in Federal education aid, White House officials said today.

Mr. Clinton plans to devote the bulk of his speech to the challenges of educating the largest school-age population in American history and insuring the welfare of aging citizens, officials said in interviews over the weekend. Mr. Clinton will propose a set of rewards for school districts that set high standards for teachers, enforce guidelines for student promotions and closely monitor school performance.

The President had no plans to address his impeachment trial in the Senate or the actions that occasioned it, aides said, even though he will be speaking to the nation after his lawyers complete their first day of arguments in rebuttal to the charges of perjury and obstruction of justice.

Advisers said Mr. Clinton is painfully aware of the awkward timing of the speech, but chose to press ahead to demonstrate to the American people that he is determined to carry out the business of the nation, even as Congress weighs the ultimate constitutional sanction against him.

The speech takes on a greater significance than usual because Mr. Clinton will not, as in years past, be simply laying out a policy wish list for the coming year. He will be making a plea to the American people, and to history, to judge him on the nation's progress and his performance in office rather than on his evident personal failings.

Mr. Clinton will devote roughly a quarter of the address to foreign policy and military matters, aides said. He will propose a major initiative to help local governments prepare for a biological weapons attack, providing Federal money for early detection systems and to begin stockpiling vaccines to combat biological warfare agents, a senior Administration official said.

He will also propose an expanded effort to safeguard nuclear weapons in Russia and other former Soviet states, going well beyond existing programs to find new jobs for Russian weapons scientists and to help convert Russian military complexes to civilian uses, officials said.

But the bulk of the speech will address domestic issues, chief among them education and Social

Security and other programs for the elderly. Aides said that Mr. Clinton would likely spell out broad principles for strengthening Social Security but would not yet propose a specific plan to address the looming deficits in the retirement program.

The Republican leaders of the Senate and House, the Senate majority leader, Trent Lott, and the Speaker of the House, Dennis Hastert, wrote to Mr. Clinton today demanding to see a detailed Social Security plan "as soon as possible" and told him that the House Ways and Means Committee and the Senate Finance Committee would hold a joint session on March 1 to receive his proposal.

White House officials said, however, that Mr. Clinton was not yet ready to advance a Social Security solution that goes far beyond repeating last year's pledge to reserve the Federal budget surplus until a means is found to shore up the retirement system.

But on education, Mr. Clinton is prepared to propose major revisions to the way the \$20 billion in Federal education spending is apportioned, rewarding school districts that adhere to guidelines on training teachers, enforcing classroom discipline, ending promotion of unqualified students and reporting school performance to parents. School districts that do not meet these standards risk losing some or all of their Federal assistance, officials said.

"The President's plan marks a sea change in national education policy, for the first time holding states and school districts accountable for progress and rewarding them for results," said Bruce Reed, the President's chief domestic policy adviser, paraphrasing a passage from the State of the Union speech. "The national Government invests over \$20 billion a year in public schools. President Clinton believes we must change the way we invest that money, to support what works and stop supporting what doesn't."

There is relatively little new money in the budget Mr. Clinton will propose for the coming fiscal year to support these programs. He will ask Congress for \$400 million in new aid to school districts that end social promotion, the practice of promoting students from grade to grade regardless of their educational achievement. The money would be used for after-school and summer programs to assist these students.

The new budget proposal also contains \$200 million in aid for school systems that identify failing schools and take aggressive steps to reform them, from dismissing poor teachers and administrators to closing underperforming schools.

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Today: Fairly sunny, partly
 sunny. High 56, Low 36.
 Friday: Mostly sunny, cool.
 High 58, Low 42.

Details, Page B10

1999 Year Book

The Washington Post

Friday, The Weekly News,
 Today's Concerns on Page A2

25¢

THURSDAY, NOVEMBER 11, 1999

Campaigns Defend Corporate Flights

McCain, Bradley
 Use Private Jets

By SUSAN B. GLASSER
 Washington Post Staff Writer

Sen. John McCain (R-Ariz.) has traveled extensively for his presidential campaign this year on airplanes provided by several of the large corporations he helps regulate as chairman of the Senate Commerce Committee.

McCain has paid a dozen corporations and wealthy donors for use of their private aircraft, according to a review of his campaign disclosure reports. The trips, for which McCain paid more than \$40,000, ranged from a quick jaunt to Richmond on the private plane of CSX Corp. for a fund-raiser at the home of the railroad company's chairman to a California flight aboard a plane owned by a U.S. subsidiary firm of media mogul Rupert Murdoch.

McCain, whose influential panel has jurisdiction over a broad array of businesses from telecommunications in transportation, has also flown in private jets owned by the phone company BellSouth Corp. and the Union Pacific railroad. A spokesman said that, in most instances, McCain's campaign asked the corporations to provide the aircraft.

Such flights are a routine matter for many influential members of Congress, who take advantage of federal rules allowing campaigns to fly in private planes as long as they pay the company, in advance, for the cost of first-class airline tickets—a generous benefit, since those fares are often far less than the actual cost of operating the private planes.

But it is a unique irony of this year's presidential contest that the two most frequent corporate fliers have been McCain and Democratic hopeful Bill Bradley. Both are run-

See FLIGHTS, A12, Col. 2



In 1966, Army medic Alfred Rascon is helped to a landing zone after he was severely wounded protecting and treating his fellow soldiers.



Coast Guard Capt. Earl Fox, 80, will retire next week.

WWII Veteran Soldiers On, Alone

As the only veteran of World War II still on active duty, Capt. Earl Fox, a Coast Guard physician, will represent his generation of comrades at Arlington Cemetery services on his last Veterans Day in uniform. **FEDERAL PAGE, A41**

A Hail of Praise for 'Doc' Medal of Honor Near for Vietnam Hero From Md.

By STEVE VOCE
 Washington Post Staff Writer

Duty, honor and country, in Alfred Rascon's words, sometimes boil down to taking care of the man next to you.

That's what Rascon did that day a third of a century ago when his Army platoon was pinned down during a fierce firefight in a Vietnamese jungle. Rascon, a medic, dashed through machine gun fire and grenade blasts to treat the wounded. Twice he jumped on top of wounded soldiers to save them from grenades, taking the shrapnel himself. He was shot as he shielded another soldier. A grenade exploded in his face, but he raced forward to retrieve an abandoned machine gun, saving the platoon from being overrun. Rascon's actions on March 16, 1966, are remarkable, even by the standards of the Medal of Honor. But getting Rascon the medal has been a battle in itself after the original recommendation that he receive it was lost and efforts to correct the oversight floundered for years in the Pentagon bureaucracy.

Now, on Veterans Day, Rascon is on the verge of receiving the Medal of Honor. Papers were sent this week to President Clinton to award the nation's highest military honor



Papers to award the medal to Rascon, of Laurel, were finally sent to the White House this week.

to Rascon, who was born into poverty in Mexico and now serves as inspector general for the Selective Service System in Arlington.

Rascon, a 54-year-old soft-spoken Laurel resident with an easy wit, is uncomfortable about the pending honor. "It has nothing to do with me," said Rascon, forever known as "Doc" to his fellow soldiers. "It's just a matter

See MEDALS, A28, Col. 1

Hill, Clinton Reach Deal On Hiring Of Teachers

Plan Removes Big Barrier
 To Final Spending Pact

By ERIC PLANIN AND JULIE EILPERIN
 Washington Post Staff Writers

Congressional Republicans and the White House tentatively agreed last night on a nearly \$1.4 billion plan to hire new teachers and reduce class size, clearing away one of the major obstacles to a final compromise on the budget.

GOP leaders dropped their efforts to convert the money to a block grant that would leave local school boards with broad discretion in spending the funds. At the same time, the administration signaled a willingness to provide local schools with more flexibility to use the money for teacher training, according to GOP and administration negotiators.

The money would represent the second installment on a seven-year program by President Clinton to finance the hiring of 100,000 new teachers, the central feature of his education agenda. Aides had made it clear that the proposal was perhaps Clinton's top priority in budget negotiations, and yesterday's compromise signaled that the two sides were moving rapidly to bridge their last remaining differences.

Administration officials and Democrats remained cautious that the two sides could wrap up on key spending bills by week's end, as some Republican leaders predicted. But with members anxious to recess for the year, Republicans were clearly in a compromising mood, and they moved closer to the Democrats on a broad range of issues.

In addition to the agreement on schools, Republicans agreed to add \$1.35 billion more to a huge labor, health and education bill for a broad range of programs, including childhood immunization, infectious diseases, Hispanic initiatives and occupational safety programs. GOP leaders nearly doubled the amount of money they previously were willing to provide for Clinton's desert and ranch land acquisition program, to \$475 million, though still short of what the administration has sought.

The Republicans have also added money for Clinton's program to hire 50,000 more police officers and other law enforcement programs, and GOP lawmakers said they were nearing an agreement with the Treasury Department over

See SPENDING, A32, Col. 1

China Warns of New Arms Race

Official Says U.S. Missile Shield Would Shift Balance of Power

By JOHN POWRATT
 Washington Post Foreign Service

BEIJING, Nov. 10—China's top arms control official assailed the United States today for its campaign to develop a protective shield against ballistic nuclear missiles, warning that such a program could lead to a nuclear arms race and dangerously alter the strategic balance in Asia and the rest of the world.

Sha Zukang, the Foreign Ministry's arms control director, also lambasted the Senate for its failure to ratify the Comprehensive Test

Treaty last month, arguing that such an act could make countries like China reluctant to enter into arms control agreements with the United States.

"Because I'm a negotiator I ask myself, 'What should I do?'" Sha said in a rare, wide-ranging interview. "Should we follow the same practice? We know the United States is a superpower, but that does not give you super rights."

Sha's statements reflect China's deep unease with current American strategic thinking, specifically the push to amend or even abrogate the 1972 Anti-Ballistic Missile

Treaty. Underlying Sha's comments is a perception, shared by some European officials, that Washington is capitalizing on its status as the world's most powerful country to lock in a strategic advantage that would make it immune to intimidation.

The U.S. plan to create a shield against missiles would affect China specifically because it would trump Beijing's single strategic ace, China's armed forces are still decades behind the American military. Its missiles, however, are top-notch

See CHINA, A37, Col. 1

In Russia, the Police Behave Like Criminals

Torture Is Common, Rights Group Says

By DANIEL WILLIAMS
 Washington Post Foreign Service

MOSCOW—In a Russian bathhouse, where heat from a sauna opens pores and vodka from the bottle loosens lips, Rodion, a smuggler by trade, showed off the faded welts on his rib cage and a bent little finger.

They were souvenirs of an ordeal at a Moscow police station where, he said, officers beat him to try to force confessions for crimes he didn't commit.

"I am no saint. But I have never run into criminals like these—our police," he said. "Humiliation is not enough. They want to hurt. I think they made me a worse criminal than I was. If I had a chance, I would kill them."

Police brutality and, in cases like Rodion's, torture to gain confessions, are growing problems across Russia: Years of pledges to curb abuses, repeated complaints from human rights groups and the pleas of common citizens have put

no dent in either practice. Judges rarely look into allegations of torture and readily accept questionable confessions as the quickest means to a conviction, according to a two-year study released yesterday by Human Rights Watch, the New York-based watchdog group. Police have refined methods to disguise their assaults. Sometimes, they place a book between the nightstick and the victim's head to administer a beating without leaving marks. To asphyxiate victims—to soften them up and get them to talk—they place plastic bags or gas masks with the air supply blocked over the heads of detainees. They force suspects to sit bent over, hands handcuffed to ankles, in a position called "the envelope." Or trussed and hung like a bird from a pipe, a posture called "the swallow." Human rights observers suspect that of all criminal suspects in Russia, half

See RUSSIA, A49, Col. 1



UPS Chairman James Kelly, center, rings the NYSE's opening bell.

IPO Delivers a Bundle

Old-Line UPS Raises \$5.47 Billion
 By Tapping Into E-Commerce Surge

By JANTINE JEANNE DUGAN
 Washington Post Staff Writer

NEW YORK, Nov. 10—United Parcel Service of America Inc., an icon of the old economy with fleets of trucks driven mainly by men in brown uniforms, emerged from 92 years of privacy today a gleaming symbol of the digital age.

Stock of the company known as Big Brown began trading on the Big Board after raising \$5.47 billion through the country's biggest public share offering ever. The megadeal, which made millionaires of UPS managers and enriched some rank-and-file employees, demonstrates how dot-com wealth is spilling into the brick-and-mortar world.

See UPS, A20, Col. 1

Heart Failure Medication May Prevent Heart Attacks

By DAVID BROWN
 Washington Post Staff Writer

A drug commonly used to treat people with congestive heart failure apparently could help save the lives of many more people than previously known, preventing heart attacks, strokes and sudden deaths among those merely at risk for the disease, researchers reported yesterday.

Kamipril, a member of the ACE inhibitor family of medicines, reduced the death rate of elderly people with cardiovascular disease but without congestive heart failure, a condition that kills about half its sufferers in five years. Curiously, there were also fewer new cases of diabetes in people taking the drug.

The study, which lasted nearly five years, involved 9,200 people in 19 countries. Its results were released two months before they are scheduled to appear in the *New England Journal of Medicine* because of the potential public health implications.

"I think this was a really important trial," said Rose Marie Robertson, a cardiologist at Vanderbilt University and president-elect of the American Heart Association, at whose annual meeting the findings were released yesterday. "The impact was so significant, and it extends the indication [for use of the drug] to a much larger group of patients."

The number of people who might benefit from ACE inhibitors, but aren't taking them now, is un-

See HEART, A26, Col. 1

INSIDE

No Hint of Trouble

EgyptAir Flight 990 appears to have been under the crew's control as it began its steep decline, according to flight data recorder information. **NATION, Page A15**

Going Home

The D.C. government will occupy all of the John A. Wilson Building, the District's historic city hall at Pennsylvania Avenue and 14th Street NW. **METRO, Page B1**

Guide post

Flower Bedtime

A pullout guide to preparing your yard and garden for winter. **HOME**

The Post on the Internet:
www.washingtonpost.com



Hill, Clinton Reach Deal On Hiring Of Teachers

Plan Removes Big Barrier To Final Spending Pact

By ERIC PIANIN AND JULIET EILPERIN
Washington Post Staff Writers

A

Congressional Republicans and the White House tentatively agreed last night on a nearly \$1.4 billion plan to hire new teachers and reduce class size, clearing away one of the major obstacles to a final compromise on the budget.

GOP leaders dropped their efforts to convert the money to a block grant that would leave local school boards with broad discretion in spending the funds. At the same time, the administration signaled a willingness to provide local schools with more flexibility to use the money for teacher training, according to GOP and administration negotiators.

The money would represent the second installment on a seven-year program by President Clinton to finance the hiring of 100,000 new teachers, the central feature of his education agenda. Aides had made it clear that the proposal was perhaps Clinton's top priority in budget negotiations, and yesterday's compromise signaled that the two sides were moving rapidly to bridge their last remaining differences.

Administration officials and Democrats remained cautious that the two sides could wrap up on key spending bills by week's end, as some Republican leaders predicted. But with members anxious to recess for the year, Republicans were clearly in a compromising mood, and they moved closer to the Democrats on a broad range of issues.

In addition to the agreement on schools, Republicans agreed to add \$1.35 billion more to a huge labor, health and education bill for a broad range of programs, including childhood immunization, infectious diseases, Hispanic initiatives and occupational safety programs. GOP leaders nearly doubled the amount of money they previously were willing to provide for Clinton's desert and ranch land acquisition program, to \$475 million, though still short of what the administration has sought.

The Republicans have also added money for Clinton's program to hire 50,000 more police officers and other law enforcement programs, and GOP lawmakers said they were nearing an agreement with the Treasury Department over

international debt relief.

Still, the GOP was balking at last-minute White House demands for more money for the National Endowment of the Arts, the Smithsonian and state land and water programs. GOP leaders and the White House also remained deadlocked on abortion language holding up payment of nearly \$1 billion in dues owed the United Nations.

But it seemed clear yesterday that a budget battle that began in January with sharp partisan rhetoric over taxes and Social Security was winding up on a fairly business-like basis. More than a month after the start of the new fiscal year, Congress and the administration finally appeared close to working out differences on the five annual spending bills that have yet to be approved. Any deal must be ratified by the full House and Senate.

The president has already signed the eight other spending bills that help finance the federal government's operations.

While the GOP has been reluctant to engage the administration directly over spending issues until recently, high-level intervention appears to have played a role in getting the talks back on track after they appeared to snag Tuesday.

Early yesterday, Clinton spoke separately with Senate Majority Leader Trent Lott (R-Miss.) and House Speaker J. Dennis Hastert (R-Ill.). House Majority Leader Richard K. Armey (R-Tex.) later announced that the House would try to "complete our work for the year" Friday.

Lott, who spoke three times with Clinton yesterday, said that the two sides were fairly close to a final deal. "There's not much difference in what we're talking about," Lott said.

The Republican eagerness to complete the talks this week reflects, in part, leadership concerns that the longer the negotiations drag out, the more time the administration and individual members

have to make last-minute demands.

Clinton has proved adroit in the past in squeezing out big concessions in the final days of talks, and this year is no exception. "We've made some real progress in putting 50,000 more police on our streets, we're making some progress in other areas," Clinton told reporters in the morning, before departing for Pennsylvania. Moreover, there has been a rash of last-minute pleading by House members and senators, who view the spending bills as their last opportunity to secure wanted projects or legislative language.

"Members have their pet projects, a little more money for my visitors' center here or a little more money to buy a piece of land there," said Rep. Ralph Regula (R-Ohio), a key member of the Appropriations Committee.

Rep. Anne M. Northup (R-Ky.) noted that "at some point you have to deal" with the White House. "I don't know if waiting in a standoff eyeball to eyeball gets you a better solution," Northup said.

Still, the last-minute press to complete the talks also has left some individual members with greater leverage to extract concessions. For example, Sen. Robert C. Byrd (D-W.Va.) has threatened to hold up final action unless Congress adopts language allowing West Virginia coal companies to dump mining waste in local streams. The White House has tried to persuade Byrd to drop his measure, but he has steadfastly resisted, several sources said.

At the same time, Sens. Mary Landrieu (D-La.) and Herb Kohl (D-Wis.) have made similar threats over funding for coastal states including Louisiana and protections for Wisconsin's dairy industry.

Republican strategists say that one way around that problem may be to put all five remaining bills together in one big package to heighten pressure on lawmakers to approve it. But Wisconsin Rep. David R. Obey, the ranking Demo-

crat on the Appropriations Committee, warned that such a maneuver could backfire and jeopardize final passage of the spending bills.

"You're going to maximize opposition to it if you put them in one bill," Obey said.

One of the most nettlesome problems centers on whether to tie the payment of U.N. dues to abortion restrictions. Rep. Christopher H. Smith (R-N.J.) has insisted any payment include language barring international family planning groups from lobbying for changes in abortion laws overseas, known as the Mexico City policy, and he said House leaders have continued to back his position.

"Everybody is totally on the same page," Smith said. "We could stay here till Christmas, for all I care. If it means a protracted negotiation, so be it."

Some GOP leaders also are continuing to insist that the administration come up with budget cuts or savings to offset the new spending. "They have presented us with a bonanza of new spending, but not one credible proposal for how they're going to pay for it," said a spokesman for House Majority Whip Tom DeLay (R-Tex.). "These negotiations will go nowhere until they tell us how they intend to pay for these programs."

DAVID LIMBAUGH

Why is Bill Clinton so militantly opposed to letting the states and local communities decide how to allocate federal education funds? Maybe he was just kidding when he piously announced that the era of big government was over.

Apparently caught off-guard by a reporter's question, he gave us a glimpse into his guiding worldview. When asked what was wrong with letting local school districts decide how best to spend federal education dollars, he snapped, "because it's not their money."

Just chew on that for a minute. Mr. Clinton's knee-jerk response says it all. Money sucked into the federal coffers through onerous taxes on individuals and entities is *his* money. Just like those jets of the military he loathes are *his* jets, and the oval office is *his* bedroom.

Mr. Clinton has been absolutely intransigent about his statist demand that federal monies be earmarked to hire 100,000 new teachers. Congressional Republicans were insisting these education decisions be left to states and cities.

In sharp contrast to the failed negotiations that resulted in their

Yielding teacher pay turf in budget battle

Some may view the capitulation as an honorable compromise. Perish the thought.

being blamed for the government shutdown in 1995, until this past week, congressional Republicans have been much more adroit in their budget dealings with Mr. Clinton this time around.

Instead of falling into his snare again, they had kept their noses to the grindstone, stayed on message and passed one continuing resolution after another.

Rather than giving in to their fatigue and consolidating the spending measures into an omnibus-spending package, Republicans

wisely separated them into 13 distinct proposals. This had the desired effect of flushing Mr. Clinton out and forcing him to decide which specific bills to veto.

Until last Wednesday, an impasse remained as both White House and congressional budget negotiators had their heels dug in over certain ideologically important issues involved in the remaining spending bills.

Congressional budgets are approved on an annual basis and authorize government expenditures for each fiscal year beginning Oct. 1 and ending Sept. 30. If Congress and the president fail to approve any part of the budget for the next fiscal year prior to the end of the then current fiscal year, e.g. Sept. 30, 1999, the government runs out of authorized funds to operate into the next fiscal year.

In the absence of a complete bud-

get agreement, Congress and/or the president can either allow the deadline to expire, in which event, we will have a government shutdown as in 1995, or they can agree to extend the deadline through continuing resolutions.

These resolutions have the effect of continuing the funding of programs (for which there has been no spending bill passed) at the same level as the just-expired fiscal year.

It was unrealistic to expect that Congress and the president would agree to run the government on this basis in perpetuity. It was inevitable that one or both would compromise. I am extremely dejected to report that Republican negotiators are the ones who caved on the education issue.

The Washington Post reported last Thursday that Republicans had agreed to almost all of the president's education demands. They dropped their efforts to convert the federal education monies to a block grant that would leave local school boards with broad discretion in spending the funds.

Some may view this Republican capitulation as an honorable compromise. Perish the thought.

Mr. Clinton praised the Republicans for their "bipartisan spirit" (read: cowardice).

What about all the lofty GOP rhetoric about states' rights, freedom and local autonomy? Do they truly believe empty words are just as noble as the actions they advocate?

How can these congressional Republicans possibly expect to rally support from the conservative base of their party when they roll over like this?

At the last presidential debate, Alan Keyes aptly reminded us that "liberty is one of those things that once you lose it, you don't even know what you have lost." Indeed.

It is extremely disappointing that so often our Republican officeholders literally do not put our money where their mouths are. Apparently, Mr. Clinton has convinced them that it is indeed *his* money.

It turns out Republicans really talked a good game but in the end getting out of town must have been more important than standing on the principles of freedom.

David Limbaugh is a nationally syndicated columnist.

EDWARD TIMPERLAKE / WILLIAM TRIPLETT II

Who is Xiong Guangkai?

In a recent issue, the Far Eastern Economic Review, reports that Gen. Xiong Guangkai, Deputy Chief of Staff for Intelligence of the Chinese People's Liberation Army (PLA), will be visiting Washington in December. American military attaches at the U.S. Embassy in Beijing brag that the Xiong visit will restart the military-to-military relationship between the United States and the People's Republic of China (PRC).

For a whole host of reasons, Gen. Xiong's visit represents both a challenge and an opportunity to the Republicans in Congress. First, as the chief spymaster of China, Gen. Xiong inherited and then perfected the most successful espionage operation against America in our nation's history. He knows all the answers to questions raised in the Cox report of earlier this year because they occurred at his direction.

Gen. Xiong, age 60, has been in the PLA's intelligence service since he was a teen-ager. In the 1960s and 1970s, he honed his craft as a military spy operating out of the PRC Embassy in Bonn. Now at the pinnacle of his career, all the PLA intelligence operations targeted on the United States lead to him. Under the usual information-sharing arrangement, he also would know of the significant intelligence operations run by China's KGB, the Ministry of State Security. He would have a wide range of knowledge about the Loral-Hughes case, the theft of all of our nuclear weapons secrets from the National Labs, and the most recent McDonnell-Douglas case, just to name a few of his successes.

Gen. Xiong also was responsible for the successful effort to funnel illegal campaign contributions to the Clinton-Gore re-election effort in 1996. PLA Gen. Ji Shengde told Johnny Chung, "We like your President and we want him re-elected."

Since Gen. Ji worked for Gen. Xiong, the "we" probably referred to him. At least some of Gen. Ji's \$300,000 made its way through Mr. Chung to the Democratic National Committee. Another of Gen. Xiong's military spies, Lt. Col. Liu Chaoying bragged to Mr. Chung of other conduits of money from PLA intelligence into Clinton-Gore. Certainly Rep. Dan Burton, Indiana Republican, and Sen. Fred Thompson, Tennessee Republican, who chaired hearings into campaign contributions, would be interested in those details.

Earlier this year, Gen. Xiong turned up at an important meeting with the North Koreans. The rela-

tionship between the PRC and North Korea is like "lips and teeth," he declared. We know now the PRC and the North Koreans are in various joint ventures to sell weapons of mass destruction, and the missiles that deliver them, to terrorist nations in the Middle East. Given the mafialike way that the PRC government is run, it would be unusual if Gen. Xiong or his family did not have a financial stake in that sort of trade. Sen. Thad Cochran, Mississippi Republican, and chairman of the Senate Anti-Proliferation Subcommittee, might like to ask about it.

Gen. Xiong is most famous for his threat to incinerate Los Angeles

with nuclear destruction if the United States should come to the aid of democratic Taiwan. That's of interest to the entire Congress, given the overwhelming support for the Taiwan security legislation now making its way through the House. It's only heightened by the dramatic demonstration of mobile ICBMs at the 50th anniversary of communism in China. With the DF-31 and DF-41 together capable of reaching any city in America, his threat no longer is false bravado. It is real and in a crisis can be deadly.

What is less well known is Gen. Xiong's role at Tiananmen. In 1989, he was the head of the "Er Bu," the "Second Department,"

the PLA's military intelligence agency. This is the equivalent of the GRU from Soviet days. His agents ran a series of provocation operations against the students, mostly efforts to plant weapons on them in order to excuse the ensuing massacre. In 1996, Rep. Chris Smith, New Jersey Republican, held a hearing when one of the major Tiananmen Square generals came to visit President Clinton. Gen. Xiong would make a choice target for serious human-rights hearings in view of the PLA's continuing role as the prop holding up communism in China.

We have noted that the general has a very high energy level. These days, one of his major roles is handling the military-to-military relationship with the United States, a very controversial program. Legislation sponsored by Sen. Bob Smith, New Hampshire Republican, and House Republican Whip Tom DeLay, Texas Republican, to restrict the program was passed by the Congress and signed into law by a very reluctant President Clinton this fall.

The Xiong visit should be seen for what it is: another in-your-face operation by Mr. Clinton and Mr. Gore. Gen. Xiong hits every hot button issue in the China game—nuclear espionage, illegal campaign funding of Clinton-Gore in 1996, proliferation of weapons of mass destruction, Taiwan, human rights and the Tiananmen Square massacre, finally the military-to-military giveaway that Congress loathes. It's going to be interesting to see if the Republicans (and the Democrats) in Congress step up to the plate on this one and greet Gen. Xiong with a subpoena.

Edward Timperlake and William C. Triplett II are the authors of "Red Dragon Rising," published by Regnery, 1999.

Compromise on Education Brings Budget Deal Closer

A1

By TIM WEINER

WASHINGTON, Nov. 10 — Congress and the White House came closer to striking a budget deal tonight, reaching a tentative agreement on spending for education, but still arguing over the environment, abortion and back dues the United States owes the United Nations.

Both sides said they would compromise on President Clinton's demand for \$1.4 billion to hire new teachers to reduce class sizes in public schools. The Republicans had offered \$1.2 billion for school districts to spend mostly as they please. Splitting their differences, the two sides agreed to spend \$1.3 billion, dedicating 20 percent of the money to training teachers rather than hiring new ones. In a concession to Republicans, the White House agreed to let Congress closely monitor the progress of the program, a senior White House aide said.

Two major policy issues remain, beyond the all-but-settled education deal. One is the \$926 million in United Nations dues, which will not be paid until a separate dispute is solved. Republicans want no federal money to flow to international organizations that lobby for changes in abortion laws overseas, and have chained the two issues together.

In another area, Republican senators have pushed for favors for the

oil, gas, mining, ranching and timber industries that the White House and environmentalists oppose. These issues remain unresolved.

At nightfall, no serious disputes over money remained. The Republicans have agreed to roughly \$3.2 billion in White House requests for new spending for a variety of programs, a senior Republican aide said.

Speaker J. Dennis Hastert said an agreement on the budget could be reached rapidly. But the Senate majority leader, Trent Lott of Mississippi, showed little confidence in a quick deal. He said the Senate would schedule no votes until Wednesday, the day that the newest stop-gap resolution keeping the government open without a real budget expires.

With Congress pushing to leave for the year, the day began with Mr. Hastert's returning a telephone call from President Clinton, who left a message for him Tuesday night, asking to talk about the budget negotiations.

The speaker asked the president to give a little in the talks. His aides said Mr. Hastert told the president that "it's time for your side to break loose" and compromise on the intractable policy issues that have

stalled the spending bills.

The two discussed the issues dividing them, laying out their differences and voicing a desire to reach agreement, especially on the teachers issue. "Both sides suggested that an agreement could and should be reached," a senior White House official said.

Mr. Hastert then rallied his Republican troops at a closed meeting in the Capitol, calling on them to hang together, stay in town and vote on the still-unwritten bills.

They wanted to break for a Veterans Day weekend, return next week and then quickly end this session, every day of which brings a new Democratic attack accusing them of failing to agree to measures for gun control, health care and overhauling campaign finance.

The Democrats stepped up the pressure with a new television advertisement. The 30-second ad shows a slow panorama of a graveyard as an announcer intones, "Congressional Republicans are killing initiatives for working families and sending them to their legislative graveyard."

The Republican rank and file were restless before the meeting with Mr. Hastert. "I want to get out of here," Mr. Hastert said, according to his staff and several Republican members at the meeting. "You want to get out of here. But we're not going to cut a bad deal to get out of here." The members applauded him, according to those present.

So the Republicans went to work with the Democratic counterparts in Congress and the White House budget director, Jack Lew, trying to resolve their differences.

The differences included White House requests for more money and rewritten policies in four unresolved major spending bills — a \$31.4 billion measure for labor, health and education programs, a \$39 billion bill for the Commerce, State and Justice Departments, and a \$15 billion measure for the Interior Department and another \$15 billion bill for foreign aid. A

fifth bill, now complete, contains \$429 million for the District of Columbia.

"We've been trying to put the pieces of a grand deal together all day," said Representative C. W. Bill Young, the Florida Republican who is chairman of the House Appropriations Committee. The appropriations committees control the 13 spending bills in the budget, 5 of which are still unsettled.

The budget talks have been tense, participants said, sometimes confrontational, sometimes congenial. "Like an average marriage, it has its ups and downs," a key participant said. The cordial Mr. Young, the crusty Ted Stevens of Alaska, the chairman of the Senate Appropriations Committee, and the calm but contentious Mr. Lew have talked for nearly 100 hours since Sunday. Arguments have broken out, but the talks have never broken down.

"The pieces of a grand deal" that Mr. Young described included agreements on an additional \$1.45 billion for labor, health, and education; \$640 million more for the Commerce, Justice and State Department bill; \$384 million more for the Interior Department and \$800 million for foreign

operations, said Mr. Young's committee staff director, James Dyer, and a White House budget official.

The Republicans have agreed to back most of the money Mr. Clinton wanted for hiring 50,000 local police officers and for peacekeeping operations in Kosovo, the White House said. But neither side has agreed on how to pay for the new spending.

Mr. Hastert ordered members to return at noon on Friday and to be ready to pass the spending bills that night. The chamber rumbled with muted groans as the majority leader, Dick Armey of Texas, made the announcement this afternoon.

Between the \$3.2 billion agreed to by the Republicans and additional spending they have added to the bills, Congress and the White House will need at least \$6 in spending cuts to make the budget balance and keep it from dipping into the Social Security surplus. The Republicans will face a rank-and-file rebellion if the spending bills touch the retirement funds.

The Republicans plan to try to pass all the bills at once, in an omnibus package. The bills still have not been rewritten to reflect the negotiations that have passed between the White House and Congress, and among Republicans and Democrats in conferences. Each may contain new potential pitfalls added in closed-door conferences that could threaten their passage when the House takes them up, and the Senate takes them up, no earlier than Wednesday. "My optimism of this morning has been tempered," Mr. Lott said tonight.

Workers Ready to Cash In as U.P.S. Goes Public

AI

By KENNETH N. GILPIN

It has been in business for 92 years and delivers more than 12 million packages each business day, but until yesterday nobody really knew what United Parcel Service was worth.

For a day at least, investors said the company, which is based in Atlanta, was worth more than \$81 billion. That is twice the valuation of General Motors, more than three times that of Merrill Lynch and nearly six times that of Federal Express, which, with the exception of the Postal Service, is its biggest competitor.

The market also sent a ringing late 1990's message to the 125,000 shareholders of what up until now has been a privately held company, most of whom are current or retired U.P.S. employees and are now poised to cash in on the decision to go public. Many could realize tens of thousands of dollars in profits.

"Now I'm going to have to get a broker," said Miquel Cartagena, 35, a driver in Manhattan who has been a U.P.S. employee for the last 13 years. "I'm looking forward to wheeling and dealing down the road."

In the biggest initial public stock offering ever, U.P.S. on late Tuesday priced 109.4 million of its Class B shares, 10 percent of the company, at \$50 a share.

Demand for the stock was extremely heavy, and longtime Wall Street traders were expecting the shares would do very well when trading commenced on the New York Stock Exchange yesterday.

But given the size of U.P.S. — it earned \$1.74 billion last year on revenue of nearly \$25 billion — many on Wall Street were not expecting U.P.S. shares to skyrocket like an internet stock.

Still, the company's glittering record and its prospects of burgeoning electronic-commerce opportunities were undoubtedly big selling points with investors.

By the end of the day, the U.P.S. shares had from their initial offering price, to \$68.125 a share. In less than 24 hours, the public had increased the company's market capitalization by some \$20 billion, to more than \$81 billion.

"This is the last blue chip of the century," said Benn Konsynski, a professor at Goizueta Business School of Emory University and an adviser to U.P.S. "The market is recognizing them as more than just a transportation company. They are also an extraordinary player in the field of e-business."

Still, unlike many owners of much of the paper wealth created in the last few years by the Internet, the average U.P.S. stockholder almost certainly never dropped out of Harvard or graduated from Stanford Business School.

Indeed, many U.P.S. shareholders — some 66,000 — work on an hourly basis for the company. Since 1995, these drivers, loaders and handlers, who make a starting wage of \$8.50 to \$9.50 an hour, have been eligible to buy U.P.S.'s voting class A shares.

Another 40,000 are managers, who at one point in their careers wore the company's signature brown uniforms. Thirty-five years ago, James P. Kelly, the chairman, began his career with U.P.S. as a package car driver in the company's Metro Jersey District. In all, U.P.S. has more than 300,000 employees.

A spokesman for the Teamsters union, which has many of the company's 205,000 unionized employees as members, pointed out that much of the profit derived from yesterday's stock sale would be realized by managers, who have been eligible to buy stock since 1927.

"Our research says the average Teamster owns less than 100 shares of stock," said Brett Caldwell, a Teamster spokesman in Washington.

"It's good for our members, but it's not making them millionaires," he added. "The real wealth of the I.P.O. is going to go to the managers, who have been able to buy stock for many years."

To be sure, the gains are skewed. But on a purely statistical basis, the "average" gain realized by each U.P.S. shareholder from Aug. 19, when the class A shares were last priced by the company at \$25.50 a share, through yesterday's close at \$68.25, was more than \$370,000.

Even if their holdings are not big enough to retire on, those who wear brown collars and do own stock are obviously happy; those who have chosen not to buy shares are not.

Phil Stocks, 56, works in the Atlanta area and has been with the company for nearly 29 years, many as a tractor-trailer driver. He said he had been buying as much stock as he could afford since 1995.

"I'm comfortable," he said. "We're excited about it."

Bercy Vaugly, by contrast, was troubled over not owning any shares.

The 29-year-old, who has been driving a U.P.S. truck for the last five years, talked from the cab of his brown truck on West Houston Street in Manhattan yesterday morning. "It's definitely one of the biggest mistakes in my life," he said of his decision not to buy U.P.S. stock.

Such were the judgments at the end of the first day of trading in U.P.S. stock.

Under the terms of the public stock offering, U.P.S., which is awash in cash, will use the \$5.47 billion it raised late Tuesday to buy back slightly less than 10 percent of the existing class A shares from the employees, managers, retirees, foundations and families who are heirs of the late James Casey, who founded the company in 1907.

The class B shares sold yesterday carry one vote a share. To preserve the control of existing shareholders, Morgan Stanley Dean Witter, the lead underwriter on the offering, gave the class A shares 10 votes for every one that the class B shares have.

The stock buyback will not take place for at least a month. And management has made it plain that it intends to keep offering class A shares to its employees. From now on, however, their value will be determined by the market price of the class B shares; employees who want to sell their class A shares in the future must sell them within the company, as has always been the case.

In the meantime, U.P.S. has created a currency — its publicly traded

stock — that can be used to help it expand through acquisitions.

In a telephone interview yesterday, Mr. Kelly said that in the recent past "one or two" potential deals fell through because the companies U.P.S. was looking to acquire had wanted stock, not cash.

He declined to identify what kinds of companies U.P.S. might be interested in acquiring. But he gave a strong indication it was looking beyond the United States.

"Our worldwide express business is doing wonderfully," he said, "but we want to expand our global presence."

U.P.S. had revenue of \$24.8 billion last year. Of that, some \$3.2 billion, or 13 percent, was generated outside the United States.

In July, when it announced its plans to go public, the company set three areas for future growth: international, e-commerce and logistics management, a delivery consulting business that is currently growing at a 40 percent annual rate.

Already a major presence on the Internet, U.P.S. has plans to get even bigger. Last Christmas the company delivered about 55 percent of the goods consumers bought through the Internet. For years the company has been investing more than \$1 billion a year in information technology, and has amassed what some say is one of the world's largest databases.

In addition to facing stern competition from Federal Express and various postal services around the world, U.P.S. will now be confronted with the challenge of maintaining its distinctive — one that some call secretive and tight-fisted — corporate culture.

"We thought harder about that than any one topic," before the U.P.S. board voted to go public in July, Mr.

Kelly said. "We have a great culture at U.P.S., a manager-owned and now an employee-owned culture."

Being a public company "will be a change," he added, "but we think we can manage the changes."

Even though 99 percent of the voting rights in U.P.S. will remain in the class A shares owned by its employees and managers, "you cannot be a little bit public," said Mr. Konsynski, the professor from Emory. "Being public impacts people's attention, regardless of where the voting stock rests."

The New York Times

THURSDAY, NOVEMBER 11, 1999

Gun Makers, Plaintiffs Discuss Settlement

■ Courts: Participants are mum about meeting, but more negotiations are planned. 26 cities, counties have sued industry.

By MYRON LEVIN
TIMES STAFF WRITER

Negotiators for firearms makers and major U.S. cities met privately Monday in Washington to discuss the potential for settling the wave of municipal lawsuits that have engulfed the handgun industry.

Participants, including Los Angeles City Atty. James K. Hahn, declined to give details but said further meetings are planned, suggesting possible areas of common ground.

Beginning with New Orleans and Chicago last fall, 26 cities and counties have sued the handgun industry, seeking reimbursement

for costs of responding to gun violence, along with broad reforms in industry marketing practices. Nearly half of the plaintiffs are California municipalities, including the city and county of Los Angeles, Compton, West Hollywood and Inglewood, along with San Francisco, Sacramento and other Northern California cities.

Hahn and San Francisco City Atty. Louise Renne both attended the meeting, as did New York Atty. Gen. Elliot Spitzer and Connecticut Atty. Gen. Richard Blumenthal. No states have joined the litigation, but Spitzer and Blumenthal have threatened to sue gun makers unless they agree to changes in business practices.

"We're either going to settle or sue," a spokesman for Spitzer said.

The meeting "was a chance for us both to communicate, face to face, and they heard our concerns and we heard theirs," Hahn said. "We are going to continue this dialogue."

In the meantime, the gun litigation will also continue, with no halt in pretrial discovery or motions by defense attorneys to have the suits dismissed. "There's nothing that happened at the meeting that's going to derail these suits," a spokesman for Renne said.

The suits accuse the industry of failing to build in safety features that would prevent children from being accidentally shot or criminals from firing stolen guns. They also accuse manufacturers of failing to supervise the sales practices of firearms distributors and dealers who make it easy for juveniles and criminals to obtain guns.

The goals of any settlement would be "to make the product itself safer and to keep it from falling into the hands of kids or criminals," Hahn said.

Industry officials say they are not to blame for criminal misuse of their products, and have denounced the suits as an improper attempt to regulate them through the courts.

Industry negotiators could not be reached for comment, but Bruce Jennings, a fixture in the industry in Southern California who did not attend the meeting, said he has no intention of settling.

"I can't settle," said Jennings, who operates B.L. Jennings, a major handgun distributor, and whose former wife owns Bryco Arms, a gun manufacturer in Costa Mesa. "There's no money out there to pay off litigation in the magnitudes that they're talking about."

Jennings' father 30 years ago pioneered the production and sale of the inexpensive handguns that have come to be known as "Saturday night specials." Jennings family members and associates came to dominate the low end of the handgun market, operating from plants near Los Angeles.

In part because of a slump in handgun sales and litigation pressures, some of those companies recently have gone out of business or filed for bankruptcy protection.

Handwritten notes:
Bruce Jennings
Now is the time to go on our suit - both politically + substantively
We are ready to give!
Bert
Ander
Kuros
12 MAY

NO. 095

R YORKSHIRE → 94565542

10:33

28/1999

MEMORANDUM

To: Interested Parties
From: Nancy Zirkin, Director of Public Policy and Government Relations
Date: September 28, 1999
Subject: Single-sex education amendment to Labor/HHS

For your information, attached is the American Association of University Women (AAUW) letter and talking points opposing Senator Hutchison's amendment to the FY 2000 Labor, Health and Human Services, and Education Appropriations bill which would allow local education agencies to offer single-sex schools or classes.

If you have any questions, or need more information, please call me at 202/785-7720.



OPPOSE EDUCATION POLICY CHANGES TO TITLE IX IN LHHS/EDUCATION APPROPRIATIONS

September 28, 1999

Dear Senator:

On behalf of the 150,000 members of the American Association of University Women (AAUW), I urge you to oppose Senator Kay Bailey Hutchison's (R-TX) amendment to the FY 2000 Labor, Health and Human Services, and Education (Labor/HHS) Appropriations bill which would allow local education agencies (LEAs) to offer single-sex schools or classes. AAUW opposes this amendment because any education policy amendment should be thoroughly and thoughtfully reviewed by the Senate Health, Education, Labor, and Pensions Committee during consideration of the Elementary and Secondary Education Act (ESEA) reauthorization next month. In addition, any amendment regarding single-sex education must be considered in the context of the new regulations that are being finalized by the U.S. Department of Education.

Policy changes regarding single-sex programming could have far reaching implications and should be carefully considered during the reauthorization of ESEA. For example, unless single-sex programs are carefully designed to remedy particular sex-based disadvantages, such programs can deny equal educational opportunities and reinforce harmful stereotypes. For example, in the mid-1980s, Philadelphia's two sex-segregated magnet schools were found to shortchange girls in everything from course offerings and faculty credentials to recreation facilities and library resources. "Separate but equal" has often meant separate and unequal for girls and women, just as it has for African-Americans.

Further, there is little research that examines the effectiveness of single-sex schools and classes. In 1997, the AAUW Educational Foundation released the first compilation of research, *Separated by Sex*, which challenges the popular generalization that single-sex education is better for girls than coeducation. The report indicates that elements of a good education, such as smaller classes; attention to eliminating gender bias; focus on core curriculum; and discipline, can lead to the success of all public schools and not just sex-segregated classes and schools.

The U.S. Department of Education is finalizing new Title IX regulations for single-sex education. On February 12, 1999, at the request of the U.S. Senate, the U.S. Department of Education submitted a report on single-sex education to the Senate Subcommittee on Labor, Health and Human Services, and Education Appropriations. The report provides the process that the Department of Education is currently undergoing to determine the correct legal basis under Title IX for permitting single-sex classrooms and schools. The Department of Education should be allowed to continue to consider this issue through its processes; including, if necessary, publishing a notice of proposed rulemaking in the Federal Register for public comment.

Again, I urge you to oppose the Hutchison Amendment because any substantive changes to education policy should be thoroughly and thoughtfully considered during ESEA reauthorization, which will begin next month in the Senate. If you have any questions, please contact Nancy Zirkin, Director of Government Relations, at 202/785-7720, or Lisa Levine, Government Relations Manager, at 202/785-7730.

Sincerely,



Sandy Bernard
President



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09/27/1999 23:18

8358350

THE HUTCHISON AMENDMENT: AN ATTACK ON TITLE IX AND A RETURN TO SEPARATE AND UNEQUAL

At Issue: Senator Kay Bailey Hutchison (R-TX) is planning to offer an amendment to the FY 2000 Labor, Health and Human Services, and Education (Labor/HHS) Appropriations bill to allow local education agencies (LEAs) to spend federal dollars to "provide same-gender schools or classrooms."

Policy changes to Title IX should be carefully considered during the reauthorization of the Elementary and Secondary Education Act (ESEA). It is inappropriate for the Senate to consider the implementation of changes to Title IX during the appropriations process. Any substantive changes made to Title IX should be thoroughly and thoughtfully considered during ESEA reauthorization, which will begin next month in the Senate.

The U.S. Department of Education is finalizing new Title IX regulations for single-sex education. On February 12, 1999, at the request of the U.S. Senate, the U.S. Department of Education submitted a report on single-sex education to the Senate Subcommittee on Labor, Health and Human Services, and Education Appropriations. The report provides the process that the Department of Education is currently undergoing to determine the correct legal basis under Title IX for permitting single-sex classrooms and schools. The Department of Education should be allowed to continue to consider this issue through its processes, including, if necessary, publishing a notice of proposed rulemaking in the Federal Register for public comment.

Title IX already allows for same-sex programming under certain circumstances. Regulations under Title IX allow for single-sex programming as long as there are protections against sex discrimination. For example, if an all-girl science class addressed past or present inequities that discouraged girls from pursuing science, then the class might be permissible under current regulations. However, if the class were based on the stereotypes that girls do not like physics or find science difficult, then it would not be permissible under Title IX.

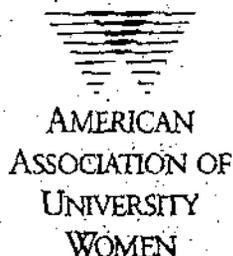
The data on the benefits of single-sex education is inconclusive. The 1998 AAUW Educational Foundation report, *Separated by Sex: A Critical Look at Single-Sex Education for Girls*, analyzed more than 100 studies since 1980 on single-sex education in the United States and abroad and found that, at best, the research is inconsistent. Further, it challenges the idea that single-sex education works or is better for girls than coeducation.

Qualities for a good education, not a sex-segregated environment, make the difference in student achievement. While single-sex education experiments do produce some positive results for some students in some cases, much of the research indicates that it is the properties of a good education, not a sex-segregated environment, that make the difference. These properties include: small classes, a rigorous curriculum, high standards, discipline, good teachers, and attention to eliminating gender bias.

Contact: Nancy Zirkin, Director of Government Relations, 202/785-7720
Lisa Levine, Government Relations Manager, 202/785-7730

September 27, 1999

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Administration

■ THE NEW SCHOOL PRINCIPAL, UNCLE SAM

BY BURT SOLOMON



WILLIAM GOODLING: Clinton would "require, require, require" the states to do what Washington wants about education.

In a way, it all began with George Bush, the first self-styled "Education President." Not that Bush got very far in pushing his plans for national education standards through Congress. But the focus he placed on the issue set off a wave of activity by the states, which have traditionally had considerably more to do with the nation's schools than Washington has.

Now a second consecutive Education President sits in the Oval Office. As Bill Clinton fends off the perils of impeachment, he's seeking ways to showcase his boldness in policy. So in his State of the Union address on Jan. 19, President Clinton made something perfectly plain: He envisions a grander—and possibly more intrusive—federal role in education than any other Administration has ever sought.

In earlier years, Clinton had already proposed to spread federal education largesse to students and to schools of every description, well beyond the previous and narrowly defined federal role of helping only poor and disabled students. Now he has something even more ambitious in mind: to brandish the federal government's \$15 billion-plus yearly education expenditure—money that virtually every school district receives—as a weapon to make sure that schools across the country try their damndest to raise education standards.

"The federal role in education is being redefined," said Will Marshall, the president of the Progressive Policy Institute, the New Democratic think tank that has urged Clinton along this path. Washington would become, Marshall asserted, "the defender of quality [education], of high performance."

Since the 1960s, when Washington started spending real money on education, the bulk of it (more than \$140 billion, all told) has gone to disadvantaged students, who make up about a quarter of the kids in public schools.

In the past couple of years, however, Clinton has been trying to distribute federal money to schools in every sort of neighborhood, for such mundane purposes as hiring teachers and fixing leaky roofs. The amounts of money he has requested aren't huge, but the precedent is.

Clinton proposed last year that the federal government foot the salaries of (eventually) 100,000 new teachers across the country, in order to shrink to 18 pupils the size of classes in grades one through three. Congress appropriated \$1.2 billion to that end last fall, and Clinton announced on Jan. 21 that he'll be asking for another \$1.4 billion when he releases his fiscal 2000 budget on Feb. 1. That would pay next year's salaries for 38,000 teachers, including the 30,000 hired under last year's money.

Clinton, in his State of the Union, also promised to try yet again—for a third time—to persuade Congress to spring for the interest payments on 5,000 new or remodeled schools. The Republican-run Congress—fearing a financial sinkhole—has for two years running refused this request. But this time, the outlook has changed. Bill Archer, the Texas Republican who chairs the House Ways and Means Committee, has signaled that he'll deal kindly with Clinton's proposal to let schools use tax credits to pay the interest on nearly \$25 billion in bonds, with half of the money to go to schools with low-income students and half for schools anywhere.

Federal money of an even-trendier sort started flowing to schools all over the country just last month. Technology-minded Vice President Al Gore announced that proceeds from a surcharge added to long-distance telephone bills because of the 1996 Telecommunications Act were starting to be distributed as subsidies to schools hooking up to the Internet. These subsidies will amount to \$1.9

billion over 18 months. In addition, Clinton in his budget proposes smaller sums for summer school and after-school programs (\$600 million, a threefold increase), scholarships for aspiring teachers who promise to work in inner-city or rural schools (\$35 million), and training to turn soldiers into teachers (\$18 million).

These proposals of aid-to-all, as it has turned out, were just the warm-ups. The President saved the main act for his State of the Union speech. As the capstone of his educational presidency, Clinton called for an "Educational Accountability Act" that "will require every school district receiving federal help" to do five hard things, ranging from rescuing (or closing) the lousiest schools, to making new teachers pass exams that show they know their subject, to ending the practice of promoting students from grade to grade even if they haven't learned much. Ending "social promotions" and another proposed condition—requiring schools to adopt a disciplinary code—have never been tried before as national policy.

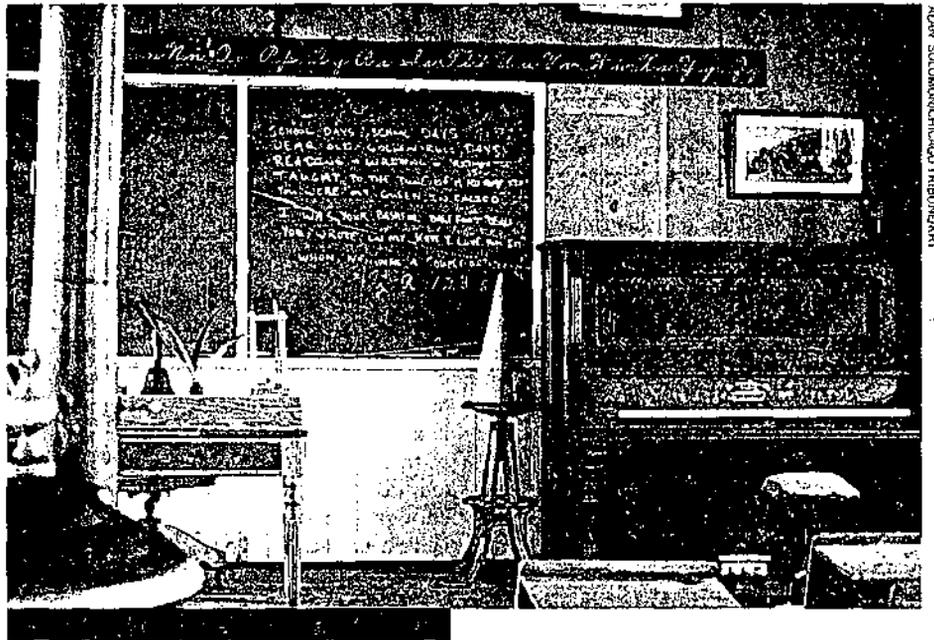
"A sea change in national educational policy," the White House called it. That sort of gassy claim has been heard on this subject often before. But this time, it may be true.

The reason: Administration officials were clever in finding the leverage to parlay Washington's dollars—amounting to a mere 6.3 percent of all kindergarten-through-12th-grade education spending—into an expanded federal role in the nation's schools.

Policy-makers in the White House and in the Education Department had met week after week to discuss the State of the Union address, the Elementary and Secondary Education Act (the main source of federal aid to schools, one that comes up for reauthorization this year), and how to make schools accountable. Clinton, kept informed by memorandum, sent back a note asking, "Anything more on this?"

"We were sitting around," a participant recounted, "[wondering] what points of leverage do we have," when out popped an idea: Wield the billions of federal education dollars as an instrument of statutory extortion. Either local schools do what Washington wants, or they can kiss their federal dollars goodbye.

Administration officials insist that they won't be so heavy-handed. For one thing, the feds never get to the point of actually snatching money away. And for another, policy-makers say they intend to leave it to the states to decide what schools must do to keep federal dollars flowing and to certify that schools in fact measure up. "This is a little different than the normal way of federal regulation," Marshall S. Smith, the act-



THE LOCAL SCHOOLHOUSE: If the Administration gets its way, look for Washington to play more than its traditional role in assuring the quality of education.

ing deputy Education secretary, said in an interview. "We're telling states, 'Do it your own way.'" But suppose a state is lax in what it requires of its schools. That, Smith acknowledged, might prompt the federal government to intervene. States' plans would be subject to peer review—by educators and experts from other states. The reviewers' standard for judging, though, would presumably be determined in Washington. The ins and outs of how all this might actually work is to be thrashed out in the coming weeks, as Administration policy-makers confer with interested parties and craft legislation to present to Congress—by March or April, officials hope.

Marshall, the New Democrat, is confident that "the Administration is striking the right balance between broad national standards and local control." But not everyone is. One of the dissenters will have a lot to say about whether Clinton gets his way—Rep. William F. Goodling, R-Pa., chairman of the Education and the Workforce Committee.

"Require, require, require," Goodling said in an interview, is how the White House accountability proposal would prevail on states to act the way Washington wants. The federal role, Goodling said, "is going to be the big, big issue" that Congress faces in considering Clinton's education policy ambitions. The problem, as he describes it, is in the implementation: How can Washington make sure that all of its requirements are met—that local schools are hewing to high-enough standards—without casting more of a shadow

in local affairs than conservatives can stand? Goodling said he saw "real philosophical differences."

This is where Clinton's political deftness—nay, genius—comes in. For with all of his Democratic assertiveness, he has succeeded in hijacking another Republican issue. Accountability—making sure that schools answer for their educational failures—has long been a Republican mantra.

In outlining his education views on Jan. 19, "everything the President said was Republican philosophy," exclaimed Goodling, who leaped out of his seat in the jammed House chamber when Clinton suggested ending federal support for programs that don't work. "I said, 'My Lord, that came right out of my mouth,'" Goodling recounted.

On education as on welfare reform, Clinton has swiped an issue from the Republicans and put them in a political box. In this case, he has taken advantage of an important fact: Parents, by and large, don't care about the source of money—or mandates—for improving their children's schools. Most people just want results.

And they may get them. Asked about the legislative prospects for Clinton's accountability proposal, even Goodling seems quite certain that "some version of this will pass." He predicts that Republicans in Congress and the New Democrats at the White House will find a way to strike a politically tolerable compromise that nudges the nation's schools on their way toward excellence while keeping Washington in its place. From Clinton's standpoint, this also means he's doing a strategic favor for his fellow Democrats, whom he needs these days more than ever, and he's laying more of the groundwork to help Gore succeed him—but only in the customary electoral way. ■

New Hope for East Timor

Indonesia's forcible annexation of East Timor 23 years ago has brought death and devastation to the territory's people and has been criticized by most of the world's governments. So it is encouraging that Indonesia's President, B. J. Habibie, now says he would consider granting the territory independence later this year if his offer of autonomy under Indonesian rule is not accepted.

But the timing and manner of any Indonesian exit must be carefully planned. After nearly a quarter-century of repression, East Timor needs a chance to regain its balance and disarm the warring parties. East Timor's people should be allowed to determine their own future through an internationally monitored referendum. This should be held after Indonesian-backed paramilitary fighters as well as pro-independence guerrillas have been disarmed and most Indonesian troops withdrawn.

East Timor was a Portuguese colony until Indonesia grabbed it after Portugal's 1974 revolution. The territory's history, culture and religion make it unlike the rest of the Indonesian archipelago. Jakarta's efforts to subdue the territory have been vigorously and persistently resisted. A third of East Timor's population died from war, famine or disease in the early years of Indonesian rule.

Lisbon and Indonesia's leadership are now engaged in talks sponsored by the United Nations over the territory's future. Portugal's role has been positive, trying to compel Indonesia to take more account of Timorese concerns. But the people Jakarta really needs to negotiate with are Timorese leaders themselves. Having refused to budge for two decades on the question of East Timor's political status, Jakarta must now move carefully and responsibly toward a referendum.

Editorial Observer/GAIL COLLINS

Sometimes Folding Is the Better Part of Valor

Good legislators generally make bad Presidential candidates, and politicians who try to ignore this rule have a way of winding up unemployed. Yesterday the House minority leader, Richard Gephardt, officially came to grips with both realities by dropping out of contention for the Democratic nomination. That leaves Bill Bradley with the responsibility of giving Democrats someone to turn to in desperation when they experience inevitability panic over the ascendancy of Al Gore.

It may be a sad moment for Mr. Gephardt, one of the many 50-something members of Congress whose political clocks are starting to tick alarmingly. But it made a lot of other people happy. Mr. Gore, who has been relentlessly placating the minority leader for more than a year, was of course relieved. The House Democrats, who are just six seats short of a majority, are delighted that Mr. Gephardt is going to lead their campaign effort in 2000. But Mr. Gephardt's friends and family must be happy as well. You don't want to see a loved one wandering around New Hampshire shopping

In praise of legislators content to labor in obscurity.

malls and morphing into Lamar Alexander.

Lately, Mr. Gephardt has shown every sign of becoming very good at his current job. During the impeachment debate he rounded up all but five of the Democrats for Bill Clinton, a man who enjoys the personal loyalty of approximately half a dozen members of his party. The recent example of Newt Gingrich has taught Congress that a party is better off if its top Congressional leader does not have a whole lot of personality, and on that count Mr. Gephardt certainly fits the bill.

American history is full of stories about legislative leaders who set their sights on the White House and came in grief, from Henry Clay to Bob Dole. The qualities necessary to pass bills — attention to detail, love of the artful compromise, the inclina-

tion to keep promises, — get in the way during a Presidential campaign. The characteristics that are important in a run for President — star quality, willingness to abdicate control of your life to handlers, an agile attitude toward facts — are not much use in Congress.

Given that Al Gore is absorbing campaign contributions the way the Titanic took on water, the news that Mr. Gephardt had decided to pass up the chance to challenge him was not exactly earth-shaking. Still, Mr. Gephardt got a few days' mileage out of the announcement, which proceeded from probably-not-to-aides-say-not-to-a speech in the Capitol where he conclusively demonstrated that he had made the right career move. It was a stately march of non-candidacy, much like Colin Powell's, except Mr. Gephardt lacked a book to flog.

There is not much of a history of great declarations of non-candidacy, mainly because the population of people who might conceivably be asked to run consists almost entirely of men and women who have been dying to be President since they were elected to student council in junior high. The

big decliners have almost all been generals. William Tecumseh Sherman gave his name to the ultimate refusal when he telegraphed the Republican nominators in 1864 that if nominated he would not run, and if elected he would not serve. (The Republicans went instead with Senator James Blaine, a legislative guy, and lived to regret it.) Until we have another hero-producing war, Colin Powell will probably be the last of the general refusers.

It took a very bad campaign to convince Ted Kennedy that he was actually a legislative guy at heart. The most colorful non-candidate was Mario Cuomo, who let the national press corps sit waiting on the floors of New York State's Capitol as planes revved on the runway to fly him to New Hampshire on the last day of filing. Mr. Cuomo finally emerged from the governor's mansion to announce that he couldn't run for the White House because State Senator Ralph Marino of Mutton-town had refused to approve a state budget. It was a psychodrama to remember, but one Mr. Gephardt wisely declined to imitate.

Federal Leadership on Education

Despite widespread anxiety about crumbling schools and incompetent teachers, Republicans have argued for years that the Federal Government has only a limited role in public education. The Clinton Administration has countered the "local control" philosophy with a series of fiscally modest but symbolically important initiatives aimed at public school problems endemic to the country.

Last year the Administration pushed through the preliminary phase of an initiative to hire 100,000 new teachers — to enable districts to bring crowded classes down to a manageable size. President Clinton now wants Congress to finance the second phase of hiring and has proposed additional measures to help end social promotion, rebuild crumbling public schools and insure that as many classes as possible are led by qualified teachers. The policies call for modest funding — and are appropriately targeted at the poorest communities.

The most misunderstood provision calls for an end to social promotion, the process of passing children on to the next grade even if they have failed academically. Mr. Clinton deliberately couched it as a proposal for making children repeat grades, to please the most conservative listeners. But the fine print calls for ending social promotion "in a way that gives students who need it substantial extended

learning time" to help them succeed. Mr. Clinton wants to triple Federal funding, from \$200 million to \$600 million, for after-school and summer school programs. The package contains an additional \$200 million in Federal aid to help the states reform failing public schools and requires failing schools to adopt explicit discipline policies and performance examinations for all new teachers.

The General Accounting Office announced a few years ago that crumbling schools around the country would require a minimum of \$112 billion just to be put in safe working order. The Clinton Administration wants to prime the pump with a novel plan that would pay the interest on up to \$22 billion in school construction bonds for the poorest communities. The states and localities would be responsible for repaying the principal. But the Federal Government would issue tax credits to individuals who purchased the bonds in lieu of interest on the bonds.

There will be pressure in Congress to drop these projects as liberal big-government programs or to defang the income restrictions so that rich communities could raid the fund. But these proposals astutely leverage small amounts of Federal dollars to spark construction and school reform in the areas that most desperately need it.

Sizing the Police Force

New York City has the largest police force and one of the lowest crime rates for major cities in this country. The question is whether those two facts are related, and Mayor Rudolph Giuliani is banking that they are. His latest budget expands the force by 1,500 officers at a cost of \$32 million because, as he puts it: "The strategy is working. Why back away from it now?" The Mayor also argues that these new officers would be added six months later anyway. He is merely accelerating the addition of police academy graduates, he says, to help curb property crimes and to replace officers expected to retire next year.

Experts seem conflicted about whether more police are always better. The city's Independent Budget Office noted in a recent report that Washington D.C. has the highest number of police officers per capita yet has the third-highest crime rate in the country. Eli Silverman at John Jay College of Criminal Justice told Dan Barry of *The Times* that while the Mayor deserves support for adding police, "The truth is, I don't know when we'll hit diminishing returns until we hit it."

With the Mayor's success rate, it makes sense to support a winning streak. However, adding police officers should mean adding people to patrol streets or to help fight crime, not to keep books or answer phones or write letters. Comptroller Alan Hevesi released a report this week arguing that New York City could save \$36.2 million by freeing 1,257 officers to return to crime-fighting and replacing them with civilians. The report cites such examples as an officer earning \$82,800 while performing a book-keeping job that would earn a civilian only \$34,000. The Mayor says that more civilians are being added and that the Hevesi report is out of date. Nevertheless, there are still too many uniformed officers working as clerks, secretaries, custodians and telephone operators — a far higher percentage of officers working in such jobs than in other cities.

Given the importance of safety to New York's revival, it is worth giving Mayor Giuliani a chance to accelerate the addition of more police. But he should replace officers who retire from or leave support jobs with civilian workers — to help hold down costs and keep police strength steady.

The New York Times

THURSDAY, FEBRUARY 4, 1999

LESSON PLAN FOR BETTER SCHOOLS

In his State of the Union address, President Clinton proposed requiring states and school districts to adopt some commonsense practices to keep getting a sizeable portion of the \$21 billion that Washington sends them annually for public education. Specifically, as a condition for receiving funds under the Elementary and Secondary Education Act (ESEA), he insists that they end the "social promotion" of students who have not mastered grade-level skills; adopt and enforce student discipline codes; give parents report cards on school performance; ensure that teachers actually understand the subjects they're teaching; and turn around failing schools or shut them down. By conditioning federal school aid on specific outcomes and creating real consequences for failure, Clinton is boldly recasting Washington's role in public education for the next century.

Meanwhile the Clinton administration is also advancing the equally important concept of greater flexibility in the way federal education dollars are spent. For example, it backs legislation to allow school districts in all 50 states to obtain waivers from certain federal education rules in exchange for showing results. Districts in only 12 states enjoy such freedom now under a five-year-old experiment called Ed-Flex. The bill is a good start, but Washington can do much better.

Granting flexibility in means while demanding accountability for ends are concepts that go hand-in-hand. It is classic Third Way thinking taken right from the pages of the "reinventing government" playbook. And it has liberals and conservatives grinding their teeth, each for their own reasons.

Liberals see no need for Clinton's plan: Many refuse to acknowledge the severity of the education crisis, in the cities in particular. Their preferred solution to lax student performance is for Washington to write them a blank check. Clinton's plan would end the government's role as their accomplice in educational dysfunction.

Conservatives are upset because Clinton's plan undercuts one of their favorite remedies: lumping all federal education dollars into no-strings-attached block grants to the states, which "know better" than Washington what to do with the money. Many Republican governors (and more than a few Democratic ones) like the idea of flexibility but hate the idea of accountability.

To be sure, some governors and states are on the cutting edge of reform. To name but a few, North Carolina Gov. Jim Hunt (D) has pressed for performance assessments to improve teacher quality. Delaware Gov. Tom Carper (D) is ending social promotion by insisting that students pass tests before moving to the next grade. Pennsylvania Gov. Tom Ridge (R) is using discipline codes to improve school safety. And Michigan Gov. John Engler (R) is requiring school districts to send parents report cards for their schools.

But if governors and their states always know best, why are so many public schools failing and why are so many parents, especially those in cities, livid about the poor quality of their children's education? Promoting flexibility without demanding accountability is tantamount to subsidizing failure as well as success.

Congress has an excellent opportunity this year to marry flexibility with accountability through the reauthorization of ESEA. Its myriad programs dictate means and methods to schools but demand little accountability from them. If coupled with a long overdue consolidation of programs and increased flexibility for local authorities, Clinton's accountability plan could catalyze states and localities to get serious about raising school quality.

There are four good reasons why Washington should pursue flexibility and accountability in tandem:

- ◆ First, building a world-class school system is a vital national interest.

- ◆ Second, President Clinton's call for accountability is most likely to stimulate improvement in the poorest districts. Federal elementary and secondary education aid is not as trivial as many people believe. Although it constitutes only 8 percent of public school spending, federal school aid is targeted toward communities with the highest concentrations of poor students and often the lowest test scores. That's why federal aid constitutes 15.5 percent of the school budget in Birmingham, Ala., but only 3.3 percent in Fairfax County, Va.

- ◆ Third, cash alone obviously hasn't been the answer. Title I, the largest federal education program, has cost \$118 billion since 1965 but has failed to close the achievement gap between poor and more affluent students, as two recent U.S. Education Department studies showed. What many school systems need is a good jolt. They

It's Worth Repeating

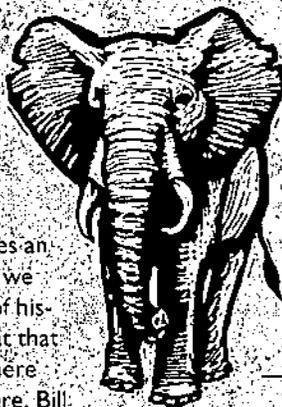
"Everything is really up in the air in terms of the Republican future in a way that it hasn't been for at least two decades. There are divisions within divisions. There's confusion, consternation, and disappointment."

— Bill Kristol, editor of *The Weekly Standard*, quoted in *USA Today* (2-19-99)

"[T]he Republicans have to maintain their base. They have to listen to those that put them in power. For the most part, that is made up of people who call themselves pro-life and pro-family and pro-moral. And they cannot trash those people and disrespect those people and expect to win."

— The Rev. James Dobson, president of *Focus on the Family*, speaking on *Larry King Live* (2-17-99)

"The culture we are living in becomes an ever-wider sewer. ... In truth, I think we are caught up in a cultural collapse of historic proportions, a collapse so great that it simply overwhelms politics. ... If there really were a moral majority out there, Bill



Clinton would have been driven out of office months ago. ... I believe that we probably have lost the culture war. ... Therefore, what seems to me a legitimate strategy for us to follow is to look at ways to separate ourselves from the institutions that have been captured by the ideology of Political Correctness, or by other enemies of our traditional culture. ... I think that we have to look at a whole series of possibilities for bypassing the institutions that are controlled by the enemy. If we expend our energies on fighting on the 'turf' they already control, we will probably not accomplish what we hope, and we may spend ourselves to the point of exhaustion."

— Open letter by Free Congress Foundation president Paul M. Weyrich to fellow cultural conservatives (2-16-99)

"The Republicans who are fixated on this [impeachment], these people need to get a life. I don't know what drug therapy they need. I don't know what psychotherapy they need. But the country's moved beyond this. What about free trade? Crime in the streets? Kosovo? There are other issues out there."

— Dave Carney, a New Hampshire Republican activist, quoted in *The New York Times* (2-18-99)

Junge, the New Democrat who sponsored the 1991 legislation, and State Rep. Alice Seagren, a Republican who once served on a local school board, are co-sponsoring a bill to take the movement to the next level. Most notably, it would give communities the option — via a local referendum supported by the majority of voters — to create entire school districts composed of charter schools.

Paul Hill, professor of education at the University of Washington and head of the Rand Corp.'s Center for Reinventing Public Education, outlined the charter district concept in this magazine two years ago (*"Reinventing Public Education," TND, November/December 1996*). Under his proposal, all public schools would operate under charters or contracts granted by their local school board. Each school would control its own operations including teacher hiring,

curriculum, and budgeting but would be held accountable by the local board for meeting predetermined academic standards. Under this system, local boards would act as "portfolio managers," ensuring that the community has the mix of schools it needs and guaranteeing their effectiveness.

"People have not had time to react to this new idea yet," says Reichgott Junge. "We hope to interest specific communities in taking a serious look at the energy that would be generated by an entire school district of autonomous charter schools."

Reichgott Junge and Seagren's bill would also:

- ♦ give charters greater freedom to hire teachers or "community experts";
- ♦ allow individuals other than teachers to seek and obtain charters;
- ♦ make it easier for individuals

denied charters to appeal to the state;

- ♦ provide charters with the same funding that other public schools receive; and
- ♦ ensure timely start-up funding for charters.

"We hope that this bill will not only address the pressing needs of charter schools but push the charter district idea to the forefront and foster a good debate on this new idea," said Reichgott Junge.

"We are starting to see and will increasingly see proposals to make the mainline system become more charter-like, with schools having a greater capacity to tailor programs for kids and a greater accountability to school boards for results," predicts Ted Kolderie, a senior associate at the Center for Policy Studies in Minneapolis and a long-time tracker of charter school developments across the nation.

— Theo Yedinsky

would get one under a pay-for-performance system.

♦ Finally, despite reform-minded governors' commendable efforts, the states cannot do the job alone. Too few American students perform at world-class levels; too many urban school districts are abysmal; and too many state education bureaucracies are hidebound. We need to break down bureaucratic opposition to school reform, not simply transfer control over public dollars from one set of bureaucrats in Washington to 50 sets around the country.

It's time for Washington and the states to hammer out a new deal on education that plays to the unique strengths and responsibilities of each. Washington should play a more strategic role: empowering citizens with information, setting broad standards and goals, measuring and comparing results, and researching effective strategies for school improvement. In practical terms this means consolidating ESEA's 50-odd programs into performance-based funding that sets outcomes without prescribing how state and local authorities achieve them.

The formula for better public schools is not complicated. Adequate resources, high standards, and real accountability add up to high-quality education. President Clinton has been tireless on the first two issues and now is taking on the hardest of the three. Liberal interest groups that cheered him when he fought to increase federal education aid are now quietly working to defeat or weaken his accountability plan. Republicans who claim to support reform are deriding Clinton's proposal as a violation of the sacred principle of local control.

New Democrats should rally behind the President and behind the proposition that states and localities granted more freedom to spend federal education aid should be held accountable for the outcomes of their spending decisions.

Frozen Stuck

Ideologues Are Stymying Progress

When the impeachment saga fizzled out in February we had hoped that congressional Republicans and Democrats would heed President Clinton's repeated demand to get back to the people's business. But as winter turns to spring we see few signs of a political thaw or renewed interest in governing.

Congressional Republicans, dismayed at how deeply their impeachment crusade damaged their public standing, say they want to get back to legislating instead of investigating. House Speaker Dennis Hastert (R-ILL.) promised to make this session a lean, mean, bipartisan policy machine. But his first major initiative was to press for two GOP "regulatory reform" bills opposed by environmentalists and most Democrats. We can only hope Hastert's idea of bipartisanship is not to pass legislation that begs a presidential veto. Is the point of governing to

address national problems or to jockey for position before the next election?

The same question should be posed to congressional Democrats. Excited by signs that voter support for Republicans is eroding, some oppose bipartisanship on grounds that it might give the GOP a record of accomplishment to campaign on in 2000. More than a few liberals say Clinton should break off all contact with Republicans in gratitude for the support the left gave him during his impeachment.

All of this suggests there are strong forces in both parties that view governing as the continuation of partisan warfare by other means. For them, actually doing something about patients' rights, education, Social Security, Medicare, or taxes is less important than communicating a "message" about those issues. Indeed, to them reaching across the aisle — a necessity in an era of divided partisan control of government — defeats the whole purpose of sharpening partisan differences.

The loser in all of this is the public, whose interest in a functioning federal government is held hostage to the next election cycle. Republican and Democratic partisans seem determined to punish Americans for their stubborn refusal to give one party or the other total control in Washington. But divided government has been the rule rather than the exception in recent decades: In 34 of the last 50 years, one party has controlled the White House while the other has controlled at least one chamber of Congress. Reaching bipartisan compromises on legislation is no more a threat to the delineation of clear partisan differences now than it was decades ago.

As the problem-solving wing of the Democratic Party, New Democrats have a stake in showing that modernized government can improve Americans' well-being. President Clinton enjoys high approval ratings because his policies have improved the economy, disciplined government, raised living standards, reformed welfare, and reduced crime. He survived the impeachment ordeal because Americans appreciate the real-life results he has achieved — results that required cooperation with some Republicans and that most hard-core liberals opposed.

It will take strong presidential leadership to nudge Congress to grapple with the next set of big national challenges: modernizing Medicare and Social Security, demanding real accountability for results in public schools, and expanding trade while equipping workers with the tools they need to prosper in the New Economy.

The success of this administration and the New Democrat movement has depended on their willingness to use public resources to help people solve problems. To improve the lives of Americans when you lack total political control, you have to cooperate with the opposition. If that means sharing credit with your opponents, so be it. Good government is the best politics. It would be a shame if Democrats forgot that hard-earned lesson just as it was beginning to yield results for the party and the American people. ♦

THE REVOLT AGAINST SPRAWL

Politicians Everywhere Are Searching for Solutions to Poorly Planned Local Development

BY DEBRA S. KNOPMAN

Vice President Al Gore deploras it. Senators plan hearings on it. Governors pledge to fight it. Voters are opening up their wallets to contain it. It's years of pent-up road rage unleashed on the political system. It's a bird, it's a plane — no, it's suburban sprawl.

Across the country, Democratic and Republican politicians alike are struggling to respond to pressure from suburbanites to do something — anything — to ease traffic congestion and curb poorly planned local development. Consider these examples:

- ◆ Utah Gov. Mike Leavitt (R) recently launched a Quality Growth Initiative that finances land purchases



for conservation, allows counties to levy special taxes to address sprawl-associated problems, designates where growth will be encouraged and discouraged, creates a state-level Quality Growth Commission, and protects the rights of private property owners.

- ◆ Newly elected Gov. Roy Barnes of Georgia (D) is pressing lawmakers to create a new state transportation authority to rein in sprawl-related traffic problems in the Atlanta area, which lost \$600 million in federal highway funds because of failure to comply with the Clean Air Act's anti-smog provisions. The proposed agency would have the final say over road-building and other transportation decisions made by state and local officials.

- ◆ Last year Pennsylvania Gov. Tom Ridge (R) created a 40-member 21st Century Environment Commission and directed it to recommend changes in the state's development and land-use policies. The commission's just-released report outlines a series of steps to curb runaway growth and encourage development within existing communities.

- ◆ Organized around the popular political message of protecting the Chesapeake Bay, Maryland Gov. Parris Glendening's (D) two-year-old "Smart Growth" initiative channels millions of state dollars for roads and schools to designated growth areas (*see related story on page 12*). Smart Growth was a key factor in Glendening's re-election victory in a hotly contested 1998 race.

- ◆ New Jersey Gov. Christine Todd Whitman (R) worked hard last year to secure a place on the November ballot for a bond initiative designed to protect up to half of the state's remaining undeveloped land. Voters approved the measure, authorizing the state to raise \$1 billion to buy land over the next 10 years.

Voters Get On Board

All told, in November 1998 American voters passed roughly 170 of 240 state and local growth-related ballot initiatives. By doing so, they earmarked more than \$7 billion in tax, bond, and lottery money to preserve open spaces and make suburban life more bearable.

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TUESDAY, NOV 17, 1998

Long a Leader, U.S. Now Lags In High School Graduate Rate

By ETHAN BRONNER

A major new international study shows that American high school graduation rates, for generations the highest in the world, have slipped below those of most industrialized countries.

The report, released yesterday by the Organization for Economic Cooperation and Development in Paris, which helps coordinate policy for 29 of the richest countries, suggests that the changing picture is less a matter of American backsliding than of substantial recent progress by other nations.

For example, in 1990, the average number of years an American 5-year-old was expected to attend school or college was the world's highest, 16.3. In 1996, the latest year for which data were available, the American score was 16.8, but 11 other countries, including Canada, Spain and Finland, had surpassed that number.

In addition, the report found that the United States devoted a smaller percentage of its national income to teacher salaries than other countries.

The United States remains on top in the percentage of students who enter college, but a pattern similar to high school graduation rates is emerging.

Entry rates to college education in the U.S. are still the highest in the O.E.C.D. but that is likely to change soon, said Andreas

Schleicher, principal administrator at the organization and one of the study's authors. "While enrollments in the United States remained relatively stable between 1990 and 1996, they increased by more than 25 percent in 16 O.E.C.D. countries."

He added that the United States also had one of the highest university dropout rates in the industrialized world — 37 percent.

The report was the fifth such study issued by the organization since 1991, when it started examining educational trends. Mr. Schleicher said that over the last three years the report has been the organization's best-selling publication.

The report offers far more data than analysis, but it suggests that growing emphasis in other countries on high school graduation is a result of "the desire of employers to have better skilled workers and, hence, from individuals who see that educational qualifications improve their life chances."

Mr. Schleicher said the other nations in his organization had placed enormous emphasis on improving access to education, bringing them in line with and surpassing American achievements.

The shifting balance is likely to

Continued on Page A18

CLINTONS' FRIEND FOUND NOT GUILTY OF EMBEZZLEMENT

TUMULTUOUS TRIAL ENDS

Susan McDougal Still Facing Charges Related to Starr's Whitewater Inquiry

By TODD S. PURDUM

SANTA MONICA, Calif., Nov. 23 — Susan H. McDougal, President Clinton's former partner in the Whitewater deal, was acquitted today on all nine counts that she forged checks and credit card receipts to steal \$50,000 from the conductor, Zubin Mehta and his wife, Nancy, and then failed to pay state income taxes on the money.

As the clerk in Superior Court here read out verdict after verdict of "not guilty" this afternoon, Ms. McDougal seemed to struggle to hold back tears, finally embracing her lawyer and brushing her brow with her hand, as Mrs. Mehta sat impassive in a front row seat in the courtroom.

"I'm overcome," a tearful Ms. McDougal said in a corridor as she hugged friends and supporters after the verdicts. "I just thank everyone who's helped me."

The verdict, unrelated to the Whitewater case, ended an occasionally tumultuous 11-week trial in which Judge Leslie W. Light repeatedly admonished the voluble Ms. McDougal to refrain from speaking out of turn.

For months, Ms. McDougal and her lawyer had contended that the case was politically motivated, and accused the Whitewater independent counsel, Kenneth W. Starr, of offering to have the charges dropped. Ms. McDougal would testify in the investigation, an accusation that both Mr. Starr and the local prosecutor flatly denied. Mr. Starr did not charge Ms. McDougal in jail for 18 months.

Conquering the Internet

America Online Sees Netscape Acquisition As a Big Step Toward Its Ambitious Goals

By STEVE LOHR and JOHN MARKOFF

With its proposed purchase of the Netscape Communications Corporation, America Online Inc., the nation's largest on-line service hopes

interact, with the tap of a key or click of a mouse button.

The interaction that advertisers and marketers want to see, of course,

Long a Leader, U.S. Lags in Graduations

Continued From Page A1

cause concern in the United States, because the quality of American education has been the focus of growing debate for 10 to 15 years.

"I think we should be quite alarmed by this," said Gerald Graff, professor of English and education at the University of Chicago, who is writing a book on what he considers the dangerous gap between the thinking classes in America and the rest of the society. "We've never fully committed ourselves to the democratic idea of education. There is a kind of silent bargain between schools and many of its students that says, 'We'll leave you alone if you just sit there and don't bother us.'"

Earlier this year, the results of a mathematics and science test for 12th graders in many countries showed students in the United States to be among the least knowledgeable. Earlier tests showed that the lowest 25 percent of 8th graders in Japan and South Korea to outperform the average American student.

Education was widely cited by voters as their top concern in this month's state and Federal elections. Candidates of both major parties vowing increased spending on teacher training and school improvement.

Education has risen and fallen as a political issue for generations. The Soviet Union's launching of the Sputnik satellite in 1957 spurred schools in the United States to require more math and science courses.

The issue most recently gained a high profile in 1983 with the publication by the U.S. Education Department of an alarming report on American education entitled "A Nation at Risk" which said that if a foreign power had imposed such a low level of education on the United States, it would rightfully have been perceived as having engaged in an act of war.

In the years since, there have been numerous efforts to improve the nation's schools, from alternatives to public education like charter schools and voucher plans to projects to improve teacher quality, widely perceived as the system's Achilles' heel. Some states are now testing student teachers more rigorously and offering signing bonuses and student loan forgiveness to encourage better candidates to enter the profession.

Many states are also instituting tests at various stages to insure that students do not graduate without basic skills and knowledge.

Yesterday's report shows that Americans between the ages of 55 and 64, who graduated high school some 40 years ago, had a graduation rate of 77 percent, the highest of those surveyed. Among those ages 24 to 34, the United States' rate slipped to eighth position. Today's graduation rates, with the United States at 72 percent, place it second to last in the 29-nation group, above Mexico.

It seems unlikely that the shift reflects higher standards for graduation in the United States because comparisons of adult literacy rates in the study show Americans to be among the industrialized world's least literate populations.

According to the report, the United States' expenditure per pupil is still among the highest in the group at all levels of education. It stands out in the way it has brought the private sector into college and university education, leading the way, according to Mr. Schleicher, in a growing international trend.

"Across the O.E.C.D., students in both public and private colleges are being asked to pay more for their education," he said. "Unlike in the United States, however, this spending has, in many countries, supplemented rather than displaced public spending on education."

But while the United States spends a great deal on education in absolute terms, its expenditure is about average as a percentage of gross domestic product. Moreover, teacher pay viewed through the same lens shows

the United States to be among the lowest, while demands on teacher time in class are among the highest.

An experienced high school teacher in the United States earns 1.2 times the nation's gross domestic product per capita. Only the Czech Republic, Hungary and Norway pay their high school teachers less when measured as a percentage of gross domestic product. In Germany, Ireland, South Korea and Switzerland, among others, teachers earn twice or more of the per capita G.D.P.

Moreover, the average teacher salary in this country is significantly below that of other university graduates; in many other countries, like Australia, France and Britain, it is

above it.

The amount of time a typical middle school teacher in the United States spends in front of a classroom per year is 964 hours, among the highest in the report.

The report adds that Americans cannot comfort themselves by thinking that theirs is a society of social mobility. It finds that children whose parents completed college are more than three times as likely to become college graduates as children whose parents did not complete high school. Moreover, the achievement gap between the well-off children of the well-educated and others is above the average for the 29 industrialized nations.

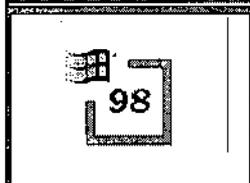


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Education Standards Study Released

By Deb Riechmann
 Associated Press Writer
 Thursday, January 7, 1999; 9:30 a.m. EST

WASHINGTON (AP) -- Forty-eight states now test students to see if they've learned their lessons and 36 publish report cards on individual schools, but only a handful have comprehensive policies to reward success and identify failure, a new study shows.

"An analysis of statewide efforts shows that most are skirting the edges of a serious accountability system," according to the 50-state study released today by the publication Education Week. Among its findings:

--Nineteen states, or fewer than half, publicly rate the performance of all schools, or at least identify low-performing ones.

--Sixteen states have the authority to close, take over or overhaul failing schools.

--Fourteen states offer financial rewards for individual schools based on performance.

--Nineteen states require students to pass state tests to graduate from high school.

--Two states have tried to tie the evaluation of individual teachers to student performance.

"The progress at the state and local levels is very uneven, and the systems are much slower to develop and much more complicated than a lot of reformers expected them to be," said Richard Elmore, a professor at Harvard University's Graduate School of Education.

Chester Finn Jr., an education official under President Reagan and president of the Thomas B. Fordham Foundation in Washington, said people generally have two schools of thought on accountability: Those -- often educators -- who think that performance will improve if students are given enough resources and support, and those -- often business people and elected officials -- who think schools need external pressure to succeed.

In the real world, he said, the result is often "peculiar hybrids."

Connecticut, for instance, publishes report cards on all schools, including their marks on statewide tests. The state also offers grants to school districts that have improved over time, but has no explicit sanctions for schools that don't improve.

By contrast, Texas schools and districts can receive cash awards for top performance, but also could be taken over if their achievement falls below a certain level. High school students in Texas must pass state graduation tests.

Education schools can lose their accreditation if too many of their students fail teacher-licensing tests. There also is a system to link teachers' evaluations to schoolwide test scores.

A survey by Public Agenda, a public opinion research group, also published in Education Week, indicates that most teachers disapprove of tying financial incentives for teachers to student improvement or replacing the faculties at failing schools.

In the survey, 60 percent of employers and 53 percent of parents favor tying financial incentives for teachers and principals to student improvement. But only 22 percent of teachers said this was a good idea.

The survey, based on more than 2,600 interviews, had a margin of error of plus or minus 6 percentage points for employers and college professors and 4 percentage points for other groups.

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The biggest thing to happen in Washington EMPLOYMENT	Sunday, Jan. 10	Politics ScuttleButton	only inside	washingtonpost.com

Where We Stand

A commentary on public education and other critical issues.

Solid and Sensible

By **SANDRA FELDMAN**, President
American Federation of Teachers



Given the continued partisan sniping that we've been seeing in Congress over the past weeks and months, it's important to remember that Americans do agree about certain things, no

matter what their political party—and education is one of them. Members of the public are nearly unanimous in their support for high academic standards and teacher quality and in their belief that schools should be held accountable for the job they are doing. In his State of the Union address, President Clinton recognized these concerns and offered a program that ought to command bipartisan Congressional support.

As the President noted, states are making progress in setting higher academic standards and tying those standards to high-school exit exams or other tests. Nationally, test scores and graduation rates are rising, but serious work remains to be done. The President's program will provide states and local school districts with some excellent tools—and it will hold them accountable for getting results.

The President called for all schools to end social promotion, the practice of passing youngsters from grade to grade regardless of whether they have learned the material of the grade. Simply holding kids back is not the answer, and the President recognized that. Kids need early, timely, and appropriate help to keep them from falling behind. The President's proposal would enable schools to give students who are in danger of failing the extra help they need. Whether this help comes in the form of after-school programs or Saturday or summer schools, as is being tried in Chicago, would be up to the schools themselves.

This was just one proposal in a package full of commonsense programs. The President also called on states and districts to:

- **Intervene and redesign failing schools.** The program would provide \$200 million to school districts that identify schools whose students consistently fail to meet accepted standards. When it is done right, this process can transform a failing school into one where students are expected to succeed—and do. The Cleveland Teachers Union is working right now with the local school district to set up a process to identify and intervene in low-performing schools. The AFT has been a partner in the process in places such as New York City and Corpus Christi, Texas. With proven programs and effective partnerships, we can help make every school one where we would be happy to send our own child.
- **Make sure that every class has a qualified teacher.** Testing new

The President's education plan deserves both parties support.

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PRESERVATION



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to send our own child

- **Make sure that every class has a qualified teacher.** Testing new teachers to make sure they know their subject matter and their field is one way of making sure that all teachers are well qualified. That is what the President suggests, along with bringing an end to emergency certification and out-of-field teaching. Beginning and struggling teachers will benefit from effective peer assistance and peer review programs, such as those underway in Toledo and Cincinnati, New York City and Rochester, Pittsburgh and Philadelphia, and other cities around the country. And all teachers will benefit from programs that provide greater access to the latest research on effective classroom practices.

- **Adopt and implement sensible discipline policies.** If we want students to learn, schools must be orderly places. Teachers have always known that other efforts to improve learning will not be effective if schools tolerate disorderly conduct and disrespectful behavior. President Clinton's proposal to require states and school districts to adopt discipline policies will help ensure that all students are able to learn in an orderly and safe environment.

- **Let parents know how well their child's school is doing.** The President proposed periodic "report cards" on every school, so parents will know where their local school needs to improve and make changes and can participate in making the changes work.

The Clinton program puts the responsibility for improving public education where it belongs—on states and local school districts—and it offers help and encouragement in meeting that responsibility. Critics charging that this initiative would create a "national school board" have begun to substitute campaign rhetoric for reason, and that's too bad. This isn't a partisan proposal; governors of both parties are already implementing many of these reforms.

Americans are tired of partisan battles, and they want our political leaders to start doing the people's work again. The President's education initiative seeks to provide all of our children with safe classrooms and qualified teachers, encourages high standards for all our students and schools. And it's an approach we should all support. ■

Where We Stand appears here on the first Sunday of each month. To comment, write to Sandra Feldman, AFT, 555 New Jersey Ave. N.W., Washington, DC 20001. © Sandra Feldman 1999. Visit our web site (<http://www.aft.org>).

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EXAMINATION SCHEDULE

New York City Board of Education

THE OFFICE OF RECRUITMENT PERSONNEL ASSESSMENT AND LICENSING ANNOUNCES THE FOLLOWING LICENSE EXAMINATIONS:

TEACHER AND BILINGUAL TEACHER

Those license areas as specified in the examination announcements for which applicants possess the corresponding New York State Teacher Certification and a Bilingual Extension Certificate, where appropriate.

Note: There are NO bilingual licenses issued for English as a Second Language.

1. PUPIL PERSONNEL SERVICE AND BILINGUAL PUPIL PERSONNEL SERVICE (guidance counselor, school psychologist, school social worker, attendance teacher)

2. SCHOOL PSYCHIATRIST

3. OTHER LICENSES

4. Laboratory Specialists in Junior High Schools

5. Laboratory Specialists in Senior High Schools



CAREER

THE NEW YORK TIMES

Ed
Record

Bill item to let students flee bad schools for good ones

By Sean Scully
THE WASHINGTON TIMES

A provision in the sprawling budget bill passed by the House yesterday will allow students in chronically bad public schools to escape to better schools.

"We believe every child should have the opportunity to attend a successful school," said House Education Committee Chairman Bill Goodling, Pennsylvania Republican and sponsor of the measure.

"Some of these schools have been [trying to improve performance] for four years and nothing much has happened," he added.

The measure offers \$134 million to troubled schools nationwide and requires them to allow students to transfer to other public schools in the same district. The current law permits schools to allow such transfers but does not require them.

The provision does not require public schools to help students transfer to private schools.

Democrats and teachers unions say they support the idea of allowing students to transfer but oppose requiring local schools to adopt the policy.

"I think we ought to be very, very cautious, even reluctant, when we start injecting ourselves into decisions that should be made by local school boards," said committee member Dale E. Kildee, Michigan Democrat.

The current law spells out seven options for local school systems to fix bad schools, including allowing students to transfer, withholding money, removing much of the power of administrators or firing the old staff. All of those measures are optional, not required by federal law.

"What we're opposed to is the federal government mandating one corrective option as the best and most cost effective action" regardless of local circumstances, said Joel Packer, lobbyist for the National

Education Association.

Critics also worry that small school districts, or districts with many troubled schools, will have a difficult time accommodating all the students who want to transfer to more successful schools.

Trying to decide which students get the limited number of spots in good schools will create an "administrative nightmare" and could lead to a flood of litigation, Mr. Packer said.

Mr. Goodling dismissed the criticism yesterday, saying his measure will finally force bad schools to get serious about improvement.

Critics are saying "give us the \$134 million, we will spend it the way we've always spent it," he said. "Nothing will change and these kids will remain in mediocrity."

There is little critics of the measure can do to stop it. It is buried inside a \$390 billion spending bill that is expected to pass the Senate and be signed by the president. The education provision has the strong support of the White House, which hailed it yesterday as "a victory for America's students" in its analysis of the budget bill.

The measure is part of a revision of Title I funding, an \$8 billion program designed to help 11 million poor children. There are about 7,000 schools nationwide designated by the federal government as in need of improvement.

Congressional staff say it is not clear how many schools have taken advantage of the current law allowing students to transfer from bad schools, but certainly not many have done so.

But many school systems, including D.C. and suburban districts such as Montgomery and Fairfax counties, offer some version of school choice — establishing charter schools or magnet schools that specialize in a specific academic or artistic discipline.

About 8 million students per year participate in such school choice programs.

Bush weeps in CNN interview over students killed in accident

By Bill Sammon
THE WASHINGTON TIMES

Texas Gov. George W. Bush cried on live television yesterday while discussing Texas A&M students who were crushed to death by a massive pile of logs that collapsed as it was being assembled for a bonfire.

"It's sad. It's tough," Mr. Bush haltingly told CNN, his voice constricted with emotion. "I'm a little emotional about it because I have got a great attachment to Texas A&M."

The school is the site of his father's presidential library.

"My heart goes out to the parents," continued Mr. Bush, who has twin daughters. "I just can't imagine what it means to have that happen to them."

Tears welled up in Mr. Bush's eyes and brimmed over onto his cheeks. A camera behind the governor captured a tear streaming down the left side of his face and falling off.

CNN's Cady Crowley noted the awkwardness of the moment before changing subjects.

"OK, it is tough to go from there to where we are," she said. "But let's move on."

Some observers privately remarked that Mr. Bush's "compassionate conservatism" runneth over, evoking the tears that seemed to undo Sen. Edmund Muskie's presidential bid in 1972. Although the Maine Democrat insisted they were melted snowflakes, not tears, his front-runner status evaporated when critics questioned his "manliness" and suggested he was unfit to have his finger on the nuclear button.

But yesterday, Republican strategist Ed Gillespie said Mr. Bush's public display of emotion might actually help the Republican front-runner.

"He showed that he is a compassionate conservative," said Mr. Gillespie, the husband of a Texas A&M alumni who also became emotional at yesterday's news. "I

mean, it is a tragedy."

Mr. Gillespie said "there was a defensiveness" to Mr. Muskie's tears "in that he was responding to what he perceived to be scurrilous attacks against his wife. This is not Bush responding to someone attacking him or his family. It's responding to the tragedy of young people who've lost their lives."

The last widely publicized case of a presidential candidate crying in public occurred a dozen years ago when Democrat Patricia Schroeder burst into tears while announcing she was withdrawing from the race. The incident prompted a flurry of speculation about her emotional stability and fitness for office.

Mr. Bush, whose tears came in response to Miss Crowley's first question, seemed to recover as she steered the interview to other topics. Asked about his reputation as a "lightweight" on foreign policy, Mr. Bush pointed out that three of the last four presidents started out as governors.



Texas Gov. George W. Bush, Republican presidential campaign front-runner, answers questions at a Des Moines, Iowa, school.

"Governors generally don't conduct foreign policy," said Mr. Bush, who is scheduled to deliver his first major foreign policy address today. "But what governors do is they know how to lead. Governors set agendas. Governors set tones."

In a defense speech in September, Mr. Bush promised "an orderly and timely withdrawal from places like Kosovo and Bosnia." He railed against "sending our military on vague, aimless and endless deployments."

Dueling Goals for Education

By Arthur Levine

These days you can't run for public office, whether the city council or the United States Senate, without having an education plan. This phenomenon, especially noticeable in last fall's elections, has been evident in two recurring themes nationwide: the push to raise standards for teachers and the call to reduce class sizes.

Both of these ideas are excellent. The problem is that they clash, and if we don't plan carefully and quickly, we're likely to achieve neither.

In the next decade the nation will lose half of its four million public school teachers, largely through retirement, the United States Department of Education estimates. We are not educating enough new teachers to fill these jobs. Moreover, the population of school-age children is growing quickly — 12 percent in the past decade, with another 3 percent projected for the next decade. The need, then, is not simply to fill the existing teacher positions but to substantially increase the number of teachers.

Now add to this the notion of reducing class size. That is likely to require another 15 to 20 percent increase in the number of teachers. The bottom line is that reductions in class size, though very desirable, exacerbate the teacher shortage caused by retirements and the growing number of new students.

Then there's the second popular initiative, raising standards for teachers. A growing number of states are becoming more selective about who

Arthur Levine is president of Teachers College, Columbia University.

can enter the teaching profession. After a decade and a half of research showing clearly that teacher-certification requirements are too lenient and that too many teachers are unprepared to educate their students, raising the bar is imperative. But higher standards are very likely to mean shrinking numbers of teachers, since a smaller proportion of candidates will be able to meet the higher standards.

So the real danger we face in simultaneously pursuing higher teacher standards and smaller classes is that

Can we have smaller classes and better teachers?

we will have a small but excellent corps of teachers who have met the raised standards but a growing number of classrooms that we will be forced to staff with any warm bodies we can find.

Do we choose smaller classes or better teachers? The fact is we can have both and need both, but not if we continue to do business as usual. The states need to take three steps now.

First, they need to strengthen teacher education. The nation has too many weak education schools, with teachers, students and curriculums that are not up to the task at hand. Their students do not pass existing certification requirements in adequate numbers and will certainly not pass raised standards. It's time for government to strengthen or close these schools.

The second step is to improve financial incentives for entering the teaching profession. The graduate education necessary to earn a master's degree in teaching lasts nearly as long as that required for an M.B.A., yet those with M.B.A.'s earn starting salaries that are more than twice as high. Even when able, idealistic young people do enter the teaching profession, they are often drawn away by jobs with higher salaries and greater prestige.

To attract and keep the best teachers, the Federal and state governments will need to expand bonus programs for entering the field, loan-forgiveness programs and tax preferences. Above all, salaries for entering teachers must be raised significantly. In this regard, it is a sad mistake that Congressional Republicans recently voted down the Administration's financing proposal for recruiting new teachers.

The third step states must take is enlarging the pool of potential teachers. Because education schools cannot prepare enough teachers to fill the anticipated vacancies, it is essential to create the machinery to immediately recruit people who can fill these positions — retired teachers, people with teacher preparation or partial preparation who went into other professions, career changers in allied fields, full-time parents and paraprofessionals in education who are in need of additional schooling. More states need to establish programs tailored for these nontraditional recruits that will allow them to meet higher teacher standards.

Raising teacher certification standards and shrinking class size are among the few areas in which we can have our cake and eat it, too — but only if we act now. □

The New York Times

WEDNESDAY, APRIL 7, 1999

Liberties

MAUREEN DOWD

President Frat Boy?

We've all been exhausted by the faux culture wars of the Clinton era.

Ever since Bill Clinton was elected, conservatives have been acting as though the Oval Office had been festooned with macramé and bong, as if there were some crazy free-love, war-protesting, pig-hating, Bobby Seale-supporting, Carlos Castañeda-reading, Bob Dylan-grooving hippie running the country.

Ken Starr, Newt Gingrich, Bob Barr, Pat Buchanan and a flock of other Republicans who look like F.B.I. agents have all tried, without success, to turn back the clock. But their notion of a big McGovern revival was always hallucinatory. The day trippers have all become day traders. Dylan is singing in Vegas.

The phony struggle between the black-and-white 50's and psychedelic 60's may be coming to an end. Bill and Hillary may be the last of the hippie-yuppies.

As I scan the Republican horizon for 2000, all I see are frat boys — jocks and reformed party animals such as George W. Bush, Dan Quayle and John McCain, plus one Southern deb who definitely looks like a throw-back to the days of unassailable girdles and unmussable hairdos.

It's easier to picture Al Gore in a Canadian Mountie uniform than a fringed jacket. He's Dudley Do-right, with a wholesome blond wife named Tipper who hates dirty rock lyrics and an all-American brood right out of a "Pleasantville" formica kitchen, smiling serenely behind a stack of golden pancakes. Tipper has already signaled that she will not be a libber like Hillary; she will spend her time mothering, not horning in on policy. "I spend a lot of time," she said, "on keeping the family together."

The leader of the frat pack is Mr. Bush, who made his debut in *The New York Times* in 1967 in a story about "frat-branding" at Delta Kappa Epsilon, the Yale fraternity of which he was once president.

Steve Weisman, a Yale student then stringing for *The New York Times* (who is now a member of *The Times's* editorial board) reported on a Yale Daily News article accusing campus fraternities of carrying on "sadistic and obscene" initiation procedures.

"The charge that has caused the most controversy on the Yale campus," Mr. Weisman wrote, "is that Delta Kappa Epsilon applied a 'hot branding iron' to the small of the back of its 40 new members in ceremonies two weeks ago. A photograph showing

a scab in the shape of the Greek letter delta, approximately a half inch wide, appeared with the article. A former president of Delta said that the branding is done with a hot coat hanger. But the former president, George Bush, a Yale senior, said that the resulting wound is 'only a cigarette burn.'" The fraternities were fined by the Yale Interfraternity Council.

Frat prankster George told Mr. Weisman that he was amazed that anyone was making a fuss about the branding, that at colleges in Texas

Bongs vs. brands.

they used cattle prods on pledges.

There's something that doesn't compute about branding irons and Yale. If there did have to be branding, shouldn't it have been less Animal House and something more discreetly WASPy, like the logos for *J. Press* or *Topsiders*?

Later, in a newspaper interview, W. explained away the incident, saying, "There's no scarring mark physically or mentally."

Interest in the Republican front-runner's younger, wilder years has been building and the pressure is on for him to provide details of just how wild he got. Asked by a reporter recently about whether he had ever used marijuana or cocaine, Mr. Bush replied: "I'm not going to talk about what I did as a child. It is irrelevant what I did 20 to 30 years ago."

Mr. Bush's spokeswoman, Karen Hughes, dismissed a report in the *Star* tabloid suggesting that there exists a photo of the young Mr. Bush nude and drunk and dancing on a bar. "Yeah," she said, "and green aliens have landed on the lawn of the governor's mansion."

At the 30th reunion of the Yale class of '68 last year, there was disappointment that Mr. Bush did not show up and excitement about his plans to run for President. But his buddies were quick to assure everyone, "George has really changed a lot since Yale."

Presumably, if frat-branding becomes an issue in his campaign, Mr. Bush will be able to spin the incident by saying that it proves, even better than pork rinds, that he is a true Texan. □

The New York Times
WEDNESDAY, APRIL 7, 1999

Battle Looms on Hill Over Education Funding and Ideas

By JUNE KRONHOLZ

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON—Want to get the political parties excited? Mention the reauthorization of the Elementary and Secondary Education Act.

No, really.

With Democrats and Republicans eager to capitalize on voter concerns about the quality of the public schools, and with politicians of every leaning eager to deliver something besides impeachment votes to the folks back home, the ESEA is quickening pulses all around town, months before it is even introduced.

President Clinton's ideas on social promotion, teacher quality and class size will be in it. The Republicans' esoteric favorite, block grants, will be there, too. But if the previous reauthorization is any clue, so will vouchers, school prayer, sex education, gay rights, gun control, the handicapped, English as a second language, telecommunications, pornography, single-sex schools, national tests, home schooling, smoking and, the most contentious of all, who gets how much of the billions of dollars set aside for poor children.

"It will be the battleground" for the parties, predicts John Jennings, director of the Center on Education Policy, a think tank, and a former Democratic staffer. They will spar over ideology; they will haggle over social issues. But "beyond ideology, beyond partisanship," he adds, "it's

how to divvy up the pot."

With a budget of about \$14 billion, the 34-year-old ESEA is the federal government's largest commitment to the public schools. ESEA's biggest program is Title I, which distributes about \$8 billion a year to school districts that have high percentages of poor children, and that use the money to hire extra reading teachers and promote family literacy, among other things.

Besides Title I, though, there are so many other programs in ESEA—from teacher training to technology—that it typically takes two years to reauthorize it for five years. Last time around, the rewritten act filled 1,200 pages.

Both parties want to expedite the process this time to avoid carrying ESEA into an election year, and both houses already have begun hearings to packed galleries. The House education committee, a sea of empty desks at most hearings, attracted more than half its members to recent ESEA testimony by Education Secretary Richard Riley. Equally urgent, the Senate committee met for Mr. Riley's testimony only days before the impeachment vote.

President Clinton's State of the Union address largely outlined the ESEA bill that Mr. Riley's department will send to Congress in early spring. There will be new accountability measures—that is, requirements that the public schools meet some performance standards or risk being taken over by their states. There will be tests for

new teachers, and professional training and mentoring for those already in the classroom. There will be a push to reduce class size by helping school districts hire new teachers—a program that Congress funded this year, but hasn't authorized as a continuing program. And there will be money for magnet schools and to encourage districts to try open enrollment—that is, allowing children to attend any school in their district, rather than automatically assigning them to a school.

All those ideas are hugely popular with parents. But they cause a dilemma for Republicans who have been criticizing teacher quality and demanding greater accountability in federal programs and more choice in schooling for years. Opposing them now would be embarrassing; championing them would hand Mr. Clinton yet another education victory.

Instead, the GOP's ESEA bill will try to shift federal money from education programs to block grants that would give money to school districts to use as they choose. William Goodling, the Pennsylvania Republican who heads the House education committee, also will try to commit the government to increasing its share of special-education spending. That would force Washington to cut general-education programs, such as class size, to come up with the money, and free up local money for schools to spend as they please. Both ways, the GOP would reach its real goal: cutting

federal involvement in the schools without being seen as cutting federal spending.

Beyond that broad debate, though, ESEA will provoke plenty of floor battles over members' pet issues. Conservatives probably will propose school vouchers, which parents could use to pay tuition at private and parochial schools. Voucher legislation failed in the last Congress, has no chance of passing this year and so far has no congressional champion. "But we'll offer it because it's right," vows a GOP staffer.

Democrats likely will raise the president's plan to give tax credits to companies that invest in school-construction bonds. As a tax measure, that program doesn't belong in ESEA, but Democrats have won so much support for championing it, and the GOP has been hurt for opposing it, that political mileage rather than passage is what might matter.

Squabbles over teaching techniques—phonics vs. whole-language reading, for example—aren't expected. But plenty of other fights are. Mr. Goodling will oppose any administration move toward national math and reading tests. Texas Republican Rep. Sam Johnson wants tougher school discipline. "The bill attracts these social amendments," the Center for Education Policy's Mr. Jennings says. "You're dealing with an emotional issue—your kids."

The real food fight over ESEA, though, will come when Congress considers how to carve up the \$8 billion in Title I grants. As it is now, the allocation is based on how many poor children a district has, and how much the district or state spends on them. It gives more money to those that provide more money, less to those that spend less. Gerald Tirozzi, assistant secretary of ele-

mentary and secondary education, says that "a pretty darn good formula" expects no major changes.

But because Congress can alter that formula, odd alliances usually form as members jockey to bring home more funding for their schools. California, with almost six million public-school children and low state funding, gets \$892 million in Title I grants, while New York, with half as many children, gets \$731 million. California liberals are likely to join California conservatives in an effort to change that.

Conservatives also are talking about "voucherizing" Title I—that is, having federal money sent directly to a poor youngster's school, rather than sending it to states, which pass it to the districts before it eventually reaches the schools. Voucherizing would give Washington so little control over the money that the Democrats, and even some Republicans, will oppose it.

Even expedited, ESEA won't get to the House or Senate floor before summer, which brings up another problem. "They want to show they're doing stuff other than impeachment," says Joel Packer, a lobbyist for the National Education Association, the teachers' union. So, members of both parties and both houses are trying to break off pieces of ESEA for quick, high-profile

passage now.

Ed-Flex, a bill to give school districts greater flexibility in how they use their Title I money, is the first of those. The administration wants to include Ed-Flex in ESEA, where it can attach some accountability strings to it. The Republicans, sensing a sliver of political advantage in outmaneuvering the president on the timing, are pushing for it now. Ignored in the maneuvering is the fact that both parties like Ed-Flex, it has bipartisan sponsors and the president has said he would sign it as soon as it reaches his desk.

—Elizabeth Crowley
contributed to this article.

ADVERTISING / By KATHY CHEN

FCC Is Seeking Code of Conduct To Ensure Equal Opportunities

The Federal Communications Commission and other agencies are trying to prod the broadcast and advertising industry to establish a code of conduct aimed at ensuring equal opportunities for minority-owned ad agencies and stations.

FCC Chairman William Kennard, who will co-chair a meeting on Monday with industry executives, said, "We want to sit down with advertisers and hear what their ideas are. Ultimately, we'd like to see some guidelines or a code of conduct they can coalesce around."

Advertising-industry executives haven't committed to establishing such a code, which would mark a first for the industry. But people familiar with the meeting agenda said the meeting may lead to general principles for advertisers that could be a starting point for a code of conduct.

So far, it is unclear what such a code would entail; possibilities might include pledges by ad agencies to promote fair competition and to use accurate data on consumer-spending practices.

The events follow the FCC's recent release of a study that concluded that minority-owned radio stations and stations that primarily target minority listeners draw significantly less ad revenue per listener.

According to the FCC study, a vast majority of minority radio broadcasters said they had run up against "dictates" by ad agencies and advertisers not to buy ad time on stations targeting black or Hispanic listeners. Many of the broadcasters said they were also hurt by the practice of some agencies and advertisers to pay discounted ad rates to such radio stations.

Wally Snyder, president and chief executive officer of the American Advertising Federation, said: "We need to understand why this disparity [in ad rates] exists. . . . It is our aim to see that advertising takes full advantage of what multicultural Americans have to offer—as consumers, professionals and providers of advertising services."

Vice President Al Gore is expected to announce Monday the establishment of an interagency working group to look into the issue of diversity in advertising. An administration official said the final role of the group has yet to be decided, but it is expected to include the FCC, the Federal Trade Commission and the Justice Department.

At the same time, the Office of Management and Budget is conducting a study looking at how federal government agencies get their messages across to minority audiences. The General Accounting Office plans to conduct a separate study looking at how the government hands out contracts to small businesses and minority-owned ad agencies, the administration official said.

"Diversity of voices and views is a pillar of our democracy," Mr. Gore said. "That's why we must ensure our airwaves provide opportunities for all Americans and both reflect and respect the full diversity of the country they serve."



Educ -
Record

Clinton Touts Education 'Progress'

By KENNETH J. COOPER
Washington Post Staff Writer

ATLANTA, April 14—President Clinton asserted today that the nation has made "measurable progress" in education during his administration and said that future increases in federal aid to further improve schools could be jeopardized by what he characterized as the bad budget math of congressional Republicans.

Clinton's bullish speech, attempting to write part of his administration's legacy, coincided with the Education Department's release of a report reviewing the Clinton years, titled "Challenging the Status Quo," at the annual meeting of the Education Writers Association here.

"The report makes clear that math and reading scores are rising across the country, with some of the greatest gains in some of the most disadvantaged communities," Clinton said. "For instance, reading scores of 9-year-olds in the highest-poverty schools rose almost an entire grade level on the National Assessment of Educational Progress between 1992 and 1996, reversing a downward trend."

Clinton also cited modest gains on college placement tests and an increase in the percentage of high school graduates who continue their education, from 57 percent in 1993 to 67 percent now, as further evidence of "nationally measurable progress in education" by public schools, which are often criticized for producing student achievement levels lower in most cases than they were in the early 1970s, when the national testing began.

Rep. William F. Goodling (R-Pa.), chairman of the House Education and the Workforce Committee, suggested that Clinton and Education Secretary Richard W. Riley could have achieved more if they had not been politically beholden to teachers unions and had not favored a "straitjacket approach" to federal school aid.

"As the president searches for a legacy for his administration, he needs to look outside of education," Goodling said. "It is only belatedly that he has paid lip service to the issue of quality teachers with adequate preparation to teach the subjects which they are assigned. In the meantime, thou-

President Says Trip Sparked Massacre

Associated Press

ATLANTA, April 14—President Clinton said today that his recent trip to South Asia was the impetus for a massacre of "40 perfectly innocent people" in the disputed region of Kashmir.

"I'm sure they were murdered because I was there," Clinton said during a fund-raising luncheon for Rep. Cynthia McKinney (D-Ga.).

Police said militants massacred at least 35 people in the Sikh village of Chatti Singhpora on March 20, as Clinton began his weeklong trip to India and Pakistan.

"People who don't want their turmoil to be eased used my trip there as a pretext to highlight the difficulties," Clinton said of the militants.

sands of students across our country have been subjected to what in too many cases is at best mediocrity in the classroom."

The statistical measures of scholastic improvements that Clinton cited have not been disputed, and he argued that his administration has contributed by promoting state academic standards, funding public charter schools, backing lower Internet service rates so schools can go online, and supporting after-school programs for students who have fallen behind.

Both Vice President Gore and Texas Gov. George W. Bush have made clear that education is a key part of their campaign agendas. No doubt with that in mind, Clinton credited Gore with pioneering the federal mandate of reduced rates for wiring schools that has boosted the proportion of schools with Internet service from 3 percent in

1993 to about two-thirds. Federal support for after-school programs began with \$1 million in 1997 and rose to \$453 million this year. The administration has proposed spending \$1 billion for such programs in next year's budget.

But Clinton said that tax cuts and defense spending increases proposed by Congress would leave little of the budget surplus for the "apparently appealing plans" that Republicans have advanced for improving education. He said that conclusion was based on simple arithmetic—notwithstanding the complexity of budget-writing—subtracting from the projected surplus the \$1 trillion in tax cuts over 10 years Republicans have embraced, their proposed increases for defense and the money likely to be needed to shore up Social Security and Medicare. "What are you going to do about education? Arithmetic is a very important element in politics and public life," Clinton said to some laughter. "I think it's wrong to spend about \$100 of the surplus on tax cuts for every \$1 you spend on education."

Clinton also urged states to raise teacher salaries and praised the American Federation of Teachers (AFT), the second-largest teachers union, for urging the adoption of rigorous national tests and tougher college course work for prospective teachers. "We need to demand more of our teachers, but we need to reward them better," he said.

In its report on better preparing teachers, the AFT called for a national test for college students entering education schools and another for graduates seeking a teaching license, replacing a patchwork of state tests with different passing scores. Prospective teachers also would take a core curriculum in college and spend a fifth year interning in schools.

"Most states already have tests, but some of them are low-level tests, and what we are saying is, let's have a test that tests what a teacher needs to know," said AFT President Sandra Feldman.

The National Education Association said it could take a decade to develop such national tests and called instead for states to toughen the standards they have in place. "What we need to do is have all states implementing these tests and to set the bar high for passing them," said Bob Chase, president of the larger teacher union.

Gore Would Ban Guns in Places of Worship

Associated Press

SAN JOSE, April 14—Vice President Gore called for a ban on guns in churches and other places of worship today, taking a poke at Republican rival George W. Bush's Texas version of the idea.

Gore was expanding his proposals on gun control, a hot election-year issue in California. In a speech here, he announced support for legislation banning firearms in churches, synagogues and mosques, as well as places where school events are held.

"I don't think we ought to have guns brought into places of worship," Gore said at a fund-raiser this afternoon, previewing his announcement. "It is time to take further steps to deal with the flood of cheap, available handguns... and get these guns out of the

hands of people who shouldn't have them."

Gore, the presumptive Democratic presidential nominee, noted that Bush signed a law in 1995 that allows Texans to carry concealed weapons with a permit. While that law banned guns from churches and synagogues, in 1997 Bush signed another law that said houses of worship would have to post signs or hand out cards alerting visitors if the gun rule was to be enforced.

Gore contended that Bush is under the control of the National Rifle Association, pointing to a law Bush signed that prohibits Texas cities and counties from suing gunmakers. "He has passed virtually everything that the NRA has asked him to pass," Gore said.

Gore said he has always believed in the right of hunters to carry weapons. "But America cannot

afford another Columbine, or another Paducah, or another Jonesboro," he said.

The Bush camp responded that Gore is using the issue for political advantage and that Tennessee passed a law in 1994 allowing residents to carry guns, including into churches. "Why didn't he speak out when a concealed-carry law was passed in his home state of Tennessee, where residents can also carry guns in churches?" Bush spokesman Ari Fleischer said.

Also today, Senate Minority Leader Thomas A. Daschle (D-S.D.) and Sen. Joseph I. Lieberman (D-Conn.) said they will introduce a nonbinding resolution stating that guns do not belong in schools and places of worship. They said it is now legal in at least 22 states for people to carry concealed weapons in churches, synagogues and mosques.

The Washington Post

SATURDAY, APRIL 15, 2000

White House Wants Frustrating Elian Drama to Close

By JOHN F. HARRIS
and DAVID A. VISE
Washington Post Staff Writers

After weeks of watching the Elian Gonzalez controversy from afar, President Clinton and senior White House officials have grown increasingly impatient with the impasse and have told the Justice Department they expect the boy to be reunited with his father without delay once an appeals court challenge is resolved.

"The rule of law's got to be upheld," Clinton told reporters in a brief exchange yesterday in Atlanta. "If we don't do it here, where do we stop?"

Senior administration officials said Clinton's comment reflected a frustration felt by many at the White House that the current situation—in which the Justice Department set a Thursday deadline for Elian's Miami relatives to surrender custody of the boy, but so far has let it pass without action—is not tenable. While not second-guessing the Justice Department's approach, some White House officials said yesterday that Clinton aides have communicated their belief that a drama that has stretched for more than four months must come to an end within days.

Decision-making in the case remains firmly with Attorney General Janet Reno, according to administration officials at the Justice Department and the White House. Clinton aides said they believe it is neither wise policy nor shrewd politics for the president to be making operational decisions about how and when Elian is reunited with his father, as the administration asserts the law requires.

But as the confrontation between

the Justice Department and the Miami relatives has escalated toward an apparent climax, White House officials in recent days have intensified their virtually hour-by-hour monitoring of the case. Senior White House aides such as Chief of Staff John D. Podesta, deputy Maria Echaveste and counsel Beth No-

**"The rule of law's
got to be upheld. If
we don't do it here,
where do we stop?"**

—President Clinton

lan have been getting updates from Reno and department officials several times a day, and keeping Clinton abreast of plans for a resolution. Clinton and Reno spoke by phone yesterday for 20 minutes.

White House impatience climbed Thursday, sources said, when Justice Department officials had left the White House with the clear expectation that a reunion would take place that day. No White House officials yesterday criticized Reno's handling of the matter. But several acknowledged they are deeply uncomfortable with the appearance that the administration and federal law are being openly defied in Miami by relatives of Elian who do not want the boy to return to Cuba with his father. National security officials have warned that the case risks setting a terrible precedent that could affect cases when Americans are separated from their families in other countries.

"What makes America is we live under a rule of law," said one White House official, expressing concern that the administration would look feckless if the controversy does not end soon.

"You cannot second-guess the operational experts," said another senior Clinton aide, adding that there is unanimity within the administration about adopting a tougher line against Elian's Miami relatives. "The [Justice] Department believes—and so do we—that they've exercised great restraint toward what has proved to be an intractable, obstinate" response from the relatives.

No attempts to seize the boy are likely, sources said, before a ruling by the 11th U.S. Circuit Court of Appeals in Atlanta. That court may rule as early as today on an appeal lodged by Lazaro Gonzalez, the boy's great-uncle, who does not want to return Elian to his father and has defied an official transfer-of-custody order from the Immigration and Naturalization Service.

Some critics saw it as a defeat when Reno went to Florida and returned without the boy; skeptics believe she weakened her hand by setting deadlines that she was not prepared to promptly enforce.

But Justice Department officials said Reno wants to avoid any perception that the government has acted precipitously and minimize any possibility of civil unrest in her native Miami. Some Clinton aides said this go-slow approach seems a shrewd one, on grounds that the Miami relatives have lost much of their claim to public sympathy by seeming to exploit 6-year-old Elian by putting him before cameras and by acting as if they are above the law.

In addition to the delicate issues at the heart of the Elian case, the administration's deliberations are colored by the history of earlier controversies.

The White House has long viewed Reno's Justice Department warily. At times in the past, some

**"The department
believes—and so do
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restraint."**

—senior presidential aide

senior White House aides expressed open disdain for her, believing that she was politically tone deaf and that she had succumbed to outside pressure in appointing independent counsels to investigate several Cabinet officials.

These days, the attitude toward Reno at the White House is more civil, though her relationships with Clinton and his top aides are not in-

timite, according to most accounts.

Earlier in the Elian controversy, some White House aides worried that she might needlessly inflame passions in Miami with an inept statement or use of force; the more common concern these days is that the Justice Department has let a no-win situation linger on, fueling congressional criticism that the administration is soft on Cuba.

Reno's Elian actions too are shaped by history, according to sources who have worked with her. She has been very involved in the details of the case—a departure from the approach she used weeks into her job in 1993 when FBI agents stormed the Branch Davidian compound near Waco, Tex., and 75 people perished in a fire. In that instance, Reno relied on FBI officials for information and even went to Baltimore to give a speech while the raid on the compound took place.

Inside the department, Reno has relied on Deputy Attorney General Eric H. Holder Jr. and two senior staff members for guidance: James E. Castello, a 45-year-old associate deputy attorney general who is a former Supreme Court clerk, and Brad Glassman, a 33-year-old expert in immigration law who is

counsel to the deputy attorney general. Glassman used to work at the INS. Reno also has consulted heavily with INS Commissioner Doris N. Meissner, as well as private-sector psychiatrists and psychologists, and a wide array of people she knows in Miami, where she worked as a prosecutor before becoming attorney general.

Both Reno and Holder, who has solid relations at the White House, are firm in their conviction that the law must prevail, sources said, but that this happen in a way that minimizes the trauma for the child, and that avoids creating an ugly confrontational scene on television.

At the same time, Reno and other Justice Department officials have a plan that involves the use of federal marshals and immigration officers to seize control of the boy at an opportune time and return him to the custody of his father, Juan Miguel Gonzalez, people familiar with the matter said.

Reno was not moved by the video of the child saying he did not want to be reunited with his father that was released on Thursday. Earlier, the attorney general said, "Based on our law, based on foundations of our society, parents speak for their children."

The Washington Post

SATURDAY, APRIL 15, 2000

Analysis

Federal Role in Education Again Expands

By KENNETH J. COOPER
Washington Post Staff Writer

The tentative agreement on education spending reached by the Clinton administration and Congress on Wednesday was a clear demonstration of the extent to which both parties have come to believe in a more expansive federal role in education than its traditional job of targeting extra help to disadvantaged students.

For several weeks, one of the biggest issues hanging up the budget had been the fight over how school districts would be allowed to spend \$1.4 billion in federal funding that the administration intended as part of its seven-year program to hire 100,000 teachers. President Clinton wanted to reserve the money specifically for hiring teachers and reducing class sizes in the earliest grades; Republican leaders in Congress wanted to grant districts more leeway in spending for teacher training and other expenses. But despite the partisan bickering, both positions—as well as the ultimate compromise, which would continue to target teacher hiring but would allow 25 percent of the money to go toward training—expand the government's long-standing role in education.

For more than three decades, the main justification for federal funding of locally controlled schools has been to promote an equal education for various groups of disadvantaged students. Congress passed education legislation to assist the poor in 1965, bilingual students in 1968, the disabled in 1975 and segregated minority students in 1983.

Although broader issues of school quality and student achieve-

ment have been federal concerns for a long time, until the 1990s they were usually expressed in bully-pulpit exhortations for schools to do better and periodic national tests to measure educational progress.

The Bush administration took tentative steps toward a broader role, funding the development of model standards in different academic subjects, but it has been Clinton and Education Secretary Richard W. Riley—former governors active on education in Arkansas and South Carolina, respectively—who have done the most to stretch the federal role.

They have pressed, usually with success, federal legislation to put computers in classrooms, create public charter schools, build schools and hire teachers.

John Jennings, director of the Center on Education Policy, described the quiet policy shift under Clinton as "trying to use federal money to bring about broader changes in school systems."

The shift has been rhetorical as well as substantive. At a news conference Tuesday defending Clinton's teacher hiring plan, Riley described the federal role in education in the broadest terms, as "providing support to states and local schools to provide quality education" and "establish[ing] national priorities." And although the hiring plan itself would favor school

... both positions expand

the government's
long-standing role in
education.

districts that enroll large numbers of impoverished students, that fact is rarely mentioned in the administration's broad statements about reducing class sizes across the nation.

In their own way, Republicans have been even more expansive in pressing to let districts decide how to spend their share of federal funding. Although framed as an issue of local control, such lump-sum expenditures to schools would in essence amount to shifting the government into a role states typically fill—supplementing property tax revenue raised at the local level with what is known as "general school aid."

House Majority Leader Richard K. Arme (R-Tex.) this summer described "the appropriate federal role" as helping schools secure needed resources and letting them decide how to spend the money.

With both political parties competing to be seen as pro-education in next year's elections, efforts to expand the federal role seem likely to continue. When Texas Gov. George W. Bush, the Republican presidential front-runner, proposed to expand the Education Department's responsibilities in September, he ran into criticism from conservatives. But that did not stop him from offering an expansive vision in his final major speech on education last week, saying that "the federal role in education is to foster excellence and challenge failure."

Educ-
Rec'd

HUD to Revise Mortgage Scoring

By SANDRA FLEISHMAN
Washington Post Staff Writer

Thousands of potential home buyers find out every day that they don't qualify for market-rate mortgage loans, but the computer programs that spit the decisions out don't have to explain why.

In what officials say is an effort to make the judgments less mysterious, the federal government is developing a "transparent" system of credit scoring that would let applicants see how the computer formula works and what the credit variables were. The system would be an alternative to the ones used by private mortgage giants Fannie Mae and Freddie Mac.

Andrew M. Cuomo, the secretary of the Department of Housing and Urban Development, is scheduled to announce plans today for the system and for a public education campaign with the nation's mortgage bankers at a national conference on home ownership in Charlottesville.

Fannie Mae and Freddie Mac developed automated mortgage underwriting systems in 1995. They are the '90s electronic equivalent of meeting with a loan officer and submitting reams of paperwork to qualify for a mortgage. In automated underwriting, an applicant's loan information is submitted once and plugged into computer models that attempt to predict the risk of default. The scoring models are considered proprietary.

The scorecard the Federal Housing Administration is developing "will tell you exactly how you get qualified and what you have to do" if the application falls short, Cuomo explained in an interview yesterday. He said the "fully open and fully transparent" scorecard aims to boost consumer confidence, which he said is undermined by "the mystery" of the way Fannie Mae and Freddie Mac use scorecards now.

Cuomo said "suspicions" raised by proprietary systems feed concerns about discrimination.

"Right now," said Cuomo, "the machine spits out an answer: accepted, rejected. No one knows the basis on which the decision was made."

HUD officials say consumer groups are concerned that a disproportionate number of minorities are kicked out of the approval

stream by the scorecards and referred to loan officers for time-consuming manual processing.

HUD officials said their scorecard will be more flexible in evaluating the creditworthiness of people whose records may have some flaws.

The score used as a main building block by most lenders is called FICO, named for Fair, Isaac & Co., the San Rafael, Calif., firm that developed scoring. The score assigns risk rankings to applicants based on complex statistical analyses of their credit histories. People whose credit reports show that they have always paid bills on time and that they use credit cards responsibly get the highest scores. Those who have been late in paying bills get lower scores.

Making the process transparent, said Cuomo, will not only ensure that lending is nondiscriminatory but also that it will attract more applicants to the FHA. And that will put pressure on Freddie Mac, Fannie Mae and other big lenders to follow suit, he said.

The FHA last year issued 1.3 million loans, worth \$125 billion. That is about 10 percent of last year's total loan volume of more than \$1 trillion. FHA borrowers are often first-time home buyers, seeking to make a low down payment, who don't qualify for a conventional Fannie Mae or Freddie Mac mortgage.

HUD plans to have the score-

card available within six to eight months, according to William Aggar, assistant secretary for housing and the FHA commissioner.

The Mortgage Bankers Association of America, sponsor of the conference today in Charlottesville, has agreed to share the \$1 million cost of a public education campaign on the FHA scorecard and to advise the FHA on the underwriting system.

While a Fannie Mae official declined to comment on the HUD announcement expected today, she said Fannie Mae's Desktop Underwriter does not "reject" without explanation. Instead, she said, applicants who don't qualify are "referred" to a human underwriter who can explain why they fell short and seek financing other than market-rate loans.

A Freddie Mac spokesman said its Loan Prospector program will either approve an applicant or generate a "caution" response that requires the loan officer to take a closer look at credit issues or suggest different financing.

HUD uses both Desktop Underwriter and Loan Prospector to process some loans, although about 75 percent are still handled manually. The decision to use the two systems, the Freddie Mac spokesman said, "speaks volumes about their comfort level with our systems." He suggested that HUD is developing its own system to help educate skeptical consumers.

Edie -
Record

Clinton Belittles Bush's School Plans

By JODI WILGOREN

ATLANTA, April 14 — President Clinton suggested today that Gov. George W. Bush of Texas needed a lesson in arithmetic, saying his proposals for education and promised tax cuts did not add up.

"Arithmetic is a very important element in politics and public life," Mr. Clinton said, teasingly, in a speech promoting his administration's education accomplishments to a convention of education journalists here.

"If you take over \$1 trillion out over 10 years for a tax cut," he said, "there simply will not be the money left to fund a lot of these education and other proposals. I think it's wrong to spend about \$100 of the surplus on tax cuts for every \$1 you spend on education."

Though the president did not name Mr. Bush, who is expected to win the Republican nomination for president, the implication was clear. Mr. Clinton praised Vice President Al Gore, the presumed Democratic nominee, four times.

Both candidates have made education a priority, but their proposals differ in substance and in scope: Mr. Gore wants to pump an additional \$115 billion into education over the next decade, more than 10 times Mr. Bush's recommendations.

Ari Fleischer, a spokesman for the Bush campaign, said the governor had "improved education, invested more resources into education, and delivered the largest tax cut" in the state's history, all at the same time.

"When it comes to arithmetic," Mr. Fleischer said in midafternoon, "we very proudly point out that there are 180 days, 11 hours 35 minutes and 50 seconds until the end of the Clinton-Gore era."

Mr. Clinton's speech, at the annual conference of the Education

Writers Association, seemed intended, in the waning months of his administration, to reinforce what he thinks of as his legacy in education, an issue to which he has been devoted for two decades.

The president ticked off a long list of accomplishments: expanding expenditures for after-school programs from \$1 million in 1997 to a proposed \$1 billion this year, connecting two-thirds of the nation's classrooms to the Internet, increasing student loans and tax credits for higher education, and pushing states to adopt high standards.

He also released a report outlining huge increases in education

Questioning the math of tax cuts and increased school spending.

spending for new and existing programs, and he announced that he would tour successful schools next month.

Mr. Clinton praised the American Federation of Teachers for its recommendation this morning that all teachers be required to pass a national test, and he urged states to use their budget surpluses "to make a dramatic increase in teacher pay."

He acknowledged that the high-stakes tests sweeping the nation along with new academic standards had, in some places, overwhelmed students and schools, but he said assessment was a critical component of reform.

Pointing out that some New York City schools are heated with

coal-fired furnaces and that there are buildings across the country too old and dilapidated to be wired to the Internet, the president urged passage of a \$24 billion school-construction proposal.

"The fundamental lesson of the last seven years, it seems to me, is that an education investment without accountability is a real waste of money," Mr. Clinton said. "But accountability without investment can be a real waste of effort. Neither will work without the other. If we want our students to learn more, we should do both."

Representative Bill Goodling, the Pennsylvania Republican who is chairman of the House Education Committee, said Mr. Clinton should look elsewhere for his legacy, accusing the president of "taking a Washington-knows-best approach" and hampering states with a "straitjacket" on the use of federal grants.

Mr. Goodling criticized the president's repeated calls for a national curriculum standard, and said Republicans were "committed to flexibility coupled with accountability" for states and local districts.

Mr. Clinton, who last spoke to the education writers a decade ago in Chicago, when he was governor of Arkansas, invited himself to address the convention and ignored his staff's strict scheduling guidelines, taking unscripted questions from the floor as he shook journalists' hands in the audience.

Asked whether he would consider a job in education after he left office, the man who has joked about running for school board at the end of his presidency promised that the Clinton library would have an educational component.

"I'm going to keep working on this for the rest of my life," he said.

The New York Times

SATURDAY, APRIL 15, 2000

The Clintons Pay \$92,104 In Federal Income Taxes

By DAVID CAY JOHNSTON

Raising money for the down payment on their new home in Chappaqua, N.Y., caused President Clinton and his wife, Hillary, to pay substantial capital gains taxes last year, the couple's tax return, released by the White House yesterday, showed.

The Clintons paid \$92,104, or 22.1 percent, in federal taxes on income of \$416,039.

Capital gains accounted for \$179,849 of their income, of which \$122,094 were long-term gains on which they paid a tax of \$24,419. The short-term gains were taxed as ordinary income.

The couple put down more than a third of a million dollars on their new home, said Jim Kennedy, a White House spokesman. The house was bought a few months before Mrs. Clinton formally announced her candidacy for the United States Senate from New York.

Vice President Al Gore and his wife, Tipper, reported income of \$240,930 and paid \$59,178, or 24.5 percent, in federal taxes.

Gov. George W. Bush of Texas, the presumptive Republican nominee for president, plans to release a synopsis of his income tax return on Monday and expects to release a finished tax return in the fall, said his spokesman, Ari Fleischer.

For the third time in four years, the Clintons paid more in federal taxes than the law requires, the result of their decision four years ago to take as income royalties from Mrs. Clinton's book "It Takes a Village" and then to give away the after-tax value. Mrs. Clinton received \$20,214 in royalties in 1999 on which she paid \$2,856 in self-employment taxes to cover Social Security and Medicare taxes.

In all, the Clintons have given away \$937,358 to children's and health charities since 1996, \$109,000 less than they could have if they had given ownership of the book to a donor-advised or donor-directed fund at a community foundation. The difference went to income taxes and to self-employment taxes, which will increase Mrs. Clinton's Social Security income when she turns 65 by 3 percent.

Mrs. Clinton followed a different approach with her second book, "Dear Socks, Dear Buddy," about letters children had written to her family's pets. She gave the copyright to the National Parks Foundation in 1998, which meant that all of the royalties flow untaxed to this charity.

The Clintons gave \$39,200 to charity last year, of which \$17,358 was the net royalties from the Village book, \$12,000 came from a "pin money" fund for first ladies and \$9,842 came from their pockets.

Mr. Clinton earned \$200,000 as president, the couple had \$6,008 in interest, \$11,396 in dividends, \$20,214 in royalties and \$179,849 in capital gains, and received a deduction for half of Mrs. Clinton's self-employment tax, giving them an adjusted gross income of \$416,039. The couple also received \$9,917 in tax-exempt interest.

The Clintons declared themselves residents of Arkansas, as the tax law allows, avoiding the much higher income taxes imposed by the District of Columbia. They paid \$18,850 in Arkansas state taxes and \$13,081 in property taxes on their Chappaqua home in Westchester County, which they bought in November.

Because of the size of their deductions and the components of their income, the Clintons also had to pay \$4,943 in alternative minimum tax.

That tax, enacted in 1969, was intended to make sure all high-income Americans paid at least some federal income tax, but because it has not been fully adjusted to reflect inflation it now applies to people making as little as \$28,000 annually and 1,800 people last year still paid no federal income tax despite an income of more than \$200,000.

The Gores' tax return, which listed them as residents of Tennessee, showed that they own far fewer assets than the Clintons. In addition to Mr. Gore's salary of \$175,400, the couple reported taxable interest of \$1,267, but no dividends or tax-exempt interest. The Gores reported \$29,260 in capital gains and \$20,371 in income from renting real estate.

Mr. Gore also received \$16,457 in royalties on the re-issue of his 1992 book "Earth in the Balance," on which he has built an image as an environmentalist. He took \$2,468 in unspecified expenses, reducing the taxable proceeds to \$13,989.

The Gores gave \$15,000 to charities and listed areas of giving like illnesses, religious organizations and educational institutions, but did not specify whether any were environmental organizations.

In 1998 the Gores gave \$15,197 to charity, but in 1997 they gave just \$353, less than two-tenths of 1 percent of their income, prompting intense criticism. In 1996 the couple gave away \$35,530, all but \$530 of it royalties from a book.

Edw
Record

American Education Gets an A for Effort

By KATE ZERNIKE

A1

WASHINGTON, June 1 -- An annual survey issued by the federal government today paints a picture of a nation newly committing itself to education at all levels, with more toddlers in preschool, more high school students going directly to college and more adults returning to class.

The report, a comprehensive statistical survey of the nation's educational system, shows high school students taking more demanding courses and achieving at their highest levels in mathematics and science since a federal commission declared in 1983 that the quality of American schools posed a national crisis.

Despite worries resulting from school shootings at Columbine High and elsewhere, the report says that school violence has not increased in the last quarter-century and that an overwhelming majority of teachers remain very confident they can maintain discipline in the classroom.

The data, issued by the National Center for Education Statistics at the Department of Education, did show more parents turning away from local public schools, to private schools or school choice programs like charter schools. And the level of parent confidence in the schools, customarily high, has slipped slightly in the last few years.

Further, federal education officials acknowledged other reasons for some concern.

For one thing, students in the United States still lag those of many industrialized countries in both math and science. And while the officials say rigorous courses can allow needy children to rise above failing schools, the report shows that poor minority children remain less likely than their white peers to take those courses or even attend schools where they are offered.

Still, the numbers show a nation pushing hard to improve its schools and its overall level of education.

"All the indicators suggest that we're setting higher expectations, and students are learning up to those expectations," said Frank S. Holleman III, deputy education secretary. "The American people are very serious about education!"

The report, "The Condition of Education," looks at 67 vital signs of the nation's educational health, from readiness for kindergarten to the cost of college, from attitudes about mathematics to a graduate degree's effect on voter participation.

The nation's public schools had 43.2 million students in 1999, the report said, with baby boomers' children causing enrollment to bulge in elementary and middle schools. But the number of people choosing to send their children to preschool, or to go to college, or to return to school for adult education, is also increasing, producing higher numbers at all levels of schooling.

Enrollment from one level of education to the next varies by gender, by race and by income.

For instance, fully 60 percent of black 3-year-olds and 81 percent of black 4-year-olds attend preschool, compared with only 47 percent and 70 percent of their peers among whites, and 26 percent and 64 percent of peers among Hispanics.

Poor white children are the least likely to attend preschool.

Women, who a few years ago began to edge out men as a percentage of the college population, are entering higher education at even faster rates. The report says high school girls are more likely than boys to say they will definitely get a bachelor's degree, and women increased to 57 percent of the college population in 1998.

After the issuance of "A Nation at Risk," the 1983 federal report described the nation's schools as woefully substandard, a panel charged with proposing means for improvement recommended that all students be required to take more, and more rigorous, course work.

The new numbers suggest that schools have largely followed that advice. The average number of courses taken in high school had increased to 25 by 1998, from 22 in 1982. The number of students taking the highest-level math courses increased to 27 percent from 11 percent in that period, and the number taking both chemistry and physics jumped to 19 percent from 7 percent.

"States are requiring more courses, and moving away from anything-goes, shopping-mall high school that was in vogue 30 years ago," said Christopher Cross, president of the Council for Basic Education, which assists states in setting up academic standards.

Nancy Grasmick, Maryland's superintendent of schools, said: "We recognized we had not challenged our students to the extent they need to be challenged. We're encouraging a much higher level of performance."

The report says students from families that are poor or not well educated increase their odds of finishing college by taking rigorous high school courses -- so much so that they are then just as likely as their better-off peers to graduate.

"For low-income students in particular," said Deputy Secretary Holleman, "taking the right courses is critical not only to their decision to go to college, but to their success once they attend."

And in fact students as a whole are achieving at higher levels. According to the report, the number of 17-year-olds who showed advanced mathematical proficiency on the National Assessment of Educational Progress test increased to 60 percent in 1996 from 49 percent in 1982.

But educators and officials pointed out that American students still did not take courses as rigorous as their peers in many other industrialized countries. According to the report, 39 percent of mathematics courses in Japan and 28 percent in Germany received the highest-quality rating by a panel of researchers, while none in the United States did.

END

If the family wants to appeal the case directly to the Supreme Court, their lawyers must seek a separate order staying Elián's departure from a Supreme Court justice or the entire court.

If the family does not appeal, which is unlikely, the mandate to enforce the order will be filed in 21 days.

In Miami, political and legal experts said the saga would not do Miami any good if it was prolonged even more. "The case demonstrated that the overwhelming majority of Americans were not prepared to have distant relatives kidnap a child from his relatives as a way of continuing a 40-year-old struggle that means less and less to them every day," Mr. Abraham said.

But here, where hatred of Fidel is still fresh, Cuban-Americans cannot stand the thought of returning the child to a communist government.

In Germany, President Clinton said he was pleased with the court's decision. "As I have said before, this is a case about the importance of family and the bond between a father and son," Mr. Clinton said in a written statement from Berlin, the second stop on the president's European tour. "I have supported the Justice Department's conclusion that Elián's father, Juan Miguel González, is the one best suited to speak for his child."

And in Atlanta, Vice President Al Gore said he continued to believe that a family court should decide Elián's case. George W. Bush, campaigning in Nevada, said Mr. Gore should urge Mr. Clinton to allow such a family court hearing.

Lazaro González said the family has no choice but to keep fighting any way it can. "We are going to keep searching for the laws that Elián is entitled to," he said. "So that Elián González remains in a free country, as his mom wished."

END

**PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL
DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS STILL NEEDS TO DO MORE
WORK TO ADDRESS AMERICA'S PRIORITIES**

November 18, 1999

*Educ -
Records*

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 - Addressing Health Care
 - Responding to the Farm Crisis
 - A Strong Research and Development Agenda
 - Other Highlights
- IV. Despite All the Progress in this Year's Budget, There is Still More Work That Needs to Be Done**

OVERVIEW: PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS STILL NEEDS TO DO MORE WORK TO ADDRESS AMERICA'S PRIORITIES

November 18, 1999

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT. The budget agreement represents a victory for President Clinton's stand for fiscal discipline. Between 1981 and 1992, the debt quadrupled. In 1992 the deficit was \$290 billion and projected to rise to over \$400 billion in 1999. As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of \$123 billion – the largest ever. Throughout the year, the Republicans have been proposing fiscally irresponsible tax cuts that would have jeopardized this record of fiscal discipline. In September, the President vetoed a Republican tax cut that would likely have drained hundreds of billions of dollars of the Social Security surplus from debt reduction. As a result of the President's stand, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

A VICTORY FOR AMERICA'S STUDENTS. After vetoing a Congressional budget that denied funding to priority education and training investments, President Clinton and Vice President Gore delivered on their ambitious education agenda.

- ✓ **More High-Quality Teachers With Smaller Class Sizes:** Following on a new initiative by the President last year, the budget agreement includes \$1.3 billion for a bipartisan plan to help reduce class size in the early grades by hiring 100,000 quality teachers over the next six years.
- ✓ **Double Funding for After School:** \$453 million for after school, providing support to 675,000 students – 375,000 more than last year.
- ✓ **GEAR UP:** A 67 percent increase to \$200 million for the President's GEAR UP initiative, which helps 482,000 students aspire to and prepare for college – the second year of this new initiative.
- ✓ **Accountability for the Lowest Performing Schools:** \$134 million in Title I funds to help turn around the worst-performing schools and hold them accountable for results.
- ✓ **Expanded Head Start:** A \$607 million increase for Head Start to serve an additional 44,000 children. Total funding is \$5.3 billion – 90 percent higher than 1993.
- ✓ **Hispanic Education Agenda:** \$436 million in increases for a number of education programs that help to improve the educational achievement and high dropout rates of Latino students.
- ✓ **Largest Pell Grant Maximum Award Ever:** Increased to \$3,300 – a 43 percent increase since 1993.

FIGHTING CRIME, DRUGS, AND GUNS. To keep crime coming down to record lows, President Clinton fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

- ✓ **More Police for Our Streets:** The budget contains full funding for the first installment toward the President's goal to hire up to 50,000 more police officers for our Nation's streets by 2005. The initiative builds on the President's successful COPS program that has already funded 100,000 police officers to help keep America's streets safe.

INVESTING IN A CLEANER ENVIRONMENT. President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2000 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President forced Congress to drop or substantially modify dozens of anti-environmental riders that would have rolled back hard-won environmental safeguards and benefited special interests at the expense of our public lands.

- ✓ **Preserving Our Lands Legacy:** The President and Vice President won \$651 million for Lands Legacy, a 42 percent increase for this historic initiative that strengthens federal efforts to preserve natural treasures and provides communities with new resources to protect local green spaces.

MAINTAINING AMERICA'S GLOBAL LEADERSHIP. The Republican Congressional budget would have turned its back on America's leading role in the world by not providing funds for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world -- by meeting our commitment to the Middle East peace process, paying our dues and arrears to the United Nations, making a critical investment in debt relief for impoverished countries, funding efforts to safeguard nuclear weapons and expertise from the former Soviet Union, and help raise labor standards around the world.

EMPOWERING FAMILIES AND COMMUNITIES. President Clinton and Vice President Gore are committed to tapping the potential of America's urban and rural communities. This budget moves forward on their vision to help revitalize America's communities and empower families.

- ✓ **Funding 60,000 New Housing Vouchers for America's Hard-Pressed Working Families.**
- ✓ **Additional Funding for Empowerment Zones:** The budget provides \$55 million in funding for Urban Empowerment Zones and \$15 million for Rural Enterprise Zones and Enterprise Communities.
- ✓ **Continuing To Build a Network Of Community Development Banks Across the Nation:** The final budget includes \$95 million for the Community Development Financial Institutions (CDFI) Fund.

PROGRESS ON THE NEW MARKETS INITIATIVE: In his State of the Union, President Clinton proposed to bring more private investment to all areas of the United States. The President and Congressional Leaders have agreed to work together to enact bipartisan legislation to help spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. The New Markets initiative enjoys bipartisan support.

- ✓ **Funding America's Private Investment Companies (APICs):** Provides \$20 million of funding for APICs (subject to authorization), a key element of the President's New Markets Initiative, that would leverage \$800 million of new investment in underserved areas.
- ✓ **New Markets Venture Capital Program:** Provides, subject to authorization, \$16.5 million in funding for New Market Venture Capital Firms (NMVCs) and BusinessLINC to bring equity capital and technical assistance to small businesses in low- and moderate-income neighborhoods.

ADDRESSING HEALTH CARE. The President won a \$34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical

prevention and treatment services to individuals with mental illness, and advance biomedical research with a historic investment of \$2.3 billion.

- ✓ **Passing the landmark Work Incentives Improvement Act for people with disabilities:** Since 1998, the President has advocated for the passage of the bipartisan Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act. Currently, people with disabilities often become ineligible for Medicaid or Medicare if they work, forcing a choice between health care and employment. This legislation allows people with disabilities to maintain their Medicare or Medicaid coverage when they go to work. It also includes a \$250 million demonstration, which the President insisted on fully funding, that allows people with disabilities who are still working and are not yet sufficiently disabled to qualify for Medicaid to buy into the program. Finally, the bill reforms the training system for people with disabilities.

RESPONDING TO THE FARM CRISIS: The Agriculture Appropriations bill included \$8.6 billion in emergency funds to assist our Nation's farmers and ranchers who are suffering through the second year in a row of low commodity prices and, for many, crop and livestock losses from severe drought and flooding. The final budget includes over \$550 million more to fulfil the unmet needs identified by the President, including significant funds targeted to hurricane-affected areas, increased crop loss payments for all producers, and over \$2.5 billion in additional farm loans to help producers secure financing for next year's crop. The President and Vice President remain concerned that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation and that more needs to be done.

A STRONG RESEARCH AND DEVELOPMENT AGENDA: The final budget included an unprecedented commitment to key civilian research. The final budget increases the President's "21st Century Research Fund" for civilian research programs by more than \$3 billion. It also includes a five year extension of the Research and Experimentation tax credit.

- ✓ **National Science Foundation:** A 6.6 percent increase in support for science and engineering research and education.
- ✓ **National Institutes of Health:** Provides \$2.3 billion, a 15 percent increase over FY 1999 funding levels, to build on the President's commitment to biomedical research.
- ✓ **Information Technology:** The final budget includes more than \$80 million in funding for the Next Generation Internet and \$235 million for the Administration's "Information Technology for the 21st Century" initiative.

MUCH WORK STILL LEFT TO DO In the waning days of the session, the President and Congressional Democrats prevailed in making critical investments to advance the President's comprehensive education agenda, put more police on the streets, protect the environment, and strengthen America's leading role in the world. But much work still remains to be done.

- × **Passing Common Sense Gun Legislation:** Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.
- × **Passing a Strong, Enforceable, Patients' Bill of Rights:** During the past two years, the President has exercised his executive authority to extend critical patient protections to over 85 million

Americans. But ultimately, the only way to ensure that all Americans in all plans have basic consumer protections is to enact a strong, enforceable Patients' Bill of Rights.

- × **Strengthening Social Security:** The Republicans have proposed so-called "lockbox" legislation that would not add a single day to the life of Social Security; the President has asked them to join him in using the benefits of fiscal discipline to extend the life of Social Security from 2034 to 2050.
- × **Modernizing and Strengthening Medicare:** Although members of both parties joined the President and Vice President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. These challenges include modernizing it with a long overdue, optional prescription drug and giving Medicare the adequate resources and tools to be as efficient as possible.
- × **Reducing Youth Smoking:** President Clinton and Vice President Gore have made passage of comprehensive tobacco legislation to reduce youth smoking a top priority in order to stop kids from smoking before they start, through a significant price increase, measures to prevent tobacco companies from marketing to children, and critical public health prevention and education programs.
- × **Expanding Federal Hate Crimes Laws:** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability.
- × **Providing for Long-term Care Assistance for Those With Chronic Illnesses and Their Families:** Despite proposals by the President and bipartisan support from many members of Congress, the Congress has failed to respond and lost an opportunity to provide critical assistance for this population.
- × **Providing Health Options for Older Americans:** Although the number of uninsured Americans aged 55 to 65 is growing faster than any other age group, Congress refused to act on the President's proposals to expand health options for older Americans.
- × **Encouraging Small Businesses to Offer Health Insurance:** The President has urged Congress to provide new health insurance options for vulnerable Americans employed by small businesses.
- × **Continuing to Help People Move From Welfare to Work:** Although the Congress enacted eligibility changes similar to those proposed by the President to allow states, tribes and communities to more effectively serve low-income fathers and hard-to-employ welfare recipients, Congress failed to provide any new funding.
- × **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by \$1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests.
- × **Expanding Trade and Providing Opportunity for Africa and the Caribbean Basin:** Congress should complete work on the Africa Growth and Opportunity Act. This legislation would be an important milestone in America's effort to build a new economic relationship with Sub-Saharan Africa and deepen ties with our Caribbean and Central American neighbors.
- × **Supporting Southeast Europe's Economic Development and Integration:** Congress should pass the Southeast Europe Trade Preference Act submitted by the President, which would authorize expansion of duty-free treatment to a broad range of imports from the region for five years as part of an effort to strengthen stability and prevent further conflict in the Balkans by facilitating long-term economic growth.
- × **Promoting Peacekeeping:** While the budget goes a long way in meeting the anticipated requirements for funding UN peacekeeping operations around the world, the Congress did not fund

the full requests. To promote peace and encourage burden-sharing, Congress should fully fund UN peacekeeping efforts.

- × **School Construction:** The President's school construction proposal would provide funding to help states and school districts build and modernize 6,000 schools nationwide. Congress should pass the President's plan and invest in our nation's schoolchildren.
- × **Enacting Comprehensive Campaign Finance Reform:** This year, the Congress failed once again to adopt real, meaningful reform of our campaign finance system. The President will continue to fight for comprehensive campaign finance reform and believes that the Senate should act to restore the public's faith in our political process.
- × **Child Care Initiative.** The Republicans refused to support the President's historic child care initiative to make child care better, safer, and more affordable for America's working families.
- × **Farm Assistance.** The President and Vice President were pleased to get \$8.6 billion in emergency assistance to farmers and ranchers, but they believe that Congress still needs to address the underlying issues that exist in the wake of Freedom to Farm legislation.
- × **Providing Fairness to Immigrant Families.** Congress has failed to take action to provide fairness to immigrant families.
- × **Continuing to Empower Communities:** The \$70 million funding for EZs and ECs represents less than half of the amounts authorized. The President and Vice President are committed to seeking full funding for the remaining eight years of this program.

A VICTORY FOR AMERICA'S STUDENTS

November 18, 1999

	HOUSE GOP BUDGET*	FINAL BUDGET AGREEMENT	DIFFERENCE
Class Size Reduction	\$0**	\$1.3 billion	+\$1.3 billion
After-School Programs	\$300 million	\$453 million	+\$153 million
GEAR UP	\$0	\$200 million	+\$200 million
Title I Grants to LEAs	\$7.732 billion	\$7.941 billion	+\$209 million
Accountability Set-aside/Title I	\$0	\$134 million***	+\$134 million
Head Start	\$4.760 billion	\$5.267 billion	+\$507 million
Education Technology	\$500 million	\$769 million	+\$269 million
Teacher Quality Enhancement	\$75 million	\$98 million	+\$23 million
Safe and Drug Free Schools	\$566 million	\$606 million	+\$40 million
Charter Schools	\$130 million	\$145 million	+\$15 million
Reading Excellence	\$200 million	\$260 million	+\$60 million
Adult Education	\$ 378 million	\$470 million	+\$92 million
Work Study	\$ 880 million	\$934 million	+\$64 million
Learning Anytime Anywhere	\$0	\$24 million	+\$24 million
Hispanic Educ. Action Plan****	\$43 million	\$436 million	+\$393 million

*Based on the Labor/Health and Human Services and Education bill passed by the House Appropriations Committee on September 23, 1999. This bill provided \$33.321 billion for all education programs, compared to \$35.701 billion in the final budget agreement.

**House bill eliminated the class size program by absorbing it in a block grant that dedicated no funding specifically for class size reduction.

***The Title I set-aside for accountability is also included in the Title I grants to LEAs.

****These figures represent increase over FY 1999. HEAP figures also include increase to Title I.

PROGRESS ON AMERICA'S PRIORITIES

November 18, 1999

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT

The budget agreement represents a victory for President Clinton's stand for fiscal discipline. As a result of the President's commitments, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

- **Debt Quadrupled Between 1981 and 1992:** Between 1981 and 1992, the debt held by the public quadrupled. The budget deficit grew to \$290 billion in 1992 – and was projected to grow to more than \$400 billion by 1999.
- **President's Tough Choices Led to Largest Surplus Ever:** As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of \$123 billion – the largest ever.
- **The President Stopped Republican Attempts to Reverse this Fiscal Discipline:** Throughout the year, the Republican Congress took steps that would have threatened our fiscal discipline. These were stopped by the President, who vetoed the Republican's fiscally irresponsible and exploding tax cut.
 - **In January, Republicans Proposed a Tax Cut that Would Have Spent the Social Security Surplus:** H.R. 3 and S. 3 called for an across-the-board 10 percent reduction in income tax rates. According to Joint Committee on Taxation Estimates, this proposal would have cost \$58 billion in 2000 – *using tens of billions of dollars from the Social Security surplus this year*. In the first five years, this tax cut would have cost \$360 billion – much more than could be paid for out of the non-Social Security surplus, then projected at \$165 billion by the Congressional Budget Office (CBO).
 - **In August, Republicans Passed a Tax Cut that Would Likely Have Spent the Social Security Surplus:** In August, the Republican Congress passed a \$792 billion tax cut that, if continued, would have used virtually all of CBO's projected surplus over the next 10 years. It would have used growing amounts of the Social Security surplus every year after 2004. This tax cut was based on a budget plan that would have required nearly 50 percent cuts in all domestic discretionary spending, assuming defense were funded at the level requested by the President. If cuts of this magnitude were not made, the likely consequence of the Republican tax cut would have been to divert hundreds of billions of dollars of the Social Security surplus from promised debt reduction.

A VICTORY FOR AMERICA'S STUDENTS

After vetoing a Congressional budget that denied funding to priority education and training investments, President Clinton and Vice President Gore delivered on their ambitious education agenda.

- ✓ **More High-Quality Teachers With Smaller Class Sizes:** President Clinton's budget included the second installment of his plan to help reduce class size in the early grades by hiring 100,000 quality

teachers. The President vetoed a Congressional budget that reneged on last year's bipartisan agreement, did not guarantee funding for 29,000 teachers hired last year, and would have allowed Class Size dollars to be used for virtually any activity – including vouchers – rather than hiring qualified teachers. The final budget enhances last year's teacher quality and flexibility provisions and provides \$1.3 billion for Class Size Reduction, enough to stay on track to hire 100,000 teachers over the next 6 years.

- ✓ **More than Twice as Much Federal Support for After School:** In his State of the Union address, the President called for a large investment in after school and summer school programs to give children the extra help they need to meet high standards. The final budget more than doubles the federal investment in these programs to \$453 million, to provide educational support to nearly 675,000 students – 375,000 more students than last year.
- ✓ **Early Intervention To Help Disadvantaged Students Prepare for College:** House Republicans proposed to terminate the President's GEAR UP college preparation initiative for low-income students, a new initiative begun in 1998. The final budget increases funding for GEAR UP from \$120 million in 1999 to \$200 million to support State projects and partnerships of colleges, high-poverty schools, and community organizations, to help 482,000 students aspire to and prepare for college starting in the 7th grade.
- ✓ **Accountability for the Lowest Performing Schools:** In his State of the Union address, President Clinton insisted that “all states and school districts must turn around their worst-performing schools – or shut them down,” and his Budget included funds to help states and school districts turn around their own failing schools. The final bill provides \$134 million in Title I funds to help turn around the worst-performing schools and hold them accountable for results. In addition, the bill provides \$7,807 million for the base program, Title I Grants to LEAs, which is an increase of \$75 million over last year, in order to continue efforts to help disadvantaged students catch up with their peers.
- ✓ **More Education Technology for Students:** The final budget triples funding for Community Technology Centers to reach at least 120 low-income communities, provides \$75 million to train new teachers in the use of technology, and provides \$425 million to states and school districts to purchase computer hardware and educational software. Investment in educational technology has increased to \$769 million, up from \$698 million in 1999.
- ✓ **Making Schools Safe, Disciplined, and Drug-Free:** The budget agreement provides \$606 million for school-based drug and violence prevention programs, including the President's \$50 million request for the Coordinator Initiative, that would provide coordinators to plan, implement, and evaluate successful prevention programs in middle schools across the Nation. Additional resources are also provided for an expansion of the interagency Safe Schools/ Healthy Students initiative, with HHS and DoJ.
- ✓ **Expanded Head Start:** President Clinton and Vice President Gore proposed a \$607 million increase for Head Start to serve an additional 44,000 young children – and stay on track toward serving one million children by 2002. The House Republican budget did not provide the President's increase and would have denied over 40,000 children Head Start slots if enacted. The final budget includes the President's full increase for Head Start, which is funded at \$5.3 billion – or 90 percent above the 1993 level.

- ✓ **Increasing Public School Choice Through Charter Schools:** The budget agreement provides \$145 million for Public Charter Schools, an increase of \$45 million over the FY 1999 enacted level. This will strengthen and expand public school choice by providing startup funding to as many as 2,400 charter schools next year, about 650 more schools than this year. The President has pledged to help start 3,000 charter schools across the country by early in the next century. When President Clinton and Vice President Gore were first elected in 1992, there was only one charter school operating in the country. This year, more than 1,700 charter schools are operating, serving a diverse student body in more than 30 states. This remarkable growth is in large part due to the President's leadership and support for these innovative high quality schools.
- ✓ **Hispanic Education Agenda:** President Clinton's budget included an ambitious agenda to address the disproportionately low educational achievement and high dropout rates of Latino students. The final budget includes \$436 million in increases for a number of education programs that help to improve the educational outcomes of Latinos and limited English proficient students, including Title I Grants to LEAs, Adult Education, Bilingual Education, and TRIO.
- ✓ **English Language/Civics Education Initiative:** The increase to Adult Education targets \$25.5 million for the President's ESL/Civics Initiative, which would provide instruction in both English literacy and critical life skills necessary for effective citizenship and civic participation.
- ✓ **Largest Maximum Pell Grant Award Ever:** The final budget provides \$7.7 billion for Pell Grants, increasing the maximum Pell Grant award from \$3,125 to \$3,300. The maximum award has increased 43 percent since President Clinton and Vice President Gore took office in 1993.
- ✓ **Support for One Million Students To Work Their Way Through College:** The President's budget requested \$934 million for Federal Work-Study to fulfill his commitment to expand work-study to one million students in FY 2000. House Republicans initially provided only \$880 million. The final budget provides the President's request and will give one million students the opportunity to earn money for college through part-time work.
- ✓ **Training for Dislocated Workers:** The final budget provides a \$190 million increase for a total of \$1.6 billion to provide much needed training for dislocated workers. This is more than triple the funding in 1993, allowing the program to serve more than 3 times as many dislocated workers. This increase is a step toward meeting the 5-year goal of the Universal Reemployment Initiative to provide training to every dislocated worker who wants and needs training.
- ✓ **Providing for School Construction:** The final budget extends Qualified Zone Academy Bonds (QZABs) through 2001. QZABs provide no-interest loans to school districts in needy areas to fund certain expenditures on rehabilitation and repairs, educational equipment, curriculum development, and teacher training. QZABs have been used to purchase computers and develop technology-based curricula, renovate and repair a charter school, purchase computer software and hardware to develop literacy programs, and even to establish the first public secondary military academy in the nation.
- ✓ **Tax Relief to Encourage Worker Training:** The final budget extends the tax relief provided by Section 127 through 2001, which allows employers to provide educational assistance for courses at degree-granting institutions as a tax-free fringe benefit. By encouraging worker education, it helps employers expand the skills of their work force and expands the opportunities of workers to adapt to new technologies.

FIGHTING CRIME, DRUGS, AND GUNS

To keep crime coming down to record lows, President Clinton and Vice President Gore fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

- ✓ **More Police on the Streets:** In 1994, President Clinton and Vice President Gore won a commitment to put 100,000 police officers on the street. In his State of the Union Address, the President proposed a 21st Century crime plan to hire up to 50,000 more police officers by 2005. The final budget contains full funding for the first installment toward meeting this goal.
- ✓ **Law Enforcement Technology:** The final budget provides \$230 million to provide law enforcement with the latest crime-fighting and crime-solving technology.
- ✓ **Community Prosecutors:** Provides \$10 for the Administration's initiative to extend the success of community policing to local prosecutors.
- ✓ **Strengthened Gun Enforcement:** An increase of \$12.6 million for more ATF agents to bolster federal law enforcement efforts against gun crime.
- ✓ **Youth and Guns:** Over \$50 million for the President's Youth Crime Gun Interdiction Initiative, to expand the initiative from 27 to 38 cities, trace more guns used in crimes, and add more ATF agents to crack down on illegal gun traffickers who supply guns to juveniles and criminals.
- ✓ **Youth Anti-Drug Media Campaign:** \$185 million to continue the successful campaign to reach our youth with the message that drugs are wrong, dangerous and deadly.

INVESTING IN A CLEANER ENVIRONMENT

President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2000 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President forced Congress to drop or substantially modify dozens of anti-environmental riders that would have rolled back hard-won environmental safeguards and benefited special interests at the expense of our public lands.

- ✓ **Preserving Our Lands Legacy:** The President and Vice President won \$651 million for Lands Legacy, an historic initiative that strengthens federal efforts to preserve natural treasures and provides communities with new resources to protect local green spaces. Lands Legacy funding, a 42 percent increase over last year, includes:
 - \$444 million for federal agencies to acquire and protect dozens of natural and historic sites around the country and off our coasts, including:
 - The full \$101 million needed to purchase New Mexico's majestic Baca Ranch, home to one of North America's largest wild elk herds;
 - \$78 million to acquire lands critical to the Administration's Everglades restoration strategy;

- \$36 million to manage and protect marine sanctuaries and coral reefs;
 - \$15 million in matching funds to protect wilderness and other lands in the California Desert.
 - \$206 million for states and local governments to help communities preserve their farms, urban parks, coastal areas, and working forests.
- ✓ **Ensuring Clean Water and Healthy Communities:** The final budget secures \$1.8 billion for the President's Clean Water Action Plan, a 9 percent increase includes increased funds to reduce polluted runoff from large livestock operations. In addition, the Environmental Protection Agency budget provides \$2.17 billion to help communities build or upgrade drinking water and sewage treatment plants, and \$1.4 billion to continue progress toward cleaning up 900 Superfund sites by 2002.
- ✓ **Leading the Fight Against Global Warming:** The budget provides \$1.1 billion for research and development of clean energy through the Climate Change Technology Initiative, including a 7 percent increase for energy efficiency investments to reduce pollution, create jobs, and save consumers money.
- ✓ **Saving Pacific Salmon:** The Administration secured \$83 million to initiate two major new efforts to restore salmon in the Pacific Northwest: \$58 million for states and tribes through the Administration's Pacific Coastal Salmon Recovery Fund; and \$25 million to implement an historic salmon treaty with Canada.
- ✓ **Fighting Congestion and Dirty Air:** The budget provides \$8.2 billion, a 10 percent increase, for programs that reduce air pollution while increasing transportation choices. This includes increases of \$407 million for public transit, and \$278 million to help communities reduce congestion while improving air quality.
- ✓ **Encouraging Energy Efficiency:** Extend through 2001 the tax credits for wind and biomass energy production. These tax credits encourage no- (wind) and low- (biomass) emission energy production. The biomass tax credit encourages farmers to grow certain materials that can be burned to produce energy. Producing energy from wind and biomass preserves scarce energy resources and reduces our reliance on imported oil.
- ✓ **Cleaning Up Brownfields:** The budget extends the tax provision that allows businesses to fully deduct the cost of cleaning up polluted "brownfields" in targeted areas through 2001. This provision encourages the redevelopment of blighted properties, which improves the environment and makes communities more livable.
- ✓ **Defending Our Environment Against Stealth Attacks:** In addition to securing these major new environmental investments, President Clinton and Vice President Gore stood as the last line of defense against congressional efforts to attach anti-environmental riders to budget bills. These riders would have given special deals to special interests by: allowing overcutting of our national forests and jeopardizing the President's plan to protect more than 40 million acres of roadless areas; allowing mining companies to dump more toxic waste on public lands and delaying critical mining reforms; letting major oil companies continue paying below-market royalties on oil developed on federal lands; crippling critical protections for wetlands and wildlife; and attempting to block common-sense actions to reduce greenhouse gas pollution.

MAINTAINING AMERICA'S GLOBAL LEADERSHIP

The Republican Congressional budget would have turned its back on America's leading role in the world by not providing for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world – by meeting our commitment to the Middle East peace process, paying our dues and arrears to the United Nations, making a critical investment in debt relief for impoverished countries, funding efforts to safeguard nuclear weapons and expertise from the former Soviet Union, and help raise labor standards around the world.

- ✓ **Promoting Peace in the Middle East:** The Congress fully funded the President's \$1.8 billion request arising from the Wye River Agreement, which is essential to promoting peace in the Middle East. As Israelis and Palestinians move ahead on an ambitious agenda to rapidly conclude a peace accord, this funding sends an important message of U.S. commitment to building a lasting peace.
- ✓ **Maintaining Leadership at the United Nations:** In an agreement reached between the President and Congress, the United States will now be able to avoid losing its vote, encourage needed reforms at the UN, and repay \$926 million owed to the UN. This will help meet our obligations to the UN in order to protect our national security interests and preserve American influence within the organization and around the world. The bill passed by the Congress and vetoed by the President would have caused the United States to lose its vote in the General Assembly.
- ✓ **Debt Relief for Poor Countries:** The bill provides \$110 million to fund reduction of debts owed to the U.S. government by the poorest developing countries. This amount represents an increase of \$90 million above the Foreign Operations conference agreement funding level for this purpose (\$20 million). We now have sufficient resources to finance U.S. participation over the next year in the bilateral debt aspect of the Cologne Debt Initiative. The agreement also includes authorization for U.S. support to use a portion of International Monetary Fund (IMF) gold reserves for debt relief, and additional authorization would permit the use of the full amount of gold earnings. Together, the funding and authorizations will help to begin to provide debt relief for the world's poorest nations, and allow them to focus on providing basic needs for their own citizens instead of paying interest to international creditors. Unfortunately, the agreement omits appropriations for the U.S. contribution to the Heavily Indebted Poor Country (HIPC) Trust Fund, which will be necessary to fully finance the participation of some multilateral development institutions in this historic initiative. We will work with Congress next year to secure this crucial funding as well as authorization to use the remaining portion of IMF gold earnings.
- ✓ **Promoting International Development:** The bill provides \$1.1 billion for the U.S. contribution to multilateral development banks including the World Bank and regional development banks. This amount represents an increase from the \$895 million included in the Foreign Operations conference agreement; however, it remains lower than the Administration's original request of \$1.4 billion.
- ✓ **Reducing the Nuclear Weapons Threat and Building Democracy in Russia and the Newly Independent States:** The final bill provides \$839 million to fund critical efforts in the Newly Independent States (NIS) to reduce the threat of nuclear weapons, to promote democracy, private

enterprise, and free speech, and to generally assist in the transition these countries are undertaking. The bulk of these funds will go to the President's Expanded Threat Reduction Initiative (ETRI) for programs to increase nuclear security in the former Soviet Union, dismantle strategic weapons, and strengthen efforts to block transfers of sensitive technology and expertise. The budget will also allow us to help remove Russian troops from Georgia and Moldova, and to expand civilian research projects with former Soviet weapons scientists.

- ✓ **Raising International Labor Standards and Protecting Workers:** The FY 2000 Budget includes \$70 million for working with developing economies through the International Labor Organization (ILO), an increase of \$30 million over FY 1999. These funds include \$20 million to finance the creation of a new arm of the ILO to provide technical assistance to help countries implement core labor standards. The agreement also provides \$10 million to fund bilateral technical assistance by the US Department of Labor to developing economies seeking to establish social safety net programs and design, implement and enforce labor market policies. In addition, Congress provided the State Department with sufficient funds to allow it to go forward with the President's initiative to support innovative efforts to eliminate sweatshops.
- ✓ **More Funding for President Clinton's Child Labor Initiative:** Last year, the President proposed a 10-fold increase in funding for the ILO's International Program for the Elimination of Child Labor (IPEC) – from \$3 million to \$30 million – and Congress agreed. This year, the Congress once again fully funded the President's \$30 million request. In addition, Congress provided additional funds sought by the President to support enhanced customs enforcement of the ban on importation of goods made with forced or indentured child labor. Congress also provided sufficient funds to the United States Agency for International Development (USAID) to allow it to go forward with the President's new "School Works!" program, which will help developing countries provide educational alternatives to abusive child labor. Finally, to help us lead by example, the budget includes enhanced resources for domestic labor standards enforcement that should help improve compliance with U.S. child labor laws.
- ✓ **Improving Military Pay and Readiness:** The final bill fully funded the President's "trilogy" pay initiative which includes a significant pay raise, pay table reform, and a change in military retirement. The bill additionally funds fully all of our critical readiness programs (unit training, depot maintenance, recruiting, and spare purchases).
- ✓ **Modernizing the Air Force:** The final bill restores most of the funding for the F-22, allowing the program to continue.
- ✓ **Continuing Chemical Demilitarization:** The final bill approves the higher funding level passed by the Senate (the House proposed cuts of \$392 million), helping to meet our treaty deadlines under the Chemical Weapons Convention for destruction of chemical weapons.

EMPOWERING FAMILIES AND COMMUNITIES

President Clinton and Vice President Gore are committed to tapping the potential of America's urban and rural communities. This budget moves forward on their vision to help revitalize America's communities and empower families.

- ✓ **Funding 60,000 New Housing Vouchers for America's Hard-Pressed Working Families:** The budget includes \$347 million for 60,000 new housing vouchers for low-income families, building

on last year's level of 50,000. The House and Senate-passed bills had included zero funding for this initiative. These vouchers will subsidize the rents of America's hard-pressed working families, enabling them to move closer to economic opportunities.

- ✓ **Additional Funding for Empowerment Zones:** The budget provides \$70 million in funding for Rural and Urban Empowerment Zones. The President's budget requested \$165 million – \$150 million for urban EZs and \$15 million for rural EZs/ECs. The House and Senate bills included no funding. All of the Urban and Rural EZs (20 Zones) and rural enterprise communities (20 ECs) that were designated by the Vice President in January 1999 as Round II zones will receive funding.
- ✓ **Protecting Rent Subsidies for Low-Income Families:** The final budget includes \$10.8 billion for the renewal of all Section 8 contracts, an increase of \$1.2 billion from FY 1999. This will ensure continuation of HUD rental subsidies for low-income tenants in privately-owned housing.
- ✓ **Housing Assistance for Elderly and Disabled:** The final budget includes expansion of funding for affordable housing for the elderly and disabled by \$911 million, \$57 million above FY 1999, enabling about 30,000 people to have affordable housing. Also included were core elements of a *Housing Security Plan* for older Americans that recognizes the dramatic increase in our elderly population and the changing housing needs that accompany this demographic shift.
- ✓ **Increased Funding for Homeless Assistance:** The President and Vice President proposed a major expansion of HUD's continuum of care program, designed to help homeless persons obtain temporary and permanent housing. The final budget includes \$1.02 billion in funds for the homeless assistance grants – a \$45 million, or 5 percent, increase over last year.
- ✓ **Extending the Work Opportunity Tax Credit:** This tax credit encourages employers to hire individuals who have traditionally had a hard time securing employment. Targeted groups include disadvantaged youth, including those living in empowerment zones and enterprise communities, welfare recipients, and qualified veterans. The maximum credit paid to the employer is as much as 40 percent of an individual's first \$6,000 in wages. The President proposed to extend this credit in his FY 2000 budget and the final budget includes an extension through 2001.
- ✓ **Extending the Welfare-to-Work Tax Credit:** This tax credit encourages employers to hire and retain certain long-term assistance recipients. The maximum credit to an employer is as much as 50 percent of wages, with a maximum credit of \$8,500 per qualified employee over 2 years. The President proposed to extend this credit in his FY 2000 budget and the final budget includes an extension through 2001.
- ✓ **Access to Jobs Transportation Funds:** The final budget includes \$75 million to assist states and localities in developing flexible transportation alternatives, such as van services, to help former welfare recipients and other low income workers get to work.
- ✓ **Individual Development Accounts:** Since 1992, President Clinton and Vice President Gore have supported the creation of Individual Development Accounts (IDAs) to empower individuals to save for a first home, post-secondary education, or to start a new business. Last year, Congress passed legislation authorizing IDAs, and the final budget includes \$10 million for a second round of demonstration grants.

- ✓ **Continuing To Build a Network Of Community Development Banks Across the Nation:** The final budget includes \$95 million for the Community Development Financial Institutions (CDFI) Fund that will expand the capacity of the network of community development financial institutions across the country, spurring the flow of capital to distressed neighborhoods and low-income residents. The President's budget requested \$125 million for the CDFI Fund – the House appropriated \$70 million and the Senate appropriated \$80 million. The added resources bring funding up to FY 1999 enacted levels.
- ✓ **More Home Delivered Meals:** President Clinton's budget included an additional \$35 million for home-delivered meals, a 31 percent increase over last year's funding level. Hundreds of thousands of seniors with disabilities depend on nutritious home-delivered meals to help them remain in their homes. The final bill includes this increase to support the delivery of 146 million meals in FY 2000.
- ✓ **HUD Fair Housing.** The final budget includes \$44 million for efforts to fight housing discrimination, a \$4 million increase from last year's enacted level, as part of President Clinton and Vice President Gore's "One America" initiative. This amount includes \$6 million to continue the audit-based fair housing enforcement initiative started last year.
- ✓ **Maintaining Community Service.** The VA/HUD bill includes \$438.5 million for AmeriCorps, funding that will support nearly 50,000 AmeriCorps members in community service projects across the country.

PROGRESS ON THE NEW MARKETS INITIATIVE

In his State of the Union, President Clinton proposed to bring more private investment to all areas of the United States. The President and Congressional Leaders have agreed to work together to enact bipartisan legislation to help spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. The New Markets initiative enjoys bipartisan support.

- ✓ **Funding America's Private Investment Companies (APICs):** Provides \$20 million of funding for APICs (subject to authorization), key elements of the President's New Markets Initiative to leverage \$800 million of new investment in underserved areas.
- ✓ **New Markets Venture Capital Program:** \$16.5 million in funding, subject to authorization, has been provided for the New Markets program at the Small Business Administration (SBA). This includes \$6 million in funding for the New Markets Venture Capital program, which provides capital to untapped rural and urban new market areas; \$1.5 million for BusinessLINC, which encourages large businesses to mentor small business owners; and \$9 million for technical assistance to enhance the borrower's probability of success. This program exploits investment opportunities that are not presently being met by private lenders.
- ✓ **Authorization of the PRIME Program:** Congress passed new legislation that included authorization of the PRIME Act, which will provide micro-enterprise technical assistance through competitive grants to micro-enterprise development organizations that focus on low-income entrepreneurs.

ADDRESSING HEALTH CARE

The President won a \$34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, and advance biomedical research with a historic investment of \$2.3 billion.

- ✓ **Passing the Landmark Work Incentives Improvement Act for People with Disabilities:** Since 1998, the President has advocated for the passage of the bipartisan Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act. Currently, people with disabilities often become ineligible for Medicaid or Medicare if they work, forcing a choice between health care and employment. This legislation allows people with disabilities to maintain their Medicare or Medicaid coverage when they go to work. It also includes a \$250 million demonstration, which the President insisted on fully funding, that allows people with disabilities who are still working and are not sufficiently disabled to qualify for Medicaid to buy into the program. Finally, the bill reforms the training system for people with disabilities.
- ✓ **Increasing Access to Health Care for the Uninsured:** Fully funds the President's request of \$25 million, making a down payment on the President's \$1 billion investment in developing integrated systems of care for the uninsured. It also provides an additional \$15 million to identify the best way to deliver health care services to this population.
- ✓ **Supporting Graduate Medical Education at Children's Hospitals:** Fully funds the President's request of \$40 million to support graduate medical education at freestanding children's hospitals, which play an essential role in the education of the nation's pediatricians.
- ✓ **Caring for the Nation's Elderly.** Includes a \$43.5 million increase for the new Nursing Home Initiative, only \$1 million below the President's request, for more rigorous inspections of nursing facilities and improved federal oversight and enforcement of nursing home quality.
- ✓ **Improving States' Capacity to Deliver Health Care Services to the Mentally Ill:** Provides an additional \$67 million above the FY 1999 funding level, for the Mental Health Block Grant, a 23 percent increase over FY 1999 and the largest increase ever.
- ✓ **Preparing For and Preventing Bioterrorist Attacks:** Fully funds the President's request of \$52 million to stockpile vaccines, antibiotics, and other medical supplies to deploy in the event of a chemical or biological terrorist attack.
- ✓ **Reducing Racial Disparities in Health Status:** Provides an additional \$20 million, a 200 percent increase over the FY 1999 funding level for health education, prevention, and treatment services to address health disparities among minority populations.
- ✓ **Expanding AIDS Care, Prevention, and Research:** The Administration and Congress continue their strong partnership to address the AIDS epidemic with substantial increases in funding. Included in the bill are a \$73 million increase in funding for HIV prevention activities to help stop the spread of this disease; an increase of \$183 million in the Ryan White CARE Act, which helps provide primary care and support for those living with HIV/AIDS; and an estimated \$300 million in additional funds for AIDS-related research at the NIH. Congress and the Administration also worked closely together to add \$80 million in funding to the Minority AIDS Initiative, which

utilizes existing programs to reach African-Americans, Latinos, and other racial and ethnic minorities that are disproportionately impacted by HIV/AIDS. Consistent with the President's request, an additional \$100 million to fight AIDS internationally was funded. Finally, the Administration helped protect local authority over HIV prevention activities, successfully removing language from the District of Columbia appropriations bill that would have tied the hands of community health agencies in their ability to use needle exchange programs as part of their overall HIV prevention strategy.

- ✓ **Preventing Childhood Diseases:** Provides an additional \$62 million, a 4 percent increase over FY 1999 funding levels to provide childhood immunizations nationwide and fully funds the President's request to eradicate polio worldwide.
- ✓ **Providing Critical Organ Transplants to Those Most In Need:** Permits the development of a more equitable allocation system for the over 63,000 Americans awaiting organ transplants, saving hundreds of lives a year.
- ✓ **First Time Funding For the Ricky Ray Hemophilia Relief Fund Act:** Provides \$75 million for one-time payments of \$100,000 to hemophiliacs who were infected with HIV by blood solids during the 1980s.
- ✓ **Controlling the Spread of Infectious Disease:** Provides \$29 million to the Center for Disease Control (CDC), a 21 percent increase over the FY 1999 funding level, for programs dedicated to emerging infectious diseases and improving disease surveillance systems.

RESPONDING TO THE FARM CRISIS

The Agriculture Appropriations bill included \$8.6 billion in emergency funds to assist our Nation's farmers and ranchers who are suffering through the second year in a row of low commodity prices and, for many, crop and livestock losses from severe drought and flooding. The bill doubled annual payments to farmers of major grain crops to about \$11 billion. The emergency funds include \$400 million to help subsidize the cost of crop insurance premiums and \$325 million for livestock and dairy assistance. In addition, the Administration secured an additional \$2.5 billion in farm loans in final negotiations, as well as \$186 million more for nationwide crop losses – bringing total crop loss funds to nearly \$1.4 billion, as well as \$130 million to clear farm fields and streams of debris left by flooding. The President and Vice President remain concerned that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation and that more needs to be done.

A STRONG RESEARCH AND DEVELOPMENT AGENDA

For six years in a row, President Clinton and Vice President Gore have proposed substantial increases in the Federal government's research and development portfolio to build a healthier, more prosperous, and productive future. The final budget increases the President's "21st Century Research Fund" for civilian research programs by more than \$3 billion.

- ✓ **National Science Foundation:** A 6.6 percent increase in support for science and engineering research and education, including \$126 million for the Administration's "Information Technology for the 21st century" initiative. The NSF supports nearly half of the non-medical basic research conducted at universities.

- ✓ **National Institutes of Health:** Provides \$2.3 billion, a 15 percent increase over FY 1999 funding levels, to build on the President's commitment to biomedical research as a foundation for combating disease and advancing medical technologies.
- ✓ **Information Technology:** The final budget includes more than \$80 million in funding for the Next Generation Internet, which is connecting more than 100 universities at speeds that are up to 1,000 times faster than today's Internet. It also includes \$235 million for the Administration's "Information Technology for the 21st Century" initiative, which will strengthen America's leadership in the high-tech industries of the future, and accelerate the pace of discovery in all science and engineering disciplines. Currently, IT industries account for 1/3 of U.S. economic growth.
- ✓ **Defense Research:** Department of Defense (DOD) support for basic and applied research is up almost 8 percent. DOD is a leading supporter of basic research in computer sciences, mathematics, oceanography, and most engineering disciplines.
- ✓ **Increases in Science at Department of Energy:** Science Programs increased \$117 million. DOE, the principal supporter of the Federal investment in the physical sciences, has supported research that has resulted in over 60 Nobel prizes. DOE's scientific user facilities are used by more than 15,000 scientists to conduct frontier scientific research, and provide the next generation of scientists and engineers.
- ✓ **Advanced Technology Program:** President Clinton's FY 2000 budget continues to fund ATP's research and development into cutting-edge high-technologies. While the House proposed eliminating the program, the final budget will allow ATP funding for an additional \$51 million in new awards. ATP supports the development of high-risk technologies that promise significant commercial payoffs and widespread economic benefits.
- ✓ **NASA - Investing in Our Future:** The budget includes \$13.65 billion for NASA, an additional \$100 million. The funding levels passed by the House would have cut the NASA budget by almost \$1 billion. These investments offer the potential of new scientific breakthroughs through an aggressive robotic series of exploration missions into the solar system, as well as enhancing our ability to monitor important changes in the earth's climate system, and strengthening aviation safety for the travelling public.
- ✓ **Extending the Research and Experimentation Tax Credit:** President Clinton proposed to extend the research tax credit because it provides incentives for private sector investment in research and innovation that can help increase America's economic competitiveness and enhance U.S. productivity. The final budget extends this research tax credit through 2004. This long-term extension will encourage companies to undertake new multi-year research activities, secure in the knowledge that the 20 percent tax credit will continue to be available.

OTHER HIGHLIGHTS

- ✓ **Nutrition for Women, Infants, and Children (WIC):** The final budget provides over \$4 billion for nutrition assistance to 7.4 million women, infants, and children through the WIC program, an increase of \$108 million over FY 1999. The additional funds will allow the program to provide a monthly package of nourishing supplemental foods, nutrition education, and health care referrals to

7.4 million low-income women, infants, and children who are at nutritional risk – a 25 percent increase in participation since 1993.

- ✓ **Boosting Funding for Natural Disasters Such as Hurricane Floyd:** The budget provides \$2.8 billion for the Federal Emergency Management Agency's (FEMA) disaster relief fund to assist victims with repairs and recovery from natural disasters. This includes \$215 million to address unmet housing needs resulting from Hurricane Floyd that could not otherwise be met by Federal disaster assistance programs.
- ✓ **Expanding Civil Rights Enforcement:** Funding for the Civil Rights Division of Justice was expanded from \$69 million in FY 1999 to \$82 million in FY 2000 – a 19 percent increase. Funding for HUD fair housing programs was increased by \$4 million – a 10 percent increase.
- ✓ **Largest Increase In Family Planning Services Since 1993:** The President won a nearly \$25 million increase for Title X family planning, the largest increase since 1993, bringing the program to almost \$240 million for FY 99. These grants fund family planning clinics providing reproductive health services and clinical care to over 5 million low-income women.
- ✓ **President's Food Safety Initiative:** The bill provides an increase of \$59 million for the President's Food Safety Initiative, which will fund enhanced domestic and imported food safety inspections; increased outbreak response and traceback work; and expanded research, risk assessment and education activities. In addition, this increase will fund enhanced Federal-State inspection partnerships, bioscience research, and Risk Assessment modeling and data collection to include the pre-harvest phase for all foods.
- ✓ **The Final Bill Strengthens Enforcement of Labor Protections.** The final bill provides key funding increases for worker protection programs including Occupational Safety and Health Administration (OSHA) oversight of employee pension and health plans, enforcement of wage and hour laws, and the National Labor Relations Board (NLRB). The final total of \$1.3 billion is \$105 million (9 percent) above the FY 1999 enacted level. As a result of these increases, OSHA will conduct approximately 3,000 more compliance inspections thereby increasing the safety and health of our Nation's workers, particularly those in high-hazard industries. In addition, the Department of Labor also will be able to implement new health care laws effectively and encourage equal pay practices that will benefit our workers.
- ✓ **Ensuring That American Families Continue to Benefit From Tax Credits:** The budget ensures that Americans take full advantage of their personal credits—including the child credit, the child and dependent care tax credit, and the Hope scholarship and Lifetime Learning credits—without restriction by the alternative minimum tax. The final budget extends these rules for the alternative minimum tax through 2001.
- ✓ **Encouraging First-Time Homeowners in the District of Columbia:** Extend through 2001 the \$5,000 tax credit for low- and moderate-income first-time homebuyers who purchase homes in the District of Columbia. This tax credit encourages homeownership and strengthens neighborhoods in the Capital City.

**DESPITE ALL THE PROGRESS IN THIS YEAR'S BUDGET, THERE IS STILL MORE
WORK THAT NEEDS TO BE DONE**

November 18, 1999

In the waning days of the session, the President and Congressional Democrats prevailed in making critical investments to advance the President's comprehensive education agenda, put more police on the streets, protect the environment, and strengthen America's leading role in the world. Much work remains for the future.

- × **Passing Common Sense Gun Legislation:** While the Administration's successful strategy of keeping guns out of the hands of fugitives, felons, and children has contributed to record declines in crime, recent tragic shootings reinforce the need to protect American families from gun violence. For months, Congress has failed to enact common-sense gun legislation. Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.
- × **Passing a Strong, Enforceable, Patients' Bill of Rights:** For over two years, the American people have been waiting for Congress to pass a strong, enforceable Patients Bill of Rights. During that time, the President has exercised his executive authority to extend critical patient protections to over 85 million Americans. The House passed such legislation earlier this year, but the Republican leadership is preventing an open debate on it in conference. The President continues to urge the Congress to recommit to passing this legislation and prevent another year from passing without action on this important issue.
- × **Strengthening Social Security:** The President has put forth a specific proposal to use the benefits of fiscal discipline and debt reduction to strengthen Social Security, extending its solvency from 2034 to 2050. This would be a down payment on truly saving Social Security. The Republican so-called "lockbox" legislation would not add a single day to the life of Social Security.
- × **Modernizing and Strengthening Medicare:** Although members of both parties joined the President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. With the number of beneficiaries expected to double over the next 30 years, Medicare needs adequate resources and the tools to be as efficient as possible. A long-overdue prescription drug benefit option is also essential for seniors and people with disabilities.
- × **Reducing Youth Smoking:** President Clinton and Vice President Gore have made passage of comprehensive tobacco legislation to reduce youth smoking a top priority in order to stop kids from smoking before they start through a significant price increase, measures to prevent tobacco companies from marketing to children, and critical public health prevention and education programs. Congressional Republicans have acted as politicians instead of parents, and killed this year's effort to increase the excise tax on cigarettes by 55 cents a pack. Public health experts agree that the single most effective way to cut youth smoking is to raise the price of cigarettes.

- × **Expanding Federal Hate Crimes Laws:** At a time when our leaders should be doing all they can to bring Americans together, the Congress has refused to enact legislation to punish hate crimes. The President has called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability. Congress should take a strong stand against intolerance and hatred by enacting such legislation without further delay.
- × **Providing for Long-term Care Assistance for the Those Chronic Illnesses and Their Families:** At the beginning of this year, the President proposed a new, \$6 billion initiative to address complex long-term care needs, including an unprecedented \$1,000 tax credit that compensates Americans with long-term care needs of all ages or the family caregivers who support them for their formal or informal costs. The initiative also supports a new National Family Caregivers Support Program that provides a range of critical services such as respite, home care services, and information and referral. Many members of Congress, on a bipartisan basis, introduced similar proposals, but despite this, the Congress failed to respond and lost an opportunity to provide critical assistance for this population.
- × **Providing Health Options for Older Americans:** In the FY 1999 and FY 2000 budgets, the President proposed an initiative to expand health options available for older Americans by: enabling Americans aged 62 to 65 to buy into Medicare by paying a full premium; providing vulnerable displaced workers ages 55 and older access to Medicare by offering those who have involuntarily lost their jobs and their health care coverage a similar Medicare buy-in option; and providing Americans ages 55 and older whose companies reneged on their commitment to provide retiree health benefits a new health option, by extending "COBRA" continuation coverage until age 65. Despite the fact that the number of uninsured Americans aged 55 to 65 is growing faster than any other age group, Congress refused to act on this proposal.
- × **Encouraging Small Businesses to Offer Health Insurance:** In the FY 2000 budget, the President proposed an initiative to encourage small businesses to offer health insurance to their employees through: a new tax credit for small businesses who offer coverage by joining coalitions; encouraging private foundations to support coalitions by allowing their contributions towards these organizations to be tax exempt; offering technical assistance to small business coalitions from the Office of Personnel Management. The President urges Congress to provide new health insurance options for these vulnerable Americans.
- × **Continuing to Help People Move From Welfare to Work:** In January, the President proposed to invest an additional \$1 billion in the Welfare-to-Work program and to reauthorize the program with several changes including helping more low-income fathers work and support their children. The Congress enacted eligibility changes similar to those proposed by the Administration to allow States, tribes and communities to more effectively serve low-income fathers and hard-to-employ welfare recipients, but failed to provide any new funding.
- × **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by \$1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests. More than 11 million workers would benefit from a \$1 increase in the minimum wage. A full-time, year-round worker at the minimum wage would

get a \$2,000 raise – enough for a typical family of four to buy groceries for 7 months or pay rent for 5 months.

- × **Expanding Trade and Providing Opportunity for Africa and the Caribbean Basin:** Congress should complete work on the Africa Growth and Opportunity Act and the Caribbean Basin legislation – crucial to strengthening our economic ties with Sub-Saharan Africa and our Caribbean and Central American neighbors. This legislation would help increase trade, enhance opportunity, and boost growth in America and nations in Africa, the Caribbean, and Central America. The President called for the rapid passage of the Africa legislation in the State of the Union address and has pressed the case for these bills several times since. The House passed this legislation overwhelming earlier this summer, but the legislation is now awaiting Conference action.
- × **Supporting Southeast Europe's Economic Development and Integration:** Congress should pass the Southeast Europe Trade Preference Act submitted by the President, which would authorize expansion of duty-free treatment to a broad range of imports from the region for five years. This initiative is an important part of the Stability Pact launched by the President and other leaders last July, and is designed to strengthen stability and prevent further conflict in the Balkans by facilitating long-term economic growth.
- × **Promoting Peacekeeping:** While the budget goes a long way in meeting the anticipated requirements for funding UN peacekeeping operations around the world, the Congress did not fund the full requests. The shortage threatens to undermine fragile peace processes around the world or to incur additional UN arrears. To promote peace and encourage burden-sharing, Congress should fully fund UN peacekeeping efforts.
- × **School Construction:** Despite record student enrollment and a massive maintenance backlog in our nation's schools, Congressional Republicans again failed to enact school construction legislation. The President's school construction proposal would provide funding to help states and school districts build and modernize 6,000 schools nationwide. We can not hold students to high academic standards if we do not provide them with adequate facilities within which to learn. Congress should pass the President's plan and invest in our nation's schoolchildren.
- × **Enacting Comprehensive Campaign Finance Reform:** This year, the Congress failed once again to adopt real, meaningful reform of our campaign finance system. Although the House passed a bipartisan reform plan, a minority of the Senate blocked further action and left unchecked the influence of moneyed special interests. The President will continue to fight for comprehensive campaign finance reform and believes that the Senate should act to restore the public's faith in our political process.
- × **Child Care Initiative.** In his State of the Union, the President proposed an historic child care initiative to make child care better, safer, and more affordable for America's working families. The President's proposal included \$7.5 billion over 5 years for child care subsidies for low-income working families, and tax credits to help millions of working families pay for child care. The Republican Majority has refused to support these critical investments.
- × **Farm Assistance.** The President and Vice President were pleased to get \$8.6 billion in emergency assistance to farmers and ranchers, but they believe that Congress did not address the underlying

issues that exist in the wake of Freedom to Farm legislation. For example, most of the assistance is not targeted to farmers who need it most, but is available to farmers, both large and small, whether they have suffered particular difficulty this year or not.

- × **Providing Fairness to Immigrant Families.** Congress has failed to take action to provide fairness to immigrant families by: restoring important disability, health, and nutrition benefits to additional categories of legal immigrants; restructuring the Immigration and Naturalization Service (INS); approving the Administration's proposal to support the process of democratization and stabilization now underway in Central America and Haiti and ensure equitable treatment for migrants from these countries; or changing the registry date to permit long-term migrants to adjust their status.
- × **Continuing to Empower Communities:** Urban and Rural Empowerment Zones were funded at \$70 million in 2000, \$55 million for Urban Zones and \$15 million for Rural Zones and Enterprise Communities. Empowerment Zones continue to be a priority for the President and Vice President and they are committed to supporting and obtaining funding for the Empowerment Zones' remaining eight years. Without the full 10 years of funding, the Round II Empowerment Zones and Enterprise Communities, designated in January 1999 by the Vice President, will have difficulty implementing their community and economic development strategies to revitalize their communities.

Pay now or pay later

Poor. That was the word that Gov. Lawton Chiles aptly used yesterday in describing the state of Florida's children. Citing problems ranging from child abuse to crowded schools, he focused on children

throughout his speech to the opening of the 1997 legislative session.

"Although this is called the *State of the State*," he told the first Republican-led Legislature since 1875, "I think the real question is: What is the state of our children? Today the answer is *poor*. But the answer for the future lies in the action you take during this session."

The governor began by recounting the personal "journey" that brought him to this point: his eight years in the Florida House of Representatives, his four years in the state Senate, his 18 years in the U.S. Senate, his six years as governor.

"I thought I was pretty darn good. I had a lot of answers — and I proposed a lot of solutions. I knew how to play the game. But now, 36 years later, I find I didn't even know where first base was. First base is our children. The answer to our most pressing problems begins with the child."

Thereupon Mr. Chiles took lawmakers on a rhetorical journey, from citing recent findings on how the human brain develops early in life to appealing for cost-effective "front-end solutions" that focus on the young.

Citing the success of his Healthy Start program's emphasis on prenatal and neonatal care (infant mortality down 23 percent since 1991), he urged the program's expansion. Ditto for adoption, for child-abuse prevention, and for

THE STATE OF THE STATE
Gov. Lawton Chiles is right: Investing in our children can yield big dividends in the future.

the Healthy Kids program, which now provides low-cost health insurance for 30,000 needy children in 16 counties.

Governor Chiles reminded lawmakers that preventive care saves money: "For

every dollar we spend to immunize our children . . . we save more than \$14 in health-care costs." Moreover, health care is relevant to education, which legislative leaders have described as their top priority. As Mr. Chiles correctly noted, "A sick child can't learn."

As for schools, Mr. Chiles appealed to lawmakers to move on several fronts. He promised that he would sign a "clean" bill raising academic standards; last year he vetoed a standards bill because it unwisely expanded school prayer.

Mr. Chiles also emphasized his support for a plan to relieve school overcrowding by extending the gross-receipts tax to cable TV, water, sewer, and solid waste services. That was one of three modest requests for hikes in taxes or fees included in Mr. Chiles's budget — and reiterated in his speech yesterday.

The others: a college-tuition increase and a 10-cents-a-pack increase in the cigarette tax to fund educational programs designed to discourage young people from using tobacco.

Aware that tax increases will face rough sledding in this Legislature, Mr. Chiles appealed for a fair hearing and bipartisan cooperation. "Our government may be divided," he said, "but our work doesn't have to be divisive. More than ever we need each other. Our people expect us to work together." So they do. Let the work begin.



Chiles

MIAMI HERALD

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Senate approves school reform package

By MARK HOLLIS

Staff capital bureau

TALLAHASSEE — Republicans in the Florida Senate showed signs of fracture this week over a measure to reform teacher tenure. But on Thursday, GOP senators set aside disputes and pushed out their showcase education reform package.

Landmark changes to the terms of employment for future generations of

teachers were agreed to without debate as the GOP-dominated Senate voted 39-0 in favor of a bill that makes it easier to fire teachers.

But some Republicans, including state Education Commissioner Frank Brogan, continued to raise concerns that new provisions in the bill could cripple attempts to oust incompetent instructors.

The measure must still be heard in the House, where Republican leaders say

■ **Revived battle:** Gov. Chiles renews his attack on the tobacco industry. 1B

they want to abolish, not just modify, teacher tenure this year. Gov. Lawton Chiles, meanwhile, has signaled that he might veto such a measure unless it protects teachers from arbitrary or unfair dismissals.

Also Thursday, the Senate agreed

unanimously on a plan to require students to pass algebra and maintain a higher grade-point average to earn a high school diploma. And it sent to the House a bill that encourages school boards to give teachers "merit pay" based on how well their bosses, colleagues and students say the teachers are performing.

But it was the bill (SB 340) by Sen. Please see **TENURE**, 5A

TENURE

continued from 1A

John Grant, R-Tampa, that is designed to shorten the time it takes to dismiss classroom faculty that provoked a flurry of political posturing and sidestepping by Republicans during the first days of the 1997 Legislature.

Senate Democrats, interestingly, found themselves in the awkward position Thursday of praising some Republicans — most notably, Senate President Toni Jennings — for backing changes made Wednesday to the tenure bill that require school administrators to give reasons for dismissing any teacher.

Advocates for reforming the state's policies on hiring and firing teachers have complained that teacher contracts have made it so difficult to get rid of teachers that only 58 of Florida's nearly 120,000 teachers were fired last year.

Grant's bill places all teachers hired after this fall on contracts of one to three years. Poorly performing faculty would get just 120 days to make improvements, instead of the entire year that they're now given. And during the first 97 days of teachers' employment, they can be dismissed for any reason.

"It may not be what some of you want it to be, but it's a whole lot better than where we are," Grant told Senate colleagues. "The (tenure bill) is a giant leap forward in getting ineffective teachers out of the classroom."

But some Republicans are disappointed by an amendment to require school boards to state their reasons for refusing to rehire a teacher at the end of a contract. The provision, which was developed in private meetings between representatives of the state's teacher unions and Jennings, are designed to protect teachers from arbitrary dismissal.

The amendments require "just cause" for dismissal or other evidence that teachers haven't met pre-set performance standards.

But several Republicans were so troubled by the changes that they requested that their names be removed as sponsors to the bill. Then, after the vote Wednesday, Brogan, furious over the Senate action, raced to Jennings' office to question her over the changes.

Though the Senate also passed a student standards bill that demands higher grades for students, some lawmakers and Chiles complained that the Legislature is yet to touch on more critical education issues, such as crowding in the schools.

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