

Performance Bonuses Bring Uneven Payoffs for Teachers

By KENNETH J. COOPER
Washington Post Staff Writer

A groundbreaking experiment with performance bonuses for teachers in Denver has shown uneven results for students and faculty in its first year—raising questions about an increasingly popular approach to lifting student achievement.

The four-year test is an important aspect of the growing trend of paying teachers at least partly based on their classroom performances. The bonuses reward good instructors and provide other teachers a financial incentive to work harder toward improving student scores.

Only in Denver, where teachers in 12 elementary schools volunteered to participate in the program, has “pay for performance” been based on test scores in individual classrooms, instead of entire schools.

At some of the Denver schools, all or nearly all the teachers met achievement goals negotiated with principals at the start of the

school year, and received an extra \$1,000 in their paychecks. Standardized test scores rose modestly, but the gains were not necessarily larger than in previous years.

But in at least one school, fewer than half the teachers qualified for the full bonus, causing hard feelings among those who didn't. They blamed a high turnover of students and the poor scores of a few.

Critics of altering the traditional salary structure, which is based primarily on seniority, worry that teachers whose students fail to improve because of social problems beyond a teacher's control will unfairly lose out on bonus money. They also are concerned that teachers competing for bonuses won't work together as a team. Instances of both were reported in Denver's trial run.

But the idea of transferring the concept to public school teachers has gained political support.

Vice President Gore has specifically endorsed the Denver experiment, while a spokeswoman for Texas Gov. George W. Bush said he would permit states to use federal funds for various forms of teacher compensation.

In the past year, the House and Senate have voted for versions of performance pay. Governors meeting at an education summit last fall also favored the practice.

About 20 school districts and states—from Boston and Dallas to Kentucky and California—pay bonuses to all teachers in a school if its test scores rise. This approach appeals to national teachers unions.

“There's a pretty good consensus to re-

ward groups, teams or schools, rather than individuals, because so many individuals are responsible for increasing achievement in schools,” said Sandra Feldman, president of the American Federation of Teachers.

The National Education Association, the larger of the two teacher unions, is scheduled to take a formal position on the issue next month at its annual convention. A study committee has recommended that it deem “group-performance incentive systems” as “worthy of experimentation.”

More states and districts are considering some form of performance pay. Education leaders in New York, Los Angeles, Cincinnati, Iowa, Maryland, Prince George's County and elsewhere have advocated or are working toward teacher bonuses.

“This is popping up all over,” said Allan Odden, an education professor at the University of Wisconsin who has been preaching the value of performance pay for a decade.

Besides incentive bonuses, Odden said, the concept includes “pay for knowledge and skills” based on a widely accepted theory that students learn more if their teacher has grown professionally.

Teachers who undergo rigorous certification by the National Board of Professional Teaching Standards, for instance, receive bonuses or salary increases in 25 states and 110 districts, including Virginia, Prince George's County and Montgomery County. Both national teachers unions support what some call “knowledge-based pay.”

In Denver's experiment, four schools

awarded bonuses if teachers took courses, read academic texts or developed new curriculum. The other eight schools either rated teachers based on student standardized test scores or other tests, including some developed by teachers. In all, teacher goals were based on 100 different tests.

Those goals varied by teacher but generally were aimed at raising scores by 5 to 10 percentage points or bringing lagging students up to grade level. The 350 teachers received \$500 up front for participating in the experiment and an additional \$500 for reaching each of two achievement goals.

The Denver school board is scheduled to review initial results of the experiment at its meeting Thursday.

At Colfax School on the city's far west side, 21 teachers reached both their goals and the other two met one, according to principal Mary Romero.

For Colfax's predominantly Mexican American students, the picture was mixed: In two grades, scores rose more than they had the year before, while in two others the increase was smaller than the previous year. In another grade, scores went down as much as they had a year earlier.

Not all of the school's teachers set goals to raise average scores. Some had specific goals for individual students.

Joyce Simmons, principal of Smith Renaissance School of the Arts in northeast Denver, sounded glum as she described the results at the mostly African American school. Scores increased, but not any more than they had in recent years. Fewer than half the

teachers met both their goals, and some failed to accomplish even one, creating tensions among the staff.

“This year, it really has not worked in the way I wanted it to,” Simmons said.

Esther LeMire was on a three-member team of first-grade teachers who came up short—because three students got low scores.

“Maybe if we had been better goal writers we would have met our goal, or if we had put our goal a little lower,” said LeMire, the school's representative to the local teachers union.

Principals and teachers participating in the pilot project reported a number of fairness and technical issues.

Is it fair to judge teachers of pre-kindergartners and kindergartners, for whom no standardized tests exist, based on scores on informal assessments? How fair a measure are the test scores of bilingual students in the third grade, when they make a language transition and take a test in English for the first time? How do you set achievement goals for specialists who teach the arts or physical education? For support personnel such as social workers and librarians?

And there were some doubts that \$1,000 was enough of an incentive to make a difference to teachers who earn an average of \$42,000 a year.

“It was probably enough to motivate a bit of extra work,” said Stephen Levin, a first-grade teacher who met his goals at Edison School. “I don't think it was enough to change the program.”

Discussion
Teacher
Performance
Plan

Egypt Offers New Scenarios in Flight 990 Crash

By DON PHILLIPS
Washington Post Staff Writer

Egyptian authorities have suggested to U.S. investigators that co-pilot Gamael Batouti was not alone in the cockpit when EgyptAir Flight 990 abruptly dived into the Atlantic Ocean last fall, killing all 217 people on board, according to sources close to the investigation.

U.S. authorities said privately that the Egyptian theory is based on a few garbled words on the Boeing 767's cockpit voice recorder that are inconclusive. They said the words might have come from a voice from elsewhere in the aircraft heard through the open cockpit door. The sounds were recorded after the captain left the cockpit, about a minute before the plane's final dive and 12 minutes into the Oct. 31 flight from New York's John F. Kennedy Airport to Cairo.

The Egyptians also said that damaged parts found in the crash indicate that a mechanical problem could have caused the dive, but U.S. authorities said they doubt that theory.

The Egyptian suggestions were part of a meeting in late April between senior Egyptian and U.S. safety officials, including National Transportation Safety Board Chairman Jim Hall. Sources from both countries confirmed details of the meeting, as well as more recent suggestions that Egyptian investigators have offered on the cause of the crash.

The April 28 meeting appeared to be more than just an effort by the Egyptians to persuade the NTSB to consider that a mechanical problem caused the crash. The Egyptians are upset at what they see as a failure by U.S. investigators to consider all the evidence in the crash, compounded by news reports—often based on leaks from U.S. sources—that sometimes use the word "suicide."

The Egyptian government and EgyptAir have hired several well-known law firms, public relations firms and former safety board officials, including former NTSB chairman Carl Vogt. But some investigators believe that the Egyptians are losing a war of perceptions, because they have been reluctant to present their theories to the U.S. public.

In the April meeting, the Egyptians detailed three main points to the NTSB:

- There is no evidence that Batouti committed suicide. Batouti was in good spirits before the flight, even offering some pills of Viagra, the male impotence drug, to a friend from the stash he was taking back to friends in Egypt.

- If Batouti did initiate the dive, he may have been responding to a sudden mechanical problem or to something he—and possibly another crew member—saw in the cockpit or outside. There is some indication that as the plane dived, there was coordination between two or three crew members working to save the plane.

- The Boeing 767 has experienced problems with elevator controls, and the safety board should consider whether the dive was initiated by an uncommanded downward deflection of the elevators, flat panels on the horizontal tail section that control the aircraft's up and down movements.

In the weeks since the meeting, Egyptian investigators said they have seen marks on one of the six hydraulic actuators that move the elevators, possibly indicating it jammed. If two actuators jam on one elevator panel, Boeing simulations have shown, the elevator could move involuntarily. Four of the plane's six actuators have been recovered. Egyptian sources also said rivets were found sheared in opposite directions on a bell crank that helps transmit commands to the elevator. That also was found on

parts of an Aeromexico plane that experienced a sudden, uncommanded elevator movement on the ground, they said.

U.S. investigative sources said almost every part of the plane was damaged by the crash, and their metallurgists do not believe that any damage they have seen indicates an actuator jam. Those U.S. sources said Batouti could have controlled the plane by doing what would be natural for any pilot—pulling back on the control column.

Flight 990 had four pilots, allowing each rest time across the Atlantic. The cockpit voice recorder revealed that as the plane climbed over the ocean, the captain decided to take a break.

U.S. investigators said there was no evidence that anyone other than Batouti was in the cockpit when, according to data from the flight data and cockpit voice recorders, someone cut off the autopilot. Six seconds later the plane went into a dive that eventually approached the speed of sound.

The Egyptian investigators told the safety board that a voice can be heard on the tape about a minute before the dive, after the captain left the cockpit. They

say that voice says either "control it" or "control light." The voice cannot be identified.

Those words could mean that someone else in the cockpit might have pointed out an anomaly to Batouti, according to the Egyptian investigators. U.S. investigative sources said voice recorder specialists could not tell what was said.

The Egyptians said there is further evidence of cooperation in the cockpit after the captain returned when he, the co-pilot and possibly another crew member were involved in efforts to save the plane.

The flight data recorder shows that the dive was initiated by a downward deflection in the elevators as the plane flew at 31,000 feet. The captain returned to the cockpit before the plane descended to 28,000 feet, the Egyptians said, and at about 24,000 feet the plane began to recover from the dive.

Shortly thereafter, both engine fuel levers were turned to "off," the first step in restarting engines that had cut off because of the near-supersonic speed, the Egyptians said. But U.S. sources have said this would make no sense if the crew

was trying to save the plane.

The voice recorder indicates someone said, "Shut the engines." Someone replies, "The engines are shut." Egyptian investigators told the safety board this also indicates cooperation in the cockpit.

But U.S. investigative officials said that if crew members were cooperating at that point, why didn't someone advance the throttles, as if trying to gain power, just as someone shut down the engines?

U.S. investigators say further proof that there was no cooperation in the cockpit comes just before the end of the voice recorder tape. The two elevators—which normally move in tandem—moved in opposite directions. That could happen if two pilots were commanding the elevators to move in opposite directions.

But the Egyptians said that the data recorder at that point is less reliable because of the plane's high speed. U.S. investigators said they believe that the refined data back them up.

The Egyptians also asked again the true mystery of the crash: If Batouti did it, why?

Batouti, they said, came from a good family, and one of his two sons was about to be married. He had one daughter with lupus, but she was doing well in treatment in California.

Batouti was bringing back two tires for a vehicle in Egypt, as well as the Viagra. In general, he appeared to be in good spirits and happy to be going home. The FBI said earlier it could find no evidence to explain why Batouti would deliberately down the plane.

So if it did happen, the Egyptians say, it is possible that something he saw influenced him to take the action.

The Egyptians noted that radar showed several "primary" targets—planes with the transponder turned off, missiles, flocks of birds or even atmospheric clutter—in the area that night, some of which lasted several minutes and moved at high speed. A "primary" target is any object hit by radar beams that does not have a transponder to report an aircraft's identity and altitude.

The Egyptians say that they are not proposing some missile theory but that investigators should look into the possibility that something outside the plane startled Batouti. U.S. sources said all military airspace in the area was "cold" that night, meaning that no military planes or weapons were engaged in training or tests.

Times

Plans to deploy a controversial military aircraft now in final stages of testing were cast in doubt Sunday after 19 Marines were killed in a weekend crash that ranks among the most deadly peacetime accidents in years.

A tilt-rotor V-22 Osprey, built to take off like a helicopter but then rotate its propellers 90 degrees to fly like a fixed-wing craft, crashed nose down Saturday night near a municipal airport at Marana, Ariz., about 15 miles northwest of Tucson.

The aircraft, which was landing when it crashed, was participating in an exercise simulating the rescue of personnel from a hostile environment.

Of the 19 dead, 14 were combat troops from Camp Pendleton north of San Diego, one was from the Miramar Marine Corps Air Station in San Diego, and four were Osprey crew members from a helicopter squadron in Quantico, Va.

The crash was the third most deadly involving military personnel within the United States in the past 10 years. In no other crash have more Marines been killed, the Marine Corps said.

Since 1990, the only crashes of military aircraft in the United States with greater loss of life were the crash of an Air Force plane in 1995 that killed 24 and the collision of two Air Force planes in 1994 that killed 23.

"This terrible loss of life is a reminder of how many men and women in the nation's military put their lives at risk, each and every day, so that we might be a free people and the cause of peace can be advanced throughout the world," President Clinton said in a statement issued after he called the commanding officers of the victims.

Military crash investigators probing the charred wreckage of the aircraft Sunday did not speculate in public about the cause of the accident, which occurred about 8 p.m.

They will attempt to determine if the crash was the result of mechanical malfunction, pilot error or problems associated with night-vision goggles and the use of forward-looking infrared radar.

Goggles allow crew members to see in the dark but can sometimes impair peripheral vision.

Some witnesses said they thought the plane was on fire before the crash.

In response to the crash, a Pentagon spokeswoman said no Ospreys will be flown "until we can get our arms around what may have happened."

The Boeing Co., which produces the Osprey jointly with Bell Helicopter Textron of Fort Worth, Texas, issued a statement calling the crash "a source of great concern and sorrow for all of us."

"Both companies (Boeing and Bell) are cooperating and supporting the Marine Corps to determine the cause of this accident," the statement said.

A Marine Corps spokesman Sunday declined to say whether the crash might jeopardize plans for the aircraft.

"I don't even want to speculate on that," Capt. Rob Winchester said. "It's going to be based on the investigation."

The military has experimented with the Osprey for more than a decade at a cost of several hundred million dollars. Saturday's crash occurred during the final stages of a seven-month evaluation period to determine the aircraft's "operational suitability" for deployment.

The Marines in Saturday's crash were training for deployment to the Persian Gulf.

The first twin-turbine Ospreys are set to deploy within three years with Marines from a helicopter squadron in New River, N.C. The entire fleet of Ospreys is not scheduled to be ready until 2014.

"Evaluating new equipment and training for war, like war itself, puts life at risk," Navy Secretary Richard Danzig said in a prepared statement. "In peace and war, Marines accept that risk it is a bond between us."

As investigators began the laborious job of determining the cause of the crash, Marine Corps officers and senior enlisted personnel fanned out across the country to notify the families of the dead and to stay with them to help them deal with their grief.

"The entire Marine Corps family grieves for the Marines we've lost in this tragedy, and our thoughts and prayers go out to their families," Marine Corps Commandant Gen. James Jones said.

For Camp Pendleton, the Osprey crash marked the

second tragedy in four months. In December, a CH-46 crashed in the ocean during a training mission off Point Loma, killing six Marines and a Navy corpsman.

The Osprey, named for a large, diving bird of prey, is meant to be the Marine Corps' replacement for the aging CH-46 Sea Knight helicopters, which have been criticized as too slow, too loud and too prone to maintenance problems.

The Osprey is built to achieve speeds in excess of 325 mph and fly at an altitude over 22,000 feet. With twice the capacity and range of conventional helicopters, the aircraft is designed to carry 24 troops and external loads of 15,000 pounds for distances as far as 2,000 miles. The craft can also fly high enough to be used by paratroopers.

The Marine Corps, which has ordered 360 of the \$44 million Ospreys, has stuck with the new aircraft despite some congressional criticism and a crash into the Potomac River in 1992 that killed four Marines and three civilians. That crash was caused when an engine caught fire, a design defect the military insists has been corrected.

"The Marine Corps has stuck its neck way out with the Osprey and bet very heavily that its brand-new technology will work," said Stephen Millikin, a retired Navy helicopter pilot and editor of The Hook, the publication of the San Diego-based Tailhook Association, a carrier aviation support group.

Debate Continues Over Bonuses Tied to Teacher Performance By Richard Lee Colvin

Los Angeles Times

DENVER In attempting to tie teachers' pay to students' performance, Los Angeles Unified School District managers are proposing a dramatic experiment that goes far beyond anything previously tried in an urban system.

Enthusiasm for pay-for-performance policies is spreading nationally, fueled by a belief among some politicians and policy experts that what's good for business competition and financial rewards should be good for education.

So far, however, there's little evidence to support that argument, especially in a system as large and complex as Los Angeles.

The most ambitious pay-for-performance contracts are to be found in affluent, high-performing suburban districts. Even there, the provisions are more limited than the bold plan envisioned by Los Angeles Unified officials. And educators are reluctant to attribute gains in those districts to the effects of bonuses.

One of the most sophisticated efforts can be found outside Denver, in Douglas County, the nation's fastest growing county during the 1990s. The 6-year-old program is voluntary and offers rewards to both individuals and groups of teachers that can total \$3,000 a year or even more.

Teachers not administrators decide not only what academic goals they want to pursue but also how progress is to be measured.

Los Angeles school officials say they borrowed from the Douglas County plan in developing their own. But there is a stark difference: The Los Angeles Unified plan would be built around standardized test scores and state rankings. Largely because of that, the district and its teachers will be on a collision course when negotiations begin this week.

In a system plagued by dismal test scores and a lack of public confidence, Superintendent Ramon C. Cortines said drastic action is necessary to get schools to focus attention on students' basic skills.

He is proposing a modest across-the-board raise and bonuses for teaching staffs at low-performing schools that improve their test scores by a certain amount. More controversial is the idea of paying bonuses to particularly distinguished individuals, again based partly on their students' test scores. Many details of the proposals are open to negotiation.

Cortines said he believes cash awards offer the best hope for mobilizing schoolwide campaigns to improve. Besides, California and a number of other states already are awarding schoolwide bonuses for test scores. He said he's merely getting schools in Los Angeles focused on the same thing.

United Teachers-Los Angeles is demanding a 21 percent pay increase and has rejected the bonus idea outright. The union has organized marches and has threatened to strike if pushed on the pay-for-performance issue.

Edue Teacher Pay

Union officials say the use of test scores to determine bonuses has failed every time since it was introduced in schools in England in the 1700s. They say it is inherently unfair because teachers' pay would be affected by factors over which they have no control, such as students' motivation, home lives and parental involvement or lack thereof.

Instead of working together, teachers would feel they had to compete with their colleagues.

"Rather than throwing money at results ... why don't we invest up front in things like training, lower class sizes and, basically, giving teachers incentives to not leave ... by paying competitive salaries," said UTLA President Day Higuchi.

Douglas County, a bedroom community for Denver's high-tech center and thriving financial and aerospace industries, has managed to avoid the controversies over pay for performance. Teachers, even those skeptical in the beginning, are now accustomed to the idea of earning financial rewards.

But the key lessons of Douglas County go slow and listen to teachers may not be welcome in Los Angeles.

"That's the way you get your buy-in," said Rob Weil, a math teacher who as president of the Douglas County Federation of Teachers travels around the country speaking about the plan.

In the early 1990s, the district faced a financial crunch brought about by a sharp decrease in state aid. In community forums on how to save money, many residents were skeptical of the way the district paid its teachers. As is typical in education, salaries were based on longevity and credentials rather than on skill, effort or effectiveness.

When voters defeated a bond measure needed to pay for new schools, they sent a signal to the union and the district.

"It became clear to us that if we didn't do something, we were going to be in trouble," Weil said.

Leaders of teachers unions across the country have come to similar conclusions and that's one reason that pay-for-performance efforts are gaining momentum nationally.

Last fall, a national summit of governors and business leaders called for at least 10 states to launch pay-for-performance experiments.

"It comes from a fundamental belief in the workings of the market at the micro-level," said Theodore R. Mitchell, the president of Occidental College. "If you put money on the table and say, 'I'll give you that money if you go from here to there,' then people will work harder to get that."

But education research dating back to the 1930s has found that teachers like workers in many other fields are mostly motivated by a desire to do a good job. They get the greatest satisfaction from the stimulation of kids engaged in learning.

Districts should tap into that and "create a way for teachers to work smarter, to develop their craft and to develop the skills that are missing," Mitchell said.

In Cincinnati, the union has devised a complex "career ladder" that teachers would ascend, earning higher pay as they mastered various aspects of teaching. It is undergoing a pilot test this year.

In Cincinnati, as in Douglas County, the idea of linking pay to test scores was rejected.

New York City Mayor Rudy Giuliani is pushing to have test scores used to determine teachers' bonuses. An arbitrator's decision has forced the use of test score gains as the basis for teachers' bonuses in the Colonial School District outside Philadelphia. But many teachers there say they will donate the bonuses to charity in protest.

Denver Public Schools is the only other large district in the country experimenting with paying teachers on the basis of scores on standardized tests. Under pressure from the school board and community members concerned about low test scores, the Denver Classroom Teachers Association agreed last fall to experiment with the idea. This year 350 teachers have volunteered to have their performances assessed on one of three measures scores on standardized tests, scores on tests designed by the teachers or the impact on students of professional development classes.

Already, the changes required to implement the system more broadly the need for student-by-student achievement data, a way to communicate with teachers, changes to the payroll system are proving so profound that a decision on full implementation has been put back by two years, until the end of 2003.

In Douglas County, a district with 33,000 students,

individual teachers can earn bonuses of \$1,000 apiece assembling portfolios that showcase their philosophy and work. That's the most controversial aspect of the contract, because teachers say it rewards those who do a good job of selling themselves.

Other aspects of the contract boost teachers' pay for taking on extra responsibilities and for learning particular skills designated by the district. Both are common elements of contracts nationwide and are part of what's being proposed in Los Angeles.

The most popular if not the most lucrative aspect of the Douglas County contract involves group awards. Teachers or, for that matter, groups of principals or even custodians can decide on a measurable goal and, with district approval, pursue it.

At Ponderosa High School, for example, teachers and the principal looked at students' performance and decided an area of weakness was the ability to read nonfiction and technical texts. English teachers came up with lessons in diagramming, outlining and the like. Then they taught their colleagues how to teach those techniques. That became the focus throughout the school and, after one year, the scores on a reading test chosen by the teachers to measure their progress had gone up substantially. In their July paychecks, teachers received an extra \$495 apiece, minus taxes.

N. Korea, S. Korea Leaders Plan to Hold Summit By Sonni Efron Los Angeles Times

TOKYO, April 10 The North and South Korean governments each announced Monday that South Korean President Kim Dae Jung will travel to Pyongyang, the North Korean capital, for a first-ever summit meeting with North Korean leader Kim Jong Il from June 12-14.

If it comes to pass the summit would be the first meeting between top South and North Korean leaders since the peninsula was divided in 1945. The symbolism of the summit date almost exactly 50 years since the Korean War began on June 25, 1950 raised hopes that direct negotiations between the two Koreas might at last begin to melt the hostile standoff that has continued unabated since the end of the Cold War.

"It's extremely significant," said Joel Wit, a former U.S. State Department official who is now a guest scholar at the Brookings Institution in Washington. "It probably indicates that we're at a turning point in North Korea's policy toward the outside world, and specifically toward South Korea. It's an enormous change in direction."

The stunning announcement came at 10 a.m. Monday local time, three days before South Korea is scheduled to hold key parliamentary elections in which Kim Dae Jung's party is expected to fare poorly.

The United States and Japan immediately welcomed the announcement and pledged their support. But an outraged South Korean opposition blasted the Kim government for trying to time a diplomatic breakthrough for use as a campaign card. One party, the United Liberal Democrats, suggested that Kim might be compromising South Korea's national interests for quick political gain.

"We suspect that in order to realize this meeting, the government must have made large concessions, which may damage national security," said a statement by the United Liberal Democrats read on Korean television.

The secretary general of the opposition Grand National Party took a slightly softer line, however. "We welcome the summit meeting, but we regret that the announcement was made immediately before the election," said Lee Bu Young.

North Korea's founder, Kim Il Sung, had agreed to a summit with former South Korean President Kim Young Sam in 1994, but died before the meeting could take place. Relations between the two sides deteriorated, and North Korea's isolation appeared to deepen as Kim Jong Il quietly moved to consolidate his grip on his father's mantle. The reclusive Kim Jong Il has not left the country since his father's death.

Kim Dae Jung has made improved relations with North Korea a cornerstone of his foreign policy during his two years in office. But until very recently, North Korea has rebuffed all efforts at direct talks, calling Seoul a U.S. puppet and insisting instead on negotiating with what it considers to be the puppet master, the United States, which still has 37,000 troops stationed in South Korea. A number of spy incidents and a major naval clash between

Testing Students, Scoring Teachers

Tennessee System for Gauging Results Angers Some Educators but Gains Acceptance Elsewhere

By JAY MATHEWS
Washington Post Staff Writer

Glenda Russell was handed a piece of paper that said she was just an average teacher. But that was not how she saw herself.

Like thousands of her Tennessee colleagues, she complained bitterly about the man who had come up with the formula being used to evaluate her—a professor in an ivy-covered tower, she said, cranking out numbers that had nothing to do with squirmy children.

Then, just to be sure, she asked an instruction specialist to observe her work. The specialist saw that Russell introduced material well to her fifth-grade math students but did not review enough. Russell altered her approach, spending every Monday going over the previous week's lessons.

The next year, her students had an average gain of 38 points on a standardized math test, almost twice as big a jump as the year before. The year after that, the scores increased 40 points, then 52 points, then 56. "He was right," she said of the professor whose formula had classified her as average. "I had been teaching for 20 years and I had leveled off."

The University of Tennessee professor who won Russell's grudging words of praise is William L. Sanders, whose system of assessing schools and teachers based on their students' test-score gains was adopted by the state in 1992 and is being used in every Tennessee school district.

Russell, 53, has retired from the classroom in order to show other teachers how to get the same results she did. She said she still hears some of them call Sanders "a lot of names that I will not repeat on the phone."

The debate over Sanders's approach has spread far beyond Tennessee's borders. Lawmakers and school officials across the country have seized on his research as they strive to meet public demands for greater school accountability.

The impact of Sanders's work is "absolutely extraordinary," said Willis D. Hawley, a professor of education and policy affairs at the University of Maryland. "He is spending all his time on the road talking to state legislators about his findings."

Before Sanders developed his rating system, the issue of how to measure the

effectiveness of a teacher or a school had produced a kind of stalemate. Parents and politicians pointed to schools with low test scores and blamed the teachers and principals. The educators' defense was that their schools had large numbers of low-income students whose home environment was a drag on their academic work. Both sides were often right.

Sanders, however, focuses not on one set of test results but on how the scores change over time. He contends that by looking at a student's test-score gain or loss from the previous year, one isolates the role played by the classroom teacher—the teacher's "value-added effect," as he calls it.

His argument that an effective teacher can produce improvement in any student, low-income or affluent, has helped force a fundamental rethinking of policy in many school districts. California's new

school rankings are based on "growth targets" rather than raw scores, school districts in Colorado are experimenting with the Sanders model and the Annenberg Foundation is supporting a Sanders analysis of test scores in Florida. In the Washington area, Fairfax County school officials are measuring each school against its past performance, and Montgomery County officials are leaning in the same direction.

Tennessee's system uses standardized tests given annually to students in grades three through eight and tells each teacher and each school how much their students have improved. The school data are released to the public, while the teacher figures are shared only with school officials.

Tennessee law says that no teacher can be fired solely because of standardized test results, but some teachers have retired early because of the state's ratings, and others have been transferred, said Al Mance, executive director of the state's leading teachers union.

Although several researchers think Sanders has developed a reasonably accurate gauge of teacher and school quality, he also has attracted his share of critics.

Some object to the whole idea of putting a numerical value on a teacher's talents. "Sanders defines effective teachers as those who get the scores up," said Fairfax-based testing specialist Gerald W. Bracey. "I can show teachers or even whole schools that are considered excellent but have modest impact on test scores."

Others, such as Susan Goldman, a psychology professor at Vanderbilt University's education school, wonder if teachers with many high-performing students have a chance to show as much improve-

ment, although Sanders says the state's tests are designed to challenge even high achievers.

Some experts also question the premise that the fluctuations in test scores from year to year stem mostly from what goes on inside the classroom. Sanders says that outside influences are minimized by the fact that the state considers three years' worth of results.

A Washington Post analysis of 1997 Tennessee test-score data supplied by Sanders's office found that among school districts with a large concentration of poor students, the average test-score gain was smaller than among districts with a medium or low student poverty rate. That pattern might reflect the academic challenges that students from low-income families face. Or it could mean that schools in low-income areas have a disproportionate share of weak teachers.

Sanders himself is wary of attaching too many consequences to his ratings. He is cool to proposals for teacher merit pay, for example. He said he thinks his model works because conscientious teachers such as Russell feel bad when they discover they are not very effective and, without any thought of money or praise, look for ways to do better.

He said he has seen enough improvement in Tennessee schools in the last decade to convince him that most teachers are taking the results to heart. "About 40 percent of districts have made reasonable progress," he said. About 50 percent have stayed the same, he said, and the rest have lost ground.

Tennessee is encouraging additional research by Sanders and others in hopes of determining what the most effective teachers do that can be passed on to other teachers.

"The real dynamic in education is the gain or growth of children," said Benjamin Brown, the state's executive director for evaluation and assessment. "And to me that is the only socially, politically and morally correct way to determine accountability for educators."

What do you think of William L. Sanders's method of rating teachers and schools? To post your comments, go to www.washingtonpost.com and click on "Education." And visit the Web site at 1 p.m. tomorrow to join a live online discussion with Sanders.

Pay Teacher Pay

The Washington Post

TUESDAY, MARCH 14, 2000

L.A. Times Staff Suffers Seismic Shock

Word of Merger Rattles Family-Owned Newspaper

By SHARON WAXMAN
Washington Post Staff Writer

LOS ANGELES, March 13—By 10:20 a.m., the fluorescent-lit newsroom of the Los Angeles Times was buzzing with the loud hum of uncertainty. Reporters and editors clustered around the city desk and outside Editor Michael Parks's office. City Editor Bill Boyarsky was passing out a memo from Times-Mirror CEO Mark Willes and another from Publisher Kathryn Downing.

"Thank you for building a company that won the Pulitzer Prize," went the Willes memo, in a message that sounded suspiciously like a valedictory. "Times-Mirror has been in existence for 115 years. You are the last in a line of dedicated and extraordinary people who have made our company great."

"The last"? That didn't sound too encouraging, a few people noted. How was that supposed to make them feel on the morning it was announced that their proudly independent newspaper would become a subsidiary of the Chicago-based Tribune Co.?

There's "confusion, apprehension and a kind of giddiness," said one reporter who, like most interviewed today, was wary of being quoted by name. "People here are still sort of reeling."

"It's as if someone had told me the Pacific Ocean had been sold," said veteran columnist Patt Morrison. "The Times and the Chandlers have been an integral part of the life and landscape of the city for almost as long as there's been a city. What happens now that that era has ended?"

What indeed? Apprehension—if not outright depression—reigned in the newsroom for much of the day as editors and reporters chewed over the possible consequences of the merger.

What did it mean that Los Angeles, the nation's second-largest city, would no longer have a locally owned major daily?

Was it better or worse that the Chandler family—whose members on the Times-Mirror board had taken no particular interest in the newspaper in recent years—was cashing out?

What effect, if any, did a recent ethical lapse at the Times over coverage of a new downtown arena, the Staples Center, have to do with the merger?

Would downsizing be inevitable once the Tribune Co., which demands substantially higher profit margins than Times-Mirror, took over? What would be the fate of the Times's prestigious (but expensive) foreign and national bureaus?

Downing's memo, conveying the Tribune's affirmation of the principles of editorial independence and integrity, did little to assuage the ambient anxiety. The publisher, most agreed, was herself damaged goods. Downing was responsible for the Staples Center fiasco that resulted in a staff revolt four months ago. She had to publicly apologize at the time for her lack of experience in newspaper publishing.

Word coursed through the newsroom that the publisher of the Tribune-owned Orlando Sentinel, John Puerner, would be ensconced at the Times within the week, as liaison to the new corporate parent in Chicago. (One reporter winced: "The Or-

lando Sentinel? Give me a break. Is that where any of us want to work?")

Reporters combed through the Tribune Co.'s Web site for clues to the character of their new employer: Tribune reporters don't get stock options, they learned, and their 401K retirement benefits could be slashed in half.

More to the point, "we're obviously hoping we don't see a lot of people losing their jobs," said legal reporter Henry Weinstein, especially since Willes already downsized the Times when he came aboard as publisher five years ago. "I don't think anyone is happy to be bought."

On the other hand, many ruminated, things could probably be worse. The Chicago Tribune is certainly a respectable daily, if not quite one of the nation's top-tier newspapers. Better than being bought by tabloid-king Rupert Murdoch, they said, or (gulp) America Online.

And strangely enough, few were mourning the exit of the Chandlers, the newspaper dynasty whose name is synonymous with old-guard Los Angeles and emblazoned on such cultural monuments as the Dorothy Chandler Pavilion.

"There's such a sense that the Chandlers as a group have been so checked-out for so long, that I don't think it takes anyone by surprise," said one longtime reporter. "For many months there has been a lot of skepticism and cynicism about the Chandlers' commitment to this newspaper."

The sole exception to that sentiment is Otis Chandler, the former publisher credited with catapulting the Times into the premier rank of U.S. newspapers 30 years ago. He publicly chastised Downing for her role in the Staples Center mess in November. But Otis Chandler, who is not on the Times-Mirror board, could not be reached for comment today; he did not take calls at his Oxnard auto museum.

The sense of dislocation was particularly severe today because this was just the latest—albeit the biggest—of several shake-ups at the Los Angeles Times in recent years, starting with the appointment of Willes, an executive from the cereal industry, as chairman and chief executive in 1995. Since then, cutbacks and a new pro-business editorial philosophy have marked the Willes era, culminating in the embarrassing Staples episode—in which the newspaper shared ad revenue with the subject of news coverage.

"The irony is that I think inside

the newsroom the sense was we were recovering from the Staples problem at a reasonably rapid rate," said Washington bureau chief Doyle McManus, who was concerned about the fate of his and other bureaus. "People felt pretty good about the performance of Kathryn Downing and Michael Parks on their promises of cleaning up the problem. So in that sense it's not the story of a staff that was mired in angst and hit by something else. It's more like we were back on our feet... and all of a sudden a bomb goes off."

Some reporters were trying to see the glass as half full. Maybe Los Angeles doesn't need to own its own newspaper, they said. Maybe this is the way of the future.

"I have mixed feelings about it," said columnist Shawn Hubler. "If this were a different kind of city, it would be a devastating thing. But from a citizen's standpoint, in the best of circumstances L.A. doesn't have the conventional notions of community. The conventional notions of a newspaper's role never existed anyway. It's not the L.A. that the Chandlers had in mind back when they were involved. Now two out of three people come from someplace else anyway. So from a community standpoint it's probably not going to have that big an effect."

But Morrison didn't agree. "I've been here since I was 17; intern, suburban sections. In a way this is my family. I'm committed to this city, I feel passionately about it. I think we're all concerned about what happens now. This has been a very long chapter and we're about to write a new one."

A sense of cynicism permeated an overcrowded staff meeting this morning, where hundreds of staffers crowded into the Times's fifth-floor auditorium to hear Downing's explanation of the merger. Again: Many questions. Not so many answers. A sense of bewilderment, the sense that their newspaper was not a public trust but a malleable commodity, to be sold for massive profit when it pleased the board.

Questions were thrown out to the floor: Why would the Tribune Co. want to buy the Los Angeles Times, someone asked?

Downing smiled. "Who wouldn't want to own the Los Angeles Times?" she responded.

And a lone voice cracked wise from the audience: "The Chandler Trust."

Special correspondent Neal Becton contributed to this report.

Long History of Turmoil Surrounds Incentive Pay for Teachers

After 3 Centuries, Debate Still Rages

By SARAH KERSHAW

The mayor says it will help steer New York City's school system off the road to doom. His opponent in the Senate race, echoing the teachers' union, warns that it will divide the ranks of teachers and conquer their spirit. An impasse over the issue prompted the schools chancellor last week to cancel summer classes for 70,000 students. The topic is a hot one elsewhere, too: teachers in Los Angeles and England were threatening to strike over it 10 days ago.

But history, too, has something to say about merit pay for public school teachers, a concept that dozens of school districts across the country have embraced as a way to improve student achievement.

After almost three centuries of experiment, the merit pay closet is crammed with skeletons. There is the very dusty payment-for-results plan that was tried and then dropped in 18th-century England; a scandal-ridden scheme in Arkansas in 1969, which offered students transistor radios in return for higher test scores; and the incentive plans abandoned by scores of school districts around the country in the 1970's.

But the version of merit pay that Mayor Rudolph W. Giuliani is proposing, one that would reward city teachers with bonuses based on their students' test scores, has spurred political turmoil in other school systems, and its impact on student achievement is largely untested, education experts say. Most incentive plans have used supervisor eval-

uations to judge individual teacher performance, relying on a school principal's review in doling out rewards.

Mr. Giuliani's opponent in the Senate race, Hillary Rodham Clinton, said last week that she would support merit pay plans that rewarded entire schools, rather than singling out individual teachers, an idea that some unions also support.

About six states and a dozen school districts are experimenting with schoolwide bonuses, but as is the case now in Colonial, Pa., near Philadelphia, incentive programs that also offer cash awards to individual teachers have typically touched off political firestorms or been derailed by critics.

Education scholars have watched public school merit pay plans come and go and come again since the first United States experiment, in Texarkana, Ark., the beginning of a national incentive program spearheaded by President Richard M. Nixon. Many experts say such plans have been dogged by fraud and rarely lead to real gains in student achievement.

"When you throw individual merit pay into the mix, controversy erupts," said Allan Odden, an education professor at the University of Wisconsin-Madison who has spent a decade studying incentive programs. "The sad thing is, you could get much more acceptability with the school-based bonus programs."

Professor Odden said such programs in Philadelphia, Boston and Memphis and in North Carolina were leading to better performance.

When incentive plans for teachers first emerged in this country, about a decade after school desegregation, President Nixon, sounding a lot like Mr. Giuliani today, touted his program as a way to lift poor urban students out of academic failure and

hold their schools accountable.

In 1969, Arkansas was the first to try the incentives, in the Texarkana public schools, one of the lowest-performing districts in a state with a major achievement gap between black and white students.

In a program run out of Washington, all Texarkana school employees were eligible for financial incentives if test scores improved, and students who did well on tests would receive free transistor radios, green stamps and rock music albums.

A largely untested concept becomes an issue in the Clinton- Giuliani race for the U.S. Senate.

The program, known as "performance contracting" because private companies were hired to test the students and evaluate the performance of school employees, quickly expanded to other cities, according to several education scholars. The Texarkana incentive system was soon mired in scandal, with companies caught teaching to the test and cheating, and school districts gave up on President Nixon's plan.

Arkansas was only one of many places that have seen incentive plans fail amid cheating and scandal. In the British experiment with merit pay, in 1710, teachers were so determined to receive pay raises that they had their students memorize reading passages for English tests, accord-

ing to Wellford W. Wilms and Richard R. Chapleau, education scholars who wrote an article in Education Week last November about the history of merit pay for teachers.

More recently, a 1997 effort in Kentucky to award teachers cash bonuses for higher test scores, as part of an incentive program that also included schoolwide bonuses, was plagued by grade inflation on tests and other problems.

Many other incentive plans proposed by state education agencies and local school boards have died amid opposition from teachers' unions.

In Los Angeles earlier this month, the union threatened to strike, in part over a merit pay plan proposed by the acting school superintendent, Ramon C. Cortines, the former New York City schools chancellor.

British teachers, too, are locked in a ferocious battle with the government over a proposal that would tie annual pay raises of £2,000, or \$3,159, to performance and possibly have teachers evaluate their colleagues and recommend them for bonuses. The teachers say the government's plan would fuel mistrust and lead to bribery and what a union leader called "snooping."

Most large urban school systems that experimented in the 1970's with incentive plans eventually dropped them, although merit pay plans survived and succeeded in some affluent districts, where pay scales are already higher than in the cities and where students tend to do well.

Denver is one of a few urban districts to revive merit pay in recent years, but it is too soon to tell whether that program will succeed, Professor Odden and other experts said.

"It's very difficult to do well," said Kathy Christie, who runs the Information Clearinghouse for the Educa-

tion Commission of the States, a non-profit policy group in Denver. "It's difficult to design. It's difficult to make sure it's fair, and it's difficult to fund over time."

In Denver, a two-year pilot pay-for-performance plan approved last fall was to involve 450 teachers, who were to be paid \$500 for signing up and \$1,500 more annually for reaching certain goals, including improved scores.

The pilot plan was supposed to start in November, was delayed until January, extended to four years and has so far involved only 12 of the district's 104 schools and 350 teachers. Some Denver teachers said they were worried that the school district would run out of money if too many received bonuses, a problem many districts faced in the past before giving up on incentive plans.

Still, some participating teachers said the Denver program was encouraging them to pay more attention to student achievement. "I think you focus more now on what your objective is," said Sue Sterkel, a math teacher for disadvantaged students at Columbian Elementary School in northwest Denver.

The question of whether merit pay discourages teachers from working with low achievers is, along with the possibility of educators' cheating or using other tricks to raise test scores, at the root of the debate over financial incentive plans.

"Merit pay is ridiculous, and the reason it's ridiculous is that it discourages teachers from taking classes that are difficult," said Judith Gabey, a senior English teacher at Murray Bergtram High School for Business Careers, in Lower Manhattan, referring to a school considered one of the best in the nation. "If you work at Stuyvesant for merit pay, you're going to get your merit pay."

Eric
Teacher Union

Company Developing Marijuana for Medical Uses

By LAWRENCE K. ALTMAN

IOWA CITY, April 9 — By cultivating marijuana and testing the most promising of its more than 100 ingredients, a British pharmaceutical company hopes to develop drugs for a variety of ailments, a company official said at the first national conference for health professionals about the medical uses of marijuana.

The privately owned company, GW Pharmaceuticals Ltd. of Salisbury, England, is "trying to turn an illegal plant into a pharmaceutically regulated product" by developing cannabis-based medicines that are not smoked, said Dr. David C. Hadorn, the company's North American medical director.

GW is studying what it believes will be the most promising ingredients of marijuana in a structured research program.

Earlier this month, the British government approved the company's plans to advance to the next stage of testing, for effectiveness, among people with multiple sclerosis, spinal cord injury and other conditions that produce severe pain and muscle spasms.

Six healthy volunteers had taken four different preparations several times over a period of several weeks in the earliest phase of testing, for safety.

Full-scale testing will eventually involve about 2,000 patients in England, Canada and the United States, and the hope is to develop a licensed product by 2003, Dr. Hadorn said.

The University of Iowa's colleges of nursing and medicine sponsored the two-day conference to help health care professionals and providers learn how to obtain and properly use medical marijuana.

Melanie C. Dreher, the nursing school's dean, said the conference was needed because thousands of Americans use marijuana medically even though it is illegal in most states. Voters in at least seven states (Alaska, Arizona, California, Colorado, Nevada, Oregon and Washington) have approved initiatives intended to make marijuana legal for medical purposes. But many doctors are afraid to recommend it because the federal government has threatened to prosecute them.

Dr. Dreher, who has researched marijuana use for many years, spoke in an interview of one of her nurses' experience with the father of a man with cancer.

The father told the nurse that marijuana had eased his son's nausea and pain at home. Taking the hint, the nurse rigged the son's intravenous tubing to a wheelchair to allow them to go off while the son smoked a marijuana cigarette. The therapy allowed the son a more comfortable death.

All drugs have both potential hazards and benefits. But a critical problem in the case of marijuana is that doctors and nurses have not been trained in its medical use.

"The challenge is to quit using illegality as an excuse not to discuss medical marijuana," said Mary Lynn Mathre, an addictions nurse at the University of Virginia and co-director of the Iowa conference.

With her husband, Al Byrne, Ms. Mathre founded Patients Out of Time, a nonprofit group based in Virginia that promotes the legal use of medical marijuana and that helped organize the conference.

The American Medical Association supported the conference by awarding doctor participants credits toward their continuing education.

No government officials were among the 250 patients, doctors, nurses and lawyers who attended the conference here and at telecasts in seven medical centers in the United States and Canada. Dr. David Satch-

er, the surgeon general of the Public Health Service, declined an invitation, Ms. Mathre said.

In a government-commissioned study a year ago, the Institute of Medicine of the National Academy of Sciences said that some of the ingredients in marijuana were potentially effective in treating pain, nausea and severe weight loss from AIDS. The institute also urged rigorous testing of marijuana for other ailments.

Dr. Hadorn of GW Pharmaceuticals said his company was concentrating on eight principal ingredients of marijuana. The amount of these ingredients, which are members of the cannabinoid group, varies in each naturally grown plant. To standardize the amounts, GW has cloned, cultivated and harvested tens

of thousands of marijuana plants in a greenhouse at a secret location in England.

"We are the only people in the world licensed to grow pharmaceutical-grade cannabis," Dr. Geoffrey Guy, who founded GW Pharmaceuticals in December 1997, said in a telephone interview today. He added that the National Institute on Drug Abuse in the United States grows marijuana, but that it is not standardized for pharmaceutical grade.

By cultivating cannabis under highly controlled indoor conditions, GW hopes to satisfy criteria set by the Food and Drug Administration and similar governmental agencies worldwide so it can eventually market the most effective combination of ingredients as prescription drugs. Dr. Guy estimated that it would cost at least \$16 million to market the first marijuana product.

To avoid the dangers associated with smoking, GW Pharmaceuticals aims to develop nonsmoke delivery systems like inhalers and nebulizers. The company is starting with products that are absorbed after being sprayed under the tongue and is initially concentrating on the components known as THC (tetrahydrocannabinol) and CBD (cannabidiol), Dr. Hadorn said.

GW Pharmaceuticals hopes to start testing on a small number of people in the United States later this year, Dr. Guy said. The company has held discussions with all appropriate American agencies, but Dr. Guy declined to say where the tests would be conducted.

Dr. Juan Sanchez-Ramos of the University of South Florida in Tampa said he learned about GW's efforts at the meeting.

He said he hoped eventually to determine whether an ingredient of marijuana could help in Parkinson's disease by controlling the unwanted constant twisting movements that often develop among users of a drug called L-Dopa.

Dr. Sanchez-Ramos said Parkinson's disease patients who claimed relief after smoking marijuana gave him the idea of studying the drug for that condition.

Edw -
Teacher Pay

Teachers' Group Rejects Linking Job Performance Evaluations to Bonuses

By DIRK JOHNSON

CHICAGO, July 5 — Breaking with union leadership, the nation's largest teachers' group today soundly rejected the use of job performance evaluations in paying bonuses.

Delegates to the National Education Association convention, meeting in Chicago this week, scrapped the performance proposal by a voice vote and head count after many rank-and-file members expressed concerns that it was unfair to teachers and to the children who most need excellent teachers.

"If teachers compete for bonuses," said Barbara Kerr, a delegate from California, "who will want to teach the poor students, the students who don't speak English well?"

Leaders of the union, which represents 2.5 million members and two-thirds of the nation's teachers, said many local unions had already negotiated such job performance contracts. Under the union plan, such performance evaluations would not rely on student scores on standardized tests, and would be implemented only with the guidance of teachers themselves. As an example, supporters of the proposal said a district might pay bonuses to teachers who speak two languages or who complete technological training.

Tim Dedman of Kentucky spoke in support of endorsing the option for local unions to negotiate for job performance bonuses.

"We don't have the right to dictate" to union locals, Mr. Dedman said. "I trust our members to do what is right. Let's give our members the flexibility they need."

The job performance issue is also being studied by the nation's other large teachers' union, the American Federation of Teachers, which is holding its national convention now in Philadelphia.

Some teachers' unions around the country, including those in Denver and Columbus, Ohio, have already entered into agreements with school

districts that give teachers bonuses if certain goals are met.

The idea of such cash incentives has become popular around the country as business leaders and politicians have called for higher standards in primary education.

Both expected presidential nominees, Gov. George W. Bush of Texas and Vice President Al Gore, have made education and better schools a major issue of their campaigns.

The vice president, who on Tuesday received the endorsements of the two national teachers' unions, has proposed spending \$115 billion

over the next 10 years on education, including \$8 billion to recruit a million new teachers and \$8 billion more to increase teachers' salaries.

Governor Bush has also devoted considerable attention to education to woo swing voters and has proposed a five-year, \$2.9 billion plan to improve teaching. Part of that would go to greater financing for teacher training, as well as bolstering a program that recruits retired military personnel to become teachers and a plan to allow a tax deduction of up to \$400 a year for teachers who spend their own money on supplies.

In the debate today at the union meeting both sides said they sought to increase teachers' salaries overall, noting that starting teachers in 1998-1999 earned an average of less than \$27,000 a year, far less, they said, than recent college graduates with similar credentials.

But opponents of the job performance proposal said that school districts would use the issue to lower overall salaries.

"Do we want to send a message to state legislatures and school boards that we are willing to negotiate pay for performance?" asked Robin Holcombe of New Jersey.

There was no debate over the union's longstanding opposition to merit pay, salaries based on evaluations by administrators or evaluations based on students' test scores.

Bob Chase, the union president who supported the job performance option, said he did not take the vote as a rebuke of union leadership.

"We had union leaders on both sides, and we knew it would be close," he said. "But this was an issue that needed to be debated. And I don't think it's an issue that's going to go away anytime soon."

Merger or Not, Executives At Sprint Can Still Cash Out

By LAURA M. HOLSON

With the merger between Sprint and WorldCom all but called off, the question is whether Sprint executives are going to stay and, if so, for how long.

When Sprint shareholders approved the \$115 billion deal in April, the merger agreement specified that most of Sprint's stock options outstanding — including those given for shares in the common stock and the wireless operations — would become fully vested and exercisable. What does that mean? It means that Sprint executives who were given stock options as an incentive to stay with the company, can cash them in and leave.

Sprint has already seen some high-level executives depart. In May, Kevin Brauer, who was president of Sprint's National Integrated Services division, left after 17 years. Two weeks ago, Sprint said that Andrew Sukawaty, the former president of the Sprint PCS Group, would leave the company to join Callahan Associates International, a firm that invests in communications and entertainment ventures. And more defections are rumored each day.

Typically at Sprint, an executive there said, options vest over four years. But with Sprint's future now uncertain, competitors view this as an opportunity to swoop in and lure away some crucial talent, analysts said.

"Certainly, you always want to give people not only an incentive for staying, but for staying enthusiastically," said Richard Klugman, a telecommunications analyst at Donaldson, Lufkin & Jenrette. "When people become vested it becomes that much tougher because they can see the pot of gold."

To be sure, Sprint wanted to ensure that its top team did not leave. Integrating two cultures during a merger can be tricky. So, some top-ranking executives, including William T. Esrey, Sprint's chief executive, signed agreements to defer exercising shares early in exchange for Sprint's offering them even more options, said E. J. Holland, Sprint's vice president for compensation benefits and labor relations. In his case, Mr. Esrey was given an additional option on 216,000 shares of Sprint common stock and 216,000 shares of the cellular operations, according to merger documents.

But if the deal between Sprint and WorldCom falls apart, those options are also fully vested and exercisable, Mr. Holland confirmed. As a result, their effectiveness becomes moot, analysts said. But Mr. Holland warned that getting options is not a bonanza. For example, the exercise price of \$61.94 for the deferred options is higher than Sprint's current stock price of \$53.50. For most executives granted options in 1997, 1998 and 1999 that is not an issue.

In a memorandum to clients, the law firm of Wachtell, Lipton, Rosen & Katz suggested that corporate executives review rules on their stock option plans. While it may be appropriate for some corporations to vest options early, wrote Michael S. Katzke, "for many situations where there are significant regulatory or other issues that may delay closing, such provisions may not be suitable."

The New York Times

THURSDAY, JULY 6, 2000

Plan to Erase Their Taxes Is Not Teachers' Pet

Latest Move to Aid California's Ailing Education System Greeted Skeptically

By RENE SANCHEZ
Washington Post Staff Writer

LOS ANGELES—California Gov. Gray Davis (D) wants to give an extraordinary cash gift to all of the state's public school teachers. But they hardly sound thrilled about it.

Vowing to give the profession new stature, Davis wants to exempt the nearly 300,000 teachers in California's public schools from ever paying state income tax. It would be a tax break unique among the states, benefiting no other occupation, and Davis contends that it would send a resounding message to the nation that improving public education and rewarding teachers should be a priority second to none.

Now if only he could find more support for the plan. Since Davis unveiled it last week, it has been greeted with skepticism from many state lawmakers, both Democrat and Republican, and anxiety from teacher unions.

"The governor's heart is certainly in the right place, but I'm not hearing a lot of enthusiasm for this so far," said Wayne Johnson, president of the California Teachers Association, one of the most powerful interest groups in the state. "Teachers are saying they don't want to be singled out as sacred cows and put above police officers or firefighters. Some would rather just keep paying their taxes and get pay raises."

Another smaller teacher union, the California Federation of Teachers, already has expressed formal opposition to the tax break, saying that it prefers the money that would be set aside for it be spent directly on salaries or schools. Meanwhile, senior lawmakers are warning that creating a tax break for one group of public employees could set a dangerous, expensive precedent. The legislature's nonpartisan budget analyst is calling the plan flawed, and labor groups representing other California public employees also are criticizing it. The reaction has startled, but not dispirited, the Davis administration.

"We're going to fight for this," said Michael Bustamante, a spokesman for the governor. "This is a big, bold idea. It's so novel that it may take a while to sink in. But we think that when all is eventually said and done, it will pass, and it will greatly help California compete for the best public school teachers."

The proposed tax break is the centerpiece of Davis's latest agenda to revitalize the state's overcrowded, faltering public schools, which once were widely considered to be among the best in the nation.

No other issue resonates more deeply with California's huge electorate of nearly 14 million voters now than improving education, polls show. And since he took office last year as the state's first Democratic governor in 16 years, Davis

has proclaimed that daunting task as his "first, second and third priority."

For veteran, credentialed California teachers, who earn an average of \$50,000 a year, the proposed tax break would amount to a cash windfall of nearly \$1,400 annually. Beginning teachers would reap about \$500 in tax savings each year. The tax exemption would cost the state about \$500 million a year.

But money is hardly the issue because these are gold rush days in California. Its booming economy, fueled by the explosive growth of software and Internet companies headquartered in Silicon Valley, has produced a state surplus of nearly \$12 billion this year. And Davis, whose popularity has remained high since his landslide victory in November 1998, wants to

spend a sizable portion of it on public schools. Along with the tax exemption he is proposing for teachers, he recently announced plans to give schools an additional \$1.8 billion this year to help fund teacher pay raises and other classroom needs.

California has the nation's largest and most diverse public school system, with nearly 6 million students. But immigration and population growth are also making it one of the most overcrowded. Strict, voter-imposed limits on raising property taxes, the chief source of funding for public education, also have left many schools desperately short of resources such as new textbooks. California's scores in core subjects such as reading are dismal, as low now as student scores in the poorest states.

Just last week, the American Civil Liberties Union and a coalition of civil rights groups sued California, alleging that disparities in the public schools have become so extreme that they are unconstitutional. The California Teachers Association also has been threatening in recent months to sponsor a ballot measure in November that, if approved, would force the state to raise per-pupil spending.

Last year, amid growing public outcry, Davis and the legislature took an array of steps to raise academic standards at all grade levels, to give schools more money and to require tougher evaluations of teachers. Davis has even pledged not to seek reelection in 2002 if student test scores in California do not improve.

But the new tax break proposal, which he kept secret from lawmakers and teacher groups until

just before he announced it last week, is his most unusual move yet on education.

Davis is comparing it to President Dwight D. Eisenhower's decision in the 1950s, in the initial stage of the tense space race with the Soviet Union, to give free federally financed tuition to any college student seeking a degree in engineering.

"I say in the year 2000 there's no profession more valuable to America's economic and national security than teaching," the governor told reporters last week.

Aides to Davis say the tax break would help California solve one of its most urgent problems: attracting good teachers. The state estimates that it will need to hire several hundred thousand teachers during the next 10 years because of its rising population and the fact that a large percentage of its classroom corps is nearing retirement age. States across the country are bracing for similar troubles this decade.

Earlier this year, Davis also proposed offering prospective teachers willing to work in troubled schools financial incentives, including \$10,000 loans for buying a home, \$11,000 loans to repay college debts, and \$30,000 bonuses for earning advanced certification in their teaching subject.

California lawmakers will take up those measures and the teacher tax exemption proposal this summer. But the ranking Republican in the state senate, Jim Brulte, said in an interview Friday that after a week of intensive public debate in California about the idea, the prospects for the tax break in particular do not look good—even though Democrats have majorities in both houses of the legislature.

"I believe most people in the state think our teachers are underpaid, but they do not want to give them a special tax break," Brulte said. "Pitting one category of taxpayers against another is bad policy. It's actually creating a resentment against public school teachers."

Brulte said Republicans may campaign to extend the tax break to all of California's public employees.

Bustamante said Davis welcomes the looming debate. "He is intent on improving education in California," he said, "and he firmly believes that making teaching tax-free is one way to do it."

Ed -
Teacher Pay

Manassas Man Makes Deal, Pleads Guilty in Death of Wife's Lover

By JOSH WHITE
Washington Post Staff Writer

Gary A. Yarbrough admitted to police that he went to his friend's home with a gun, shot him once in the back during a scuffle and then buried the man's body in a remote stretch of woods near the Occoquan River, court papers say.

Yarbrough, who had caught Raymond Hawkins having an affair with his wife, then led detectives to Hawkins's body and handed over the weapon after hours of interrogation, police said.

But despite what Prince William County

prosecutors believed to be a strong case for first-degree murder, Yarbrough will serve no more than 10 years in prison for the February 1999 killing after the Manassas man pleaded guilty yesterday to voluntary manslaughter.

His plea came about a week after a Prince William County Circuit Court judge ruled that most of the evidence was obtained illegally and could not be used against Yarbrough. Although police and prosecutors are convinced that Yarbrough murdered Hawkins, it is possible—though not likely—that he could receive no prison time when he is sentenced in August.

Yarbrough's attorney argued successfully that police ignored his client's Miranda rights and forced him to admit to the slaying, badgering him for hours as he crouched in fetal position and repeatedly said that he did not want to talk.

"The police failed to scrupulously protect his right to remain silent," said Casey R. Stevens, Yarbrough's attorney. "He was interrogated for four hours and was buried into telling them what they wanted to hear."

And without Yarbrough's statement, police might have never found the victim and built a case.

Yesterday—the day his murder trial was to begin—Yarbrough pleaded guilty to the lesser charge, which essentially says that he intended to kill Hawkins, but that the slaying was provoked or committed in the heat of passion.

According to court documents, Yarbrough, 37, discovered his wife at a Manassas hotel with Hawkins on Feb. 28, 1999. Yarbrough then waited more than 12 hours before confronting Hawkins at his Lake Jackson home, Yarbrough said he simply wanted to scare Hawkins. After shooting Hawkins—Yarbrough says accidentally—he buried the body in a creek

bed under logs, rocks and debris. Hawkins, who was a close friend of Yarbrough's and worked with him, was reported missing days later.

Prosecutors said they are disappointed because they were forced to offer a plea bargain. Without Yarbrough's statement and Hawkins's body as evidence, they had little chance of winning a murder conviction. Commonwealth's Attorney Paul B. Ebert said the ruling "played a big part" in deciding to offer the plea bargain.

"This case is like a lot of cases, where a half loaf is better than no loaf," Ebert said after yesterday's hearing.

Blank Cockpit Tape Hampers Crash Probe

NTSB: Recorder Improperly Connected

By DON PHILLIPS
Washington Post Staff Writer

The cockpit voice recorder of a small charter plane that crashed near Wilkes-Barre, Pa., Sunday, killing 19 people, was not connected to a proper power supply and did not tape the last half hour of conversation and sounds in the cockpit, federal investigators said yesterday.

The plane's voice recorder was blank, investigators said. Analysis of background sounds on the recorder can often tell investigators more about what the plane is doing than what the pilots say.

"This seriously hampers the investigation, let's face it," said George Black, a member of the National Transportation Safety Board assigned to the investigation. He said the recorder itself survived the crash "in good condition," but recorded nothing.

The unexpected twist means that investigators will be asking tougher questions of the plane's owner, Millennium Jetstream Holdings Inc. of Farmingdale, N.Y., a small charter operator that does business as Executive Airlines. The plane's maintenance records also will get closer scrutiny than usual in an effort to determine when and why the recorder was installed improperly and why normal checks did not uncover the problem.

The twin-turboprop Jetstream 31 crashed about 11:48 a.m. during its second attempt to land while having engine problems at the Wilkes-Barre/Scranton airport on an overcast and drizzly day. With a crew of two, the plane was returning 17 local residents from a gambling trip to Atlantic City.

Black said the plane's recorder, made by Fairchild Aerospace, needs 115-volt AC—or alternating current—power, while the Jetstream produces only 28-volt DC or direct current. Normally, when the Fairchild recorders are used on a Jetstream plane, an internal device converts the DC power to AC power. But the recorder had no such device.

Without the cockpit voice recorder, Black said investigators must rely on physical evidence, radar data, witnesses and air traffic control radio tapes.

The two pilots reported, and at least one witness corroborated, that both the plane's engines quit at one point. Black said a simultaneous shutdown of both engines is "a very rare event," and that investigators plan to remove the engines for a closer look today and will explore a number of possible problems with the fuel or the fuel systems. He said the engines are "fire-damaged but not destroyed."

There were tentative indications that the plane's fuel supply was not contaminated. Black said samples were taken from the truck in Farmingdale that last fueled the plane, and "a preliminary review indicates no problems."

Investigators have not yet determined whether there was sufficient fuel aboard the plane, he said. However, a large post-crash fire would suggest there was at least some fuel aboard.

Other possibilities, according to aviation professionals, include some clog in the fuel system or that the crew might have made some mistake in managing the fuel flow to the engines from the two wing tanks. In rare cases, pilots with trouble in one engine have mistakenly cut off the good engine, leaving the plane powerless.

Black said the safety board has asked the Federal Aviation Administration for the original air traffic control tape of the plane's final minutes in hopes that it can glean something from background noises on that tape. The board also is seeking out a private individual who recorded the broadcasts in hopes of obtaining that original tape, he said.

Black declined to answer a question whether failure to connect the recorder correctly was a violation of law, saying that is still under review.

Colorado Court Clears Way for Ballot Initiative to Tighten Check of Gun Buyers at Shows

By MICHAEL JANOFSKY

DENVER, July 4 — The Colorado Supreme Court has cleared the way for voters to decide whether people who buy weapons at weekend gun shows from private dealers must undergo the same criminal background check that licensed dealers are required to conduct.

If the measure passes in November, Colorado could become the first state to close the so-called gun show loophole. A similar ballot measure is in the works for voters in Oregon. For now, the only state that conducts background checks for private sales is Florida, where state law gives counties the discretion to require them. Just a handful do.

Until the Colorado court's ruling, which was issued on Monday, the

effort to place a ballot initiative before voters in November had stalled over challenges by gun-owners' rights groups.

But by dismissing the complaints, the court allowed proponents to proceed with the collection of the required 62,438 valid signatures by Aug. 7, the deadline.

If that goal is reached — sponsors say they have already collected 67,000 signatures — voters would have a chance to override the Republican-led State Legislature, which this year defeated a package of gun control measures that was supported by Gov. Bill Owens, a first-term Republican. One bill provided for background checks at gun shows.

"We were pretty confident about the outcome, but it would have been

very hurtful if the court had not ruled our way," said Tom Mauer, political director for the group — Sane Alternatives to the Firearms Epidemic, or SAFE — that is sponsoring the ballot initiative. "It's a real relief to have this out of the way."

Recent independent polls — three statewide and one in Colorado Springs, a generally conservative city — have shown overwhelming support for the initiative, more than 80 percent; despite an enduring conflict nationally about background checks at weekend gun shows between groups favoring tighter restrictions on gun ownership and those favoring unfettered access to guns.

The Oregon measure, for which petition signatures are due on Fri-

day, also enjoys strong public support, statewide polls show.

Licensed dealers are required by federal law to conduct the checks, but the law does not cover sales that typically take place at a weekend gun show, people selling private collections or a single gun that has been advertised.

Efforts to eliminate the exceptions have failed in Congress, as well as in several states, partly over concerns that checks take as long as three days, and weekend gun shows, where government surveys have found that a quarter of the vendors are not licensed, last only two.

Advocates of gun-owner rights also object to any new restrictions on gun ownership.

But the issue has a particularly

emotional resonance in Colorado because of the mass killings 15 months ago at Columbine High School in Littleton, where a dozen students and a teacher were fatally shot and 23 others were wounded. All four weapons used by the teenage assailants, who also killed themselves, were bought through private sales at weekend gun shows, by intermediaries for the teenagers.

Two months after the shootings, a bipartisan coalition of state business and civic leaders formed the SAFE group to lobby the Legislature for Mr. Owens's measures.

Once they failed, the group turned to building support for the ballot initiative. Mr. Mauer, who is on leave from his job with the Colorado Department of Transportation, joined

because his son, Daniel, was one of the students killed at Columbine High.

Mr. Owens and Attorney General Ken Salazar, a Democrat, were the first to sign the petition to get the initiative on the November ballot.

Mr. Mauer and other proponents of the ballot initiative said they anticipated at least one more hurdle before the initiative goes before the voters, a signature challenge.

The state conducts a random check of petition signatures, but groups opposed to the gun initiative, like the Colorado Shooting Sports Association, an affiliate of the National Rifle Association, are expected to mount their own review of the signatures to ensure that they represent legally registered voters in the state.

Edvic -
Teacher Pay

As U.S. Debate Intensifies, Pay for Teachers Rises 3%

Wages Remain Low on a White-Collar Scale

By JODI WILGOREN

PHILADELPHIA, July 4 — Beginning and average teacher salaries rose more than 3 percent last year, but they still fell short of earnings by other college-educated workers and, adjusted for inflation, remain below teacher salaries from 1972, according to a survey released today by the American Federation of Teachers.

The average annual paycheck for first-year teachers in 1998-99 was \$26,639, while teachers with an average of 16.2 years on the job earned \$40,574, the survey showed. New Jersey, Connecticut and New York led the nation for average teacher pay, around \$50,000, while Mississippi and the Dakotas had the lowest average salaries, less than \$30,000. Among cities with more than 100,000 residents, Yonkers had the highest starting salary for teachers at \$37,045.

"It's clearly, I think, a national emergency," Sandra Feldman, head of the teachers federation, said at the union's biennial convention. "We have to ask ourselves what are our priorities here as a nation?"

Though the union has conducted the salary survey for half a century, this year's release comes amid an intense national debate over how teachers should be compensated. Facing a national shortage of some 2.5 million teachers in the next decade, school administrators and state legislators have been searching for creative ways to recruit and retain high-quality people.

Alabama recently enacted a law that will bring its salaries up to the national average by 2007 (provided that tax revenues remain flush). The governors of California and New York are essentially engaged in a bidding war, offering tuition reimbursements, home loans and incentives for advanced certification. Vice President Al Gore, the presumptive Democratic nominee for president, has suggested strong involvement by the federal government, with \$5,000 or \$10,000 signing bonuses for teachers who agree to work in hard-to-staff schools.

Meanwhile, six states and about a dozen local districts are experimenting with various types of merit-pay plans for teachers. Secretary of Education Richard W. Riley has suggested making teaching a year-round profession — automatically increasing the pay by about 20 percent for the added time at work.

"I think we're seeing state legislators in a growing number of states, and governors in a growing number of states, being willing to do something about it," said Robert Chase, president of the National Education Association, the other major teachers union, which expects a conten-

tious debate over pay-for-performance at its convention this week in Chicago. "We're seeing the kind of movement we want to see. Hopefully it will expand."

In the past year, Connecticut and the District of Columbia each raised starting salaries for teachers more than 10 percent, the American Federation of Teachers survey showed, while Alabama's first-year pay rose 9.2 percent, Iowa's 8.2 percent and Minnesota and North Carolina both more than 7 percent. Overall average salaries also shot up 11.3 percent in North Carolina, 9.1 percent in Alabama and 7.9 percent in the District of Columbia.

"It's just not high enough," Ms. Feldman said. "If it were, we would be able to fill all the teaching vacancies."

Alaska was the only state where the average salary dropped, down 1.8 percent to \$48,275. The starting salary dropped \$10 in North Dakota, to \$19,136.

Still, the starting salary for teachers has not recovered from its inflation-adjusted high of \$26,880 in 1972, and remains just 72 percent of what average college graduates expect to earn in their first jobs. Comparing mid-career professionals with similar experience, teachers earn 59 percent as much as engineers and lawyers, 61 percent of the salary of computer analysts and 82 percent of accountants' pay, according to the teachers federation.

"I made a lot more money as a pretty bad salesperson than I do as a pretty good teacher," said Julie Blaha, 30, a first-year math teacher in Anoka, Minn., who spent the previous five years selling steel.

Steve Ray, a history teacher at Lincoln High School in Yonkers who is president of the union's local, said he had seen a change in the quality of teachers as the school system raised salaries some 50 percent in the past decade.

"Before, if you couldn't get a job elsewhere, you came to Yonkers," Mr. Ray said. "The new teachers we've been hiring over the last six to eight years are top-quality people who look at Yonkers as somewhere they want to spend their careers."

While Yonkers previously lost teachers to the surrounding Westchester suburbs and even New York City, "now you almost have a flip-flop," Mr. Ray said.

New York City's starting salary of \$30,265 — 18 percent below that of Yonkers — ranked 23rd among the 100 large cities. "For New York City experienced teachers," he said, "coming to Yonkers is a promotion."

Online Journalists Look to Political Conventions to Help Define Their Medium

By PETER MARKS

If the widespread expectation is that the summer's political conventions will stir up about as much excitement as a city council debate over landfill fees, there is an upstart element in the news business that sees endless hours of fun and drama where others envision ennui: the press corps of the Web.

From boutique start-up ventures like Speakout.com to virtual empires like America Online, Web sites and Webzines are looking to the political gatherings in Philadelphia and Los Angeles as potential defining moments in the evolution of news on the Internet.

Democratic and Republican officials say online enterprises are requesting space in numbers no one anticipated. Organizers of the Democratic convention, which begins in Los Angeles on Aug. 14, say, for instance, that more than 100 Web sites have applied, and the list is growing daily. So many wanted work stations along the newly christened "Internet Avenue" in the hall that the party had to expand the area into the east and west wings, said Lindsey Berman, who has a job title new to political conventioning: Internet news media manager.

The Web is even infiltrating that august symbol of convention coverage, the skybooth. This year, the old-line networks and all-news cable channels have new dot-com neighbors in the booths high above the convention floors. Pseudo.com, America Online and USAToday.com have all been allotted booths, whose

costs at the Republican convention start at \$20,000 but with modifications can go much higher.

With the broadcast networks scaling back their prime-time coverage of the conventions — ABC is not even pre-empting Monday Night Football preseason games — the Web, even more voluminously than the 24-hour cable stations, is rushing to fill the void. In fact, the ways the Internet brings users closer to the process could become one of the proceedings' more compelling stories.

"In a lot of ways, it's the perfect Web story," said Kerry Lauerman, the Washington bureau chief of Salon, an online magazine that will have six editors and reporters covering the proceedings from work stations in the arenas. "It's a story that's live, with its own peaks and depths."

On the convention floor, reporters for Voter.com and Evote will mingle with the delegates. Around the hall, pool cameras operated by C-Span will send convention images via streaming video to computer users around the country who will be able to watch from the angle of their choice. MSNBC.com, in association with Hotline, the online political digest, will produce a live hourly Webcast from the convention throughout the day.

And America Online will have an open "skybox cam" trained on the halls 24 hours a day, to provide real-time transmissions from the crack of the chairman's gavel to the slosh of the janitor's mop.

The gizmos to be used may make it

seem at times that the First Union Center in Philadelphia and the Staples Center in Los Angeles are staging hardware conventions. Pseudo.com, for instance, will have a 360-degree camera taking in events all around the arena. Voter.com plans to issue "smart cards" to delegates that can be used to gain access to consoles that will tell them where the late night parties are. Reporters for operations large and small will circulate with all sorts of minicameras.

"Because it's the Web, there will be a million different kinds of coverage," said Jacob Weisberg, political writer for the Webzine Slate. "It is going to be an interesting experiment, and it can only make the conventions more interesting: the removal of a single, heavy-duty spotlight and in its place hundreds of tiny little spotlights."

A parched landscape for news does not faze the dot-coms, which liken the arrival of e-journalism to another innovation in political news, the television camera, introduced 52 years ago at a political convention in Philadelphia.

"What the 2000 campaign is doing to the term 'new media' is taking the 'new' out," said Carin Dessauer, election director for CNN Interactive. "We've arrived."

And arriving in all sizes. Internet operations with vast resources, like CNN's allpolitics.com, and even start-ups like Voter.com, a bipartisan site that went online last November, will have larger contingents at the conventions than most newspapers. Voter.com, under the editorship of Carl Bernstein, will have 40 people at each of the gatherings.

The Internet has come a very long way since the 1996 conventions, when only a handful of Web operations were present. "I was sitting in the nosebleed seats typing on my laptop with the college newspaper press," recalled Kathleen deLaski, the director of political and government programming for America Online. This year hundreds or more Internet reporters will be among the 15,000 reporters, technicians and support staff accredited for each convention.

While reporters for some news organizations work in more than one medium, many others will be reporting exclusively to cyberspace, in a rainbow of styles, from serious to satirical, from text-driven to telegenic. "We're going to keep it very junkie-specific," said Chuck Todd, editor of Hotline, on the National Journal Web site. "We're not trying to make it interesting for Mr. and Mrs. Public; we're trying to make it interesting for Republican operatives."

Pseudo.com, a "video experience on the computer," on the other hand, will try a broader tack, carrying Webcasts, chats and a variety of video and audio on its Pseudopolitics page, which began on Jan. 24.

"We're going to try to offer viewers a sort of immersive experience, in that they ought to feel like they're at the convention themselves," said Sam Hollander, executive producer of Pseudopolitics.

It is as if "The Truman Show" has made its way to the political show.

"The big difference between now and four years ago is video," said Chris Long, director of new media for C-Span, which not only is providing the pool television coverage of the convention for the networks, but also will have a camera in its own booth, over the director's shoulder. Viewers, in effect, will be able to design their own coverage.

The populist implications of a digital invasion are for a virtual catalog of new ways to experience politics. But will the appeal reach beyond the most politically obsessed?

Andrew Kohut, director of the Pew Research Center for the People and the Press, answered with his own question: "Did the advent of C-Span lead to that much greater knowledge and greater connectedness to Capitol Hill? It's going to be a matter of great enrichment to people who are really interested in this stuff. And yet they may be painfully small in numbers."

Web site and Webzine operators say a limited audience is not a concern. One appeal of the conventions on the Internet, they say, is that a site can fulfill its mission by offering a perspective as broad or as narrow as its audience wants.

"It's still a communal experience but of significance to a shrinking number of people," said Michael Silberman, executive editor of MSNBC.com. "What the Web brings is the ability to reach out and get information about your specific states that you care about, to interact directly with a delegate, to ask a question directly of a floor correspondent."

Mr. Bernstein, who is both executive editor of Voter.com and a partner in the venture, says the vastness of the Internet gives it a leg up with the people who care most deeply about the conventions. "We can put up a whole book if need be, put up Charlton Heston on video going on for an hour and a half about guns," he said.

Still, the dot-coms acknowledge, not every site will survive the competition in the political arena, and the casualties may be apparent at the conclusion of the party gatherings.

"If we do what TV does, we fail," said David Bohman, the chief executive of Pseudo.com. "We have to do something completely different. We have to almost deconstruct the process, give the users the feel of the convention, to touch what's going on."

Of course, Web reporters face some of the same problems as their print and television counterparts. There may be infinite room in cyberspace but not in greater Philadelphia, as the convention reporters for Evote discovered.

"Actually, both of them did find hotel space, but it's like a two-hour drive out there," said Peter Markel, Evote's director of strategic planning. "That was one of the last things in our planning."

Edw-
Teacher Pay

Teachers Against Reform

THE NATIONAL teachers' unions want to be seen as defenders of public education and advocates of reform. But when you move beyond rhetoric, you find them too often simply defending the status quo, even when that status quo means inferior education for too many children. This week the National Education Association, with 2.5 million members the bigger of the two major unions, couldn't bring itself to endorse a modest proposal that linked bonus pay to teacher performance. At its national convention in Chicago, the union also went on record opposing the use of extra pay for "hard-to-recruit" positions such as math and science teachers, in short supply nationwide. The teachers' inflexibility damages their own claims to leadership in the reform debate.

Around the country roughly 20 school districts and states pay bonuses to all teachers in a public school if its test scores rise. In Denver, teachers in 12 elementary schools went even further last year and volunteered for a bonus program based on improving performance in their individual classrooms. Other jurisdictions are exploring performance-based bonuses, and the NEA's leadership asked union members this week to endorse a set of standards for bonus compensation programs.

The proposal was a modest one. It called for local unions to be involved in setting objective criteria. It opposed relying on standardized test scores. It emphasized that the

system shouldn't diminish the status of teachers who don't receive the additional compensation. But it was too much for the members to swallow. Opponents warned that school districts would use the programs to lower overall salaries, or that teachers competing for bonuses would flee from hard-to-teach students. NEA president Bob Chase said many teachers have had to contend with "a hostile attitude by some legislatures, governors and school boards that want to pay some teachers more than others as a cost-cutting measure." The practical effect of their decision will be that local unions that want to negotiate such plans, or are under pressure from states or districts to do so, will work without technical support from the national union. Existing agreements won't be affected. But the vote sends a powerful message, and it's the wrong one.

Yes, salaries overall should rise, both to adequately compensate current teachers and to attract badly needed new ones. But in a system of professionals, as teachers want and deserve to be considered, there has to be room to provide incentives and to reward exceptional performance. The states and districts that are pursuing these programs—and the local unions that are working with them—recognize that new approaches are needed to solve some of the public schools' longstanding problems. It's a shame the national membership couldn't go along.

What's News A1

Business and Finance

BORDERS PULLED ITSELF off the auction block after four months, a move that prompted its stock to drop 15%. The book retailer acted only a few hours after a group of buyout firms withdrew a preliminary, conditional bid of \$1.28 billion. The withdrawal is a blow to the concern's management.

(Article on Page A3)

Merrill Lynch is considering cutting up to 2,000 jobs, or almost 3% of its total work force, from its brokerage division.

(Article on Page C1)

Gtech Holdings said its board forced the resignations of its chief executive and president, partly because of poor stock performance. The big lottery-service provider also warned its earnings will fall short of expectations.

(Article on Page A3)

Factory orders jumped 4.1% in May, with orders for electronic and other electrical equipment surging 26.4%.

(Article on Page A2)

IBM and Compaq will sell each others' key data-storage products and spend \$1 billion over three years ensuring their systems work well together.

(Article on Page B3)

Lockheed Martin's military-aircraft operation at Marietta, Ga., appears to be stabilizing after an infusion of orders for transport planes, aggressive cost cutting and other improvements.

(Article on Page A4)

Takeover target Dinie Bancorp announced a \$238 million investment by a private equity firm and named a veteran banking executive as chairman.

(Article on Page A4)

A European Union appeals court upheld a record \$86-million fine against VW for seeking to prevent cross-border sales of new cars within the EU.

(Article on Page A8)

Several retailers reported disappointing sales for June, signaling that higher interest rates and fuel prices may be damping consumer spending.

(Article on Page B4)

Amtrak is offering satisfaction guarantees to passengers in an effort to raise the quality of its rail service.

(Article on Page A2)

China drafted rules that crack open its telecom sector to foreign investors but don't break ties between the regulatory body and the phone firm it owns.

(Article on Page A8)

Canal Plus formed a venture with Michael Ovitz's APG to make 12 to 15 movies during the next three years.

(Article on Page B6)

Airborne Freight warned that second-quarter earnings, crimped by anemic growth in domestic volume, will be far below Wall Street expectations.

(Article on Page A6)

The Nasdaq composite advanced 97.47 points, or 2.52%, to 3960.57, as semiconductor stocks rebounded.

(Article on Page C1)

America West, United and Continental will undergo the first of a series of federal safety audits that will cover all major U.S. carriers, to begin July 17.

(Article on Page A14)

Marriott's second-quarter net rose 11% to \$126 million, reflecting a surge in business for the hotel industry.

(Article on Page A4)

Markets—

Stocks: NYSE vol 943,370,080 shares, Nasdaq vol 1,420,939,479. Dow Jones industrials 10481.47, off 2.13; Nasdaq 3960.57, up 97.47; S&P 500 index 1456.67, up 10.44.

Bonds: (4pm) 10-yr Treas off 15/32, yld 6.03%; 30-yr Treas off 23/32, yld 5.904%.

Commodities: Oil \$29.98 a barrel, off 70 cents. Dow Jones-AIG futures index 100.73S, off \$1.28; DJ spot index 112.27, off 80 cents.

Dollar: 107.46 yen, up 0.36; 1.0516 eu-ros, up 0.0021; 2.0568 marks, up 0.0040.

World-Wide

FOX WILL PUSH the U.S. to greatly increase the number of visas for Mexicans.

According to a policy memorandum, the president-elect intends to make a priority of negotiating a broad new immigration deal with Washington. In return for easing visa barriers, Mexico would promise unprecedented cooperation in cutting illegal immigration. Separately, officials of the defeated PRI say it is in danger of disintegrating over Fox's victory. (Articles on Pages A8 and A2)

Black U.S. professionals charge both parties are helping exclude minorities from good jobs in their rush to supply foreign workers to the high-tech industry.

Drug-industry political giving has risen sharply, with Republicans getting most, a Public Citizen study says. From 1997 to 1999, \$235.7 million was spent on lobbying at the federal level. Meanwhile, Clinton blasted a GOP patients' rights bill as much inferior to a bipartisan measure. (Article on Page A14)

Starr's ex-spokesman was charged with criminal contempt and was ordered to stand trial next week. Charles Bakaly, who had requested the trial, faces charges in connection with the investigation of alleged leaks in the Lewinsky case. (Article on Page A14)

Israel and the Palestinians tried to reduce expectations of a major breakthrough at the Camp David summit Clinton has called for next week. Israel's prime minister said the chances of concluding a permanent peace pact are "like the toss of a coin."

Russian troops in Chechnya reinforced positions after recent rebel suicide bombings, and Putin publicly dressed down the defense and interior ministers for not ensuring troops' security. Putin makes a state-of-the-nation address to the Duma tomorrow.

Northern Ireland authorities banned a second Protestant parade amid violence that followed the blocking of an earlier march through a Catholic area. Clashes continued in Belfast, where British troops are on patrol, and in the flashpoint town of Drumree.

Germany's parliament voted to set up a \$5 billion compensation fund for Nazi-era slave workers, and made a formal apology. The fund, paid by the government and 3,000 firms, is almost \$1 billion away from its goal.

Soccer's World Cup will be held in Germany in 2006 after the sport's governing body decided against holding the tournament in South Africa. That boosts African resentment of the West. (Article on Page A3)

Wen Ho Lee sought jobs in seven nations and had contact with a facility in China, federal prosecutors said. Lee's lawyer's forced them to name countries the ex-Los Alamos nuclear scientist is alleged to have helped.

Yugoslavia's parliament passed constitutional changes to let Milosevic continue as president of the rump federation. Officials in Montenegro, Serbia's sole remaining partner, predicted a move to independence.

A busload of Spanish children collided with a truck near Soria, 125 miles northeast of Madrid, killing 25 and both drivers. The children were headed to a summer camp. Dozens of others were hurt, some seriously.

Sri Lanka Tamil rebels conceded 35 fighters died in a government offensive near Jaffna, though Colombo puts the toll higher. The government also moved to round up an estimated 20,000 deserters from its military.

A 5.9-magnitude earthquake struck Nicaragua, killing two children 30 miles east of Managua. Authorities report heavy damage to villages in the region, and fear the toll may rise. Roads in the area are blocked.

John F. Kennedy Jr. probably put his plane into a fatal dive because he lost visual perspective during an unaccustomed night flight with his wife and her sister, a federal report says. The first anniversary is July 16.

A southeastern Europe heat wave killed 25 people as temperatures reached 113 degrees Fahrenheit in some places. Meteorologists say a high-pressure system is trapping hot air masses flowing up from the Sahara.

Episcopallans are expected to vote today on an alliance with the largest U.S. Lutheran denomination, which has approved the plan. The combined 7.5 million-member congregation would share sacraments and clergy.

Pub hours in Ireland were extended until 12:30 a.m. from 11 p.m. Thursdays, Fridays and Saturdays, and 11:30 p.m. other nights. Pubs must still close at 11 p.m. Sundays, but the afternoon "holy hour" is gone.

REVIEW & OUTLOOK

Without Merit

Standing before the teachers union convention in Chicago last week, Democratic Presidential candidate Al Gore was in a mood for bellowing. He bellowed: "I'm on your side and I want to fight for the people. The other side fights for the powerful. That's why the big pharmaceutical companies are supporting Governor Bush. That's why the big oil companies are supporting Governor Bush. That's why the big polluters are supporting Governor Bush."

So you're asking yourself, What's this got to do with education? Obviously nothing. But if you'd spent the week hanging around the NEA's convention, educational reform is probably the last thing you'd bring up, too. They'd have hooted their man off the stage.

The NEA has always been intent on standing athwart history, and the teachers did a spirited job of it in Chicago. Aside from the usual string of non-education-related liberal policy statements, not to mention an endorsement of Al Gore, the NEA took time to thumb its nose at virtually all types of educational reform. The NEA's Representative Assembly even jacked up member dues by \$5 a year to fight voucher initiatives. This can only mean that the union is feeling threatened by the voucher movement.

While the NEA's opposition to school vouchers has long been a given, the really significant event at this convention was the rank-and-file's hostility to tying teacher pay to student performance, which is to say, the teacher's ability to teach. How radical.

The union's leadership had already realized that in the current climate of reform it had to save some face by allowing for "performance pay" under very specific circumstances. But the delegates weren't buying it. Most parents, in fact, don't quite realize just how much the NEA rank-and-file remain stuck in the mind-set of an industrial union. And for this reason, as go steel and textiles, we suspect, so go the teachers.

From the convention floor, they hardened the line against merit pay significantly. Led by the larger state affiliates, such as California, New Jersey, Michigan, Illinois and Massachusetts, new language was substituted banning all forms of merit pay under any circumstances. The resolution adopted by the assembly displays stunning obstinacy, and can only speak for itself:

The Association opposes providing

additional compensation to attract and/or retain education employees in hard-to-recruit positions. . . . The Association also believes that performance pay, such as merit pay, or any other system of compensation based on an evaluation of an education employee's performance, are inappropriate."

There it is spelled out in black and white: They will not act as any other business would to correct a labor shortage; they will not be held accountable for results.

As a practical matter, the union is ordering the tides to recede. The ship of reform has already set sail, notes Chester Finn, a senior fellow at the Manhattan Institute and a former assistant secretary of education in the Reagan Administration. "States and localities are going to be doing various versions of merit pay," he says. "They already are."

Jeanne Allen, President of the Center for Education Reform, points to Denver and Cincinnati, where the unions have been pressured to accept merit pay, and have reached compromises. She adds that the voucher and charter school movement has also helped increase support for merit pay. Competition is having the exact effect it was intended to on the public school system; it is leading parents and politicians to demand results.

But in the very years that this reform movement has gained momentum, not least among minority parents, the Democratic Party has made a Faustian bargain for the in-kind political support of this big union. The result is that Democratic politicians seem incapable of coming to grips with what is going on now in U.S. primary and secondary education.

Clinton Education Secretary Richard Riley, a Democratic moderate before he made it to Washington, addressed the convention, offered a little bit of everything and a lot of money. He proposed more than \$32 billion to be split among projects like after school programs, school modernization and teacher recruitment. As if the the problem is mainly money.

It is perhaps expectable for a steelworkers union to demand higher wages, or for a textile-workers union to demand better working conditions. But it is patently unreasonable for the nation's largest teachers' union to demand exemption from accountability. What a lesson for their students.

The trend in the knowledge economy is to fix poorly performing schools and it looks unlikely that this trend will be stopped.

But back to Vice President Gore before the teachers. He also bellowed, "We are the mainstream majority." Maybe not for nothing is George W. Bush extending his lead in the early polls.



Al Gore
Claims union
is in mainstream

Educ -
Teacher Pay

China's Chechnya

Chechnya is by now a household name among those who follow the world's affairs. President Vladimir Putin was down that way just last week to pow-wow with his commanders about the most recent round of Chechen raids—including a suicide truck bomb—in which at least 33 Russian soldiers have died. It is well-known by now that Russia regardless of circumstance labels almost any act of violence by Chechens as terrorist, and then justifies its own violence against Chechens as "anti-terrorist." Now that this notion has been established, terrorism is becoming the stock explanation for dealing brutally with internal unrest in other, troubled parts of the world.

Certainly that's what was happening last week, when, with terrorism on their minds, leaders of Russia, China and three Central Asia nations—Kazakhstan, Kyrgyzstan and Tajikistan—met in the Tajik capital of Dushanbe. Since 1996, this group, known as the "Shanghai Five," has been meeting yearly to talk about common concerns. All five of these nations face ethnic breakaway within. All have suffered terrorist attacks. They now blame Islamic fundamentalism, spreading from places like Afghanistan, for unrest within their own borders.

So, the Shanghai Five came up with a thumping endorsement for a regional agreement to fight secessionist movements and what they choose to call "international terrorism." This includes setting up a joint counterterrorism center in the Kyrgyz capital of Bishkek, where two Chinese officials were assassinated in May. This security-minded crew also pledged support for Moscow's military campaign in Chechnya and Beijing's push for reunification with Taiwan. They opposed U.S. proposals for a national missile defense system.

Time for a time out. Counterterrorism cooperation may sound nifty. But it does much to promote Russian and Chinese reach in Central Asia, and nothing

to address a host of underlying causes for the violence these countries suffer back home. Consider that the most ardent backer of the "counterterrorism" issue was China's President Jiang Zemin.

Mr. Jiang played up the pretext of a regional crisis in order to play down problems in his own backyard—the vast Xinjiang Uighur Autonomous Region. Three times the size of France, and sharing a 3,350-mile border with the Central Asian republics, Afghanistan, Pakistan and Russia, Xinjiang (pronounced shin-jyang) is home to eight million ethnic Uighurs, a Turkic-speaking people of whom a majority are Sunni Muslims.

The Uighurs have always bridled at Chinese control. In the last century they twice declared themselves independent. Inspired by the 1991 collapse of the Soviet Union, Uighurs have since then bombed Chinese government buildings, assassinated government officials and helped stage several large uprisings, quelled only by force of the Chinese army.

There is little evidence for Mr. Jiang's oft-heard charge that "external forces" are causing the ethnic conflict in Xinjiang. China itself has fanned the flames of resistance. Chinese authorities have cracked down on civil and religious liberties, using arbitrary detentions and executions. Like other governments in the region that use repression to solve their internal conflicts, China risks increasing the Islamicization of the Uighur struggle. Mr. Jiang would then have more reason to worry about those "external forces."

If it's really counterterrorism that the Shanghai Five want to practice, the place to start is not with yet more violence and repression against their own minorities. The real answer is to provide the open markets, democratic systems and hope for some genuine improvement in their lot that would give minorities good reasons to want to belong.

depicting life in the ocean, a caged cocoon about to hatch into a butterfly, spelling lists and science projects taped to the walls. In class, she is attentive and in control, moving from table to table, prodding students in their work.

"If my day were just the hours between 7:45 when the kids come and 1:50 when they leave, that would be great," she says.

Students are dismissed by 2 p.m., but most days, Ms. Abad doesn't leave until five because of staff meetings, committee meetings and preparing for the next day's lessons. Two evenings a week, she attends kick-boxing class. She carries her "teacher bag" home every night with extra paperwork: plans for a field trip, laminated pictures that need to be cut out for a class project, student journals that Ms. Abad responds to every day.

"She's a natural," says Mr. Davis, the principal. "She engages kids and motivates them. She's enthusiastic and animated."

Ms. Abad says most of the parents of her 20 first-graders are supportive. "I'm sure some would do my laundry if I asked them," she jokes.

But sometimes, she says, they step over the line between interested and intrusive. One day last month, parents interrupted class three times to talk about issues involving their children, even though Ms. Abad gives out her home number and willingly schedules conferences before or after school.

While several students clamored for her attention, Ms. Abad recalls, one parent spent 10 minutes discussing problems her child was having with homework. Later in the morning, a parent dropping off a late child began an impromptu conference about her child's progress. And 10 minutes before the final bell of the day, a third parent walked in to pick up some classroom handouts because she "happened to be in the neighborhood."

"I don't want to cut off communication," Ms. Abad says, "but what are people thinking?"

Several times a month, Ms. Abad gets together with some college friends. Four work in high tech, make significantly more money than Ms. Abad, and often urge her to switch careers. Another is a fourth-grade teacher still living with her parents because she can't afford a house. The New Economy friends, she says, plan to send their own children to private school or "have the nanny home-school them."

"I've done all this training," she says. "This is my job. I don't want to have to wait to marry some Silicon Valley guy to be comfortable."

Last year, Ms. Abad brought home a fellow teacher she was dating to meet her family. "Lose him," her mother, a pharmacist, declared tartly. "Do you want to live in the poorhouse the rest of your life?"

The alternative, though, doesn't appeal to her. At a happy hour in a Silicon Valley bar one evening, she recalls, an engineer sidled up to her and began to make small talk. Then he asked her what she does.

"I'm a teacher," she said.

"Why are you a teacher? You're so bright."

Ms. Abad declined the offer for a date. "It's in your face so much," she says. "In Silicon Valley, a lot of who you are is measured by your income."

She teaches summer school for the extra money, but still she says, "I totally stress myself out when I balance my check-book." She estimates that she spends \$20 of her own money every week on classroom supplies. On a recent trip to a bookstore, she picks up two books for the week's project on oceans. "I probably shouldn't," she says.

Last year, her parents gave Ms. Abad's younger brother, who makes nearly six figures a year as a lineman for Pacific Bell, a down payment to help him buy his first home. They offered the same to Ms. Abad. But she told them that on a teacher's salary, she would never be able to afford payments on a home in Silicon Valley.

When Ms. Abad decided to become a teacher after graduating from college, her mother and stepfather enthusiastically approved. "They were very proud of me," she says. "I was in a profession that really made a difference."

Now, her stepfather prowls the Sunday want ads, calling Ms. Abad with the names of companies willing to train new hires. At her goddaughter's first communion recently, Ms. Abad was teased by her mother about never having enough money and being "just a poor teacher." Her aunt, who works for Hewlett-Packard, took her aside. "All you have to do is give me your resume," she said.

As the end of the month rolls round, Ms. Abad again e-mails her mother and stepfa-

ther for money. Her mother e-mails her agreement, and adds: "If you want to move back home, your room is ready."

"I don't think that's OK at 28," Ms. Abad says.

Prodded by her friends and family, she has begun updating her resume, still unsure what she will do. "It's a summer of making decisions," she says.

Back at school, before a staff meeting, Mr. Davis takes Ms. Abad aside. With retirements and transfers, he must hire 10 new teachers this summer. He understands the tough conditions Ms. Abad is living with: His own son will become a teacher next year in Silicon Valley and is planning to live at home.

"You are coming back next year?" he asks.

"I'm planning on it," she says.

On her desk, Ms. Abad finds a note left by one of her students. She picks it up and reads it. In the careful printing of a seven-year-old, it says: "If I had to pick my favorite teacher, it would be you."

House Votes to Bar Clinton From Using Veterans' Funds for Smoking-Illness Suit

By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The House gave the tobacco industry a boost in its campaign to hamstring the Justice Department's ability to sue cigarette companies to recover federal health-care costs for treatment of smoking-related illnesses.

The narrow 207-197 vote endorsed a provision that would bar President Clinton from tapping veterans' medical

Standing Firm

R.J. Reynolds's chairman defended his company's business practices in a Florida trial against big U.S. tobacco firms. Article on Page B10.

funds to help finance the suit, now pending in U.S. District Court. Attorney General Janet Reno has warned that she will be forced to drop the action unless Congress makes more money available, and accused her opponents of "trying to shut America's taxpayers out of the courtroom."

Wielding Power Over Budget

Ms. Reno's troubles are rooted in the House and Senate Appropriations Committees, where tobacco-state lawmakers wield immense influence over her budget. With no chance of getting enough money to go ahead alone, the Justice Department has asked several other agencies—all with a stake in the outcome of the suit—to share in the costs.

About \$8 million was contributed this year by the Departments of Defense, Veterans Affairs, and Health and Human Services; Mr. Clinton's budget assumes another \$12 million will be transferred in the same manner in the new fiscal year beginning Oct. 1.

Critics argue that the financing scheme is an end run around Congress—the expected cost of the lawsuit is about \$40 million for the first two years and more thereafter. Also, any transfer of funds from veterans' medical care, no matter how small, is politically sensitive. "These funds are precious and dear," complained Republican Rep. James Walsh of New York. "Let the Justice Department take it out of their own hide."

The veterans lobby is itself split on the issue, but many of the most-prominent or-

ganizations, including the Veterans of Foreign Wars, support the administration's position, against a background of past efforts by Congress to bar disability benefits for veterans who become addicted to smoking while in the service.

Lawmakers used these savings to help pay for a major highway bill in the last Congress and veterans recall that the Republican leadership went on record then urging Veterans Affairs to seek to recover funds from the tobacco industry.

Last night's debate came as the House took up a \$101 billion spending bill covering not only Veterans Affairs but also housing, science and environmental programs for the coming fiscal year. Total spending would grow modestly, but the measure cuts \$6.5 billion from the administration's requests and would terminate Mr. Clinton's AmeriCorps national-service program.

The Department of Housing and Urban Development bears the brunt of these cuts, but smaller agencies, such as the National Science Foundation and National Aeronautics and Space Administration, would be seriously affected.

Adding to the Aggravation

Adding to the administration's aggravation is the fact Republicans aren't even committing to the use of such things as premerger filing fees raised from industry that help finance the Federal Trade Commission and the antitrust division in the Justice Department.

At the administration's request, the House Appropriations panel last week approved a revised fee schedule that would increase revenue by almost half and greatly increase charges on companies in big mergers of over \$200 million.

The extra money would help finance budget increases for the FTC and the antitrust division of the Justice Department. But the House would cut back the president's requests and spend just 60% of the total \$346 million in fees projected to be available next year.

The administration proposes to use \$157 million in premerger fees for the FTC, while the House would use only \$121 million. The president would use \$105 million for the antitrust division, while the House bill would use \$77 million.

No R-E-S-P-E-C-T

Silicon Valley Puts Its Teachers Through School of Hard Knocks

In a Sea of Wealth, Ms. Abad Borrows From Family, Endures Social Insults A Engineer's Failed Come-On

By JONATHAN KAUFMAN

Staff Reporter of THE WALL STREET JOURNAL

MORGAN HILL, Calif. — Classes are over for the day at Burnett Elementary School in this Silicon Valley enclave, and Tammi Abad is in parent-teacher conference with Sherry Austin. When the subject of the rambunctious and sometimes disruptive behavior of Ms. Austin's first-grader arises, Ms. Austin offers to buy Ms. Abad a copy of "The Schools Our Children Deserve," a critique of traditional teaching methods.

"You need to read this book," she says.

Ms. Abad remains polite but is fuming inside. She had read the book when studying for her master's degree in teaching.

"You wouldn't go to see your doctor and say, 'This is how you should treat my child. You need to read this book,'" the 28-year-old teacher says later. "When I was growing up, teachers were revered. Now we are being challenged and questioned all the time."



Tammi Abad

In America, teachers have nearly always been shortchanged relative to other professionals. Now, with the nation in its longest economic expansion on record and the New Economy creating new levels of wealth and new class divisions, the ignominy is only worsening, financially and in other ways. The pay stinks. Parents are often pushy. And social status is slipping.

"Among well-educated and wealthy parents, there is a pervasive, unspoken condescension bordering on contempt toward the less well-educated and less-wealthy teachers who work at their schools," says Tom Sobol, former school superintendent in affluent Scarsdale, N.Y., and now a professor at Columbia University's Teacher's College.

Several years ago, Mr. Sobol recalls, an outside speaker told a meeting of Scarsdale teachers: "You represent everything in the world the people in this community don't want their children to be."

According to Dismal Sciences, a West Chester, Pa., economic-consulting firm, U.S. teachers' average annual earnings from 1991 to 1999 rose 19.7%, to \$27,340. That's roughly in line with the pay gains of food-service and building-service workers and compares with a 154% increase for financial-services workers, 48% for telecommunications installers, 41% for electric

cal engineers and 62% for morticians.

And once adjusted for inflation (using the 22.3% rise in the consumer-price index for the period), the wage gain for teachers becomes a loss. Small wonder, then, that nationally, 20% of teachers leave the profession after three years, according to a survey of U.S. Census data by Education Week magazine.

In part, many parents' frustration reflects the sinking performance of schools across the nation. And that frustration has only grown when teachers, backed by strong unions and hidebound by bureaucratic attitudes, are inflexible and unresponsive to suggestions for change. That resistance has prompted the recent boom in charter schools, the growing popularity of private and parochial schools, and the support for vouchers that would give parents more choice in choosing schools.

Here in Silicon Valley, where millionaires are multiplying apace, the division between newly wealthy parents and struggling teachers is all the wider. Gov. Gray Davis last month proposed exempting teachers from state income taxes. And some Silicon Valley cities are planning to build subsidized housing for teachers, a gesture that vividly underscores their declining status.

"What am I going to do — go live in the 'teacher projects?'" says Steve Spencer, a special-education teacher in town.

'Stepping on Our Toes'

Daphne Renelle, a second-grade teacher at Jackson Elementary School in Morgan Hill, adds that, "When I first started teaching here in 1977, teaching didn't pay well, but it was a respected profession. Now people see us more like the mailman. . . . And we have to be very tactful even though they're stepping on all our toes."

A few months ago, Ms. Renelle recalls, she told her students they wouldn't have school the next day because the teachers had to attend training sessions. An eight-year-old girl approached Ms. Renelle and said, "You're lucky. You get a day off."

"No," Ms. Renelle explained. "We have meetings. We have to be in class just like you have to be in class."

"No," the child insisted. "My mom said you just play on those days. You don't really work."

"Out of the mouths of babes," Ms. Renelle says.

A few weeks ago, a father complained to Ms. Renelle after the school secretary refused to pull her out of class to come to

the phone to answer a question about a math test was scheduled. "These are used to instant answers," says Renelle. "They feel their needs should be met immediately."

At Montclair Elementary School in Los Altos, relations were until recently on a downward spiral. Caroline Marley, a third- and fourth-grade teacher at the school, says, "There was an attitude that teachers needed to be available to parents at all times. They would show up sometimes and say, 'You are going to talk to me now.' It was kind of a hostile arrangement."

Last year, parents raised \$130,000 to hire a full-time teacher and six aides to reduce class size and also organized volunteers to do filing and other tasks to ease the administrative burden on teachers. One group of mothers now delivers doughnuts to teachers during teacher-training days, when their children aren't at school.

In Morgan Hill, much of the pressure on teachers such as Ms. Abad comes from economic transformation. Once a sleepy agricultural community, its fields now bloom with expensive new homes. More than half the town's residents commute to Silicon Valley jobs. A new private school, Morgan Hill Country School, opened two years ago, charges \$7,600 a year for tuition, and has a waiting list for every grade.

"A lot of us would send our kids to private school if we could afford it," says Ms. Austin, the parent who advised Ms. Abad on reading material.

Ms. Austin is insistent and unapologetic about that encounter. "I respect teachers as much as ever," she says. "But now more than ever, we have to really advocate for our children. What the teacher says is not the final word. I feel like I am my children's teacher also, and I have to speak up for them," she adds.

"More of the recent arrivals have a private-school perspective on public school," says Robert Davis, principal of Burnett, where test scores lag in part because about half the school's students still come from poor and immigrant families. "Some prospective parents walk in the door with proposed changes, and they haven't even experienced schools yet. They are out making it in the dot-com world, and they come in with a schedule to get the kids into MIT."

He gestures across the street where a large field will soon hold a development of \$500,000 homes. "Those parents will soon be in here," he says.

Many parents say that just as consumers demand greater scrutiny of their physicians and other service providers, so they want to make sure their children are receiving the best quality of education. "There has to be more accountability," says Paul Nicca, vice president of the parent's association at Burnett Elementary. "If I don't perform in my job, I'm either gone or I have to work harder."

Ms. Abad became a teacher five years ago because she always loved working with children. She makes \$42,000 a year—too little ever to afford a house or condominium in San Jose, where she grew up, or here in Morgan Hill, where the median housing price is \$400,000. Teacher salaries in Morgan Hill start at around \$33,000 and top out at \$60,000 after 30 years. With \$950 in rent for her share of a two-bedroom apartment, monthly car payments and her student loan, she frequently must borrow money from her mother and stepfather to make ends meet.

Each school day, Ms. Abad leaves her San Jose apartment at 6:45 a.m. for the half-hour commute. Student projects fill her classroom: a construction-paper mural

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Artful Lodges Woo Frequent Travelers, Who Feel Like Kings

They Represent Big Money
In a 'Commodity' Business.
Starwood Sets the Pace

By CHRISTINA BINKLEY

Staff Reporter of THE WALL STREET JOURNAL

Rarely has Philip V. Puopolo Jr., an auditor with a small New York accounting firm, felt so desirable.

Last year, he spent 195 nights in Marriott International Inc. hotels, putting him in the front ranks of frequent travelers. Then, Mr. Puopolo got a call from Hoyt Harper, a senior executive at Starwood Hotels & Resorts Worldwide Inc., who promised wine-stocked suites and fawning service. "They assigned me a personal concierge," says Mr. Puopolo, in awe. He promptly booked 30 nights with Starwood. Soon afterward, a Marriott executive was on the phone to him, hoping to lure him back.

Jennifer Taylor, who oversees frequent traveler programs for Bass Hotels & Resorts, calls it "elite napping," and it's happening around the country. Rapid consolidation has left a handful of lodging companies competing for the same travelers, limiting their ability to raise prices and slowing revenue growth. So the hotels, taking a page from the airlines, are trying to outdo one another in seductive tactics.

Favorite Customers

Capturing the road warrior has turned into the Holy Grail of the hotel business. Starwood estimates that a typical heavy traveler spends at least 25 nights a year in hotels and is worth \$10,000 in annual revenue. "All the hotel companies have a bounty on these guys' heads," says K.C. Kavanaugh, a Starwood spokeswoman.

Deals to stay in luxury properties in far-flung lands, flower-filled suites and the attentions of a concierge are the least of the enticements. Hilton Hotels Corp., in Beverly Hills, Calif., takes its good customers to the Grammys and Oscars and gets slots for golfing clients in pro-am tournaments. Bass, whose properties include Holiday Inns and Inter-Continental, has been throwing parties around the country. Starwood just took over management of nine hotels in Kenya and Tahiti, mainly to offer rooms gratis. "They're safari huts," says Barry Sternlicht, Starwood's chairman and chief executive. "We want them as bait for our frequent customers."

This sort of competition is relatively new in the hotel industry. Marriott, which is based in Bethesda, Md., set up one of the first frequent-guest programs 15 years ago, but it wasn't until Starwood launched its Preferred Guest program with a \$50 million budget in 1999 that the competition got hot and heavy. In a move to fire up its newly purchased Westin, Sheraton and other hotels, Starwood, of White Plains, N.Y., eliminated blackout dates for redeeming rewards and loaded up with rich promotions. Hyatt Hotels Corp., in Chicago, responded by ending its blackout-date policy for its best clients, while Marriott lowered the barriers to entry for its elite-traveler program.

Commodity Accommodations

"We all have nice rooms. We're all in good locations. We all have great service. It's in a sense becoming a commodity business, so everybody's looking to see how can I stand out here. That's where the battleground really is today," says Marc Grossman, a spokesman for Hilton.

Mr. Grossman's boss Stephen F. Bollenbach has been touring Hilton's suburban reservations centers and giving pep talks. He says a big reason Hilton bought Promus Hotel Corp. for \$4 billion last year was to add hundreds of locations to its

frequent-guest program. "We need more properties to spread the cost of the rewards program," he says.

Hilton recently sent out \$150 coffee-table books on the history of the Professional Golfers' Association. The company has appointed eight "Diamond girl" concierges to help with travel arrangements and award redemption. Mr. Bollenbach figures Hilton gets six nights out of a typical road warrior's 20 hotel-nights a year. "If we can increase that from six nights to seven nights, we can add \$500 million a year to revenues," he says.

Starwood last year "awoke a sleeping giant," concedes Ms. Taylor, of Bass Hotels, a unit of Britain's Bass PLC. "It's bitten us a little bit. . . . I went to my management and said, either we need to have a worse program and stop spending so much on it, or we need to spend more on advertising."

As a result, Ms. Taylor and her staff have been partying a lot lately. There was a House of Blues event at the New Orleans Jazz Fest, a tailgate party for 1,400 at a Chicago Cubs game, and, most recently, an evening at the "Where the Wild Things Are" exhibit at the Metreon entertainment complex in San Francisco. Many travelers aren't yet accustomed to such perks. "I thought it was kind of weird," says attendee Bill McNichols, a vice president of a Marin County, Calif., engineering firm who attended the Wild Things event with his wife. "But we said, 'Why not?'"

For Starwood, wooing the big spenders has paid dividends. Last year, it doubled the number of travelers who, over a 12-month period, stayed more than 25 nights. It figures that crowd is worth \$300 million a year to its business, and it is predicting big increases. "We set the world on fire last year," boasts Mr. Harper. "We blew the doors off Marriott and Hilton."

Hilton and Marriott officials don't take that lying down. Their programs are just as good or better than Starwood's, they say. "We're adding 100,000 people a month—and it's not just dropping leaflets from an airplane," says Marriott spokesman Gordon Lambourne, who chides Starwood for its "aggressive" attempts to sign up new Preferred Guest members. Marriott says Starwood "charges" more points for award redemption to cover the higher cost of barring blackout dates.

With all the competition, Starwood is cooking up new tactics. A few weeks ago, it invited five road warriors to its Austin, Texas, reservation center to pick their brains. Laden with expensive gifts such as airline tickets and sports memorabilia, the

travelers had a morning's run of the center, listening in on reservation calls and hearing presentations from Starwood executives. Then they spouted off at a luncheon roundtable with attentive Starwood officials.

Over turkey wraps and salad, the group complained that Starwood's frequent-flier statements are hard to use, that the chain doesn't upgrade customers as often as Hyatt does, and even that its gray Preferred Guest card, which abbreviates the word Platinum as "PLTNM," is drab. "It doesn't look very elite," said Steven Salta, a product-development manager for a Seattle high-tech firm. Starwood executives vowed to fix all that.