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(turn page)



More Money Won't Fix Indiana's Government Schools

Indiana government schools are failing but not for lack of funds. The chief culprit is a culture characterized by the bureaucratic sclerosis of three decades of laws and regulations. It penalizes success and chills incentives. And embedded in that culture is a mythology; a mythology that includes at least four beliefs assumed to be obviously true but, in reality, are not true at all — the Spending and Performance Myth, the Inadequate Funding Myth, the Class Size Myth and the Teacher Quality Myth. The subject of each can easily be observed and measured. The relevant facts are available, usually from public sources, and have been pointed to by others before. Nevertheless, these myths retain their place in the hierarchy of beliefs that keep Indiana public education mired in mediocrity. The author clears away this debris. Perhaps now the path to true educational reform will become clearer.

COVER
ESSAY
Freeland
PAGE 8

The Zimbabwean Taboo: Property Rights in an Election Year

It is understandable that in the envy-driven cultures of the Third World, where being politically incorrect can be fatal, no one stands up to defend property let alone the propertied. But why not in Indiana, in the midst of a free gubernatorial election where economic decline is the overriding issue? The Republican candidate talks generally about the burden of regulation. He pointedly stops short, though, of beginning the lesson Hoosiers need to learn ever so much as Zimbabweans, *i.e.*, private property cannot be finessed. The Democrat candidate doesn't seem to get it at all. And if he doesn't get it in 2004, with layoffs and closings a weekly event, he may never get it — or not until Indiana joins the likes of Mississippi and Louisiana in that third tier of casino-dependent states.

THE OUTSTATER
Ladwig
PAGE 19

The Statehouse Takes a Stab at Cultural Competency

If children are different, then teachers must respond to their students as individuals, not as members of this or that group. But if every child were treated as an individual, then generalizing on the basis of culture represents crass stereotyping. These are the philosophical contradictions of Indiana's new Cultural Competency Law. There's no such thing as black math, supporters like to say, but they insist you can use hip-hop music to teach blacks concepts of interest. Yes you can, if you assume that all and only blacks have an interest in hip-hop. So much for diversity. So much for avoiding stereotypes. *Other topics: The curious lack of interest in intellectual diversity on campus; America's debate, redux, over immigrant labor.*

CONSTRAINED
VISIONS
McGowan
Kersten
Van Cott
Bobanon
PAGE 21

OUR POLICY

The nonmember who aspires to these pages is reminded that although the benefits and responsibilities of the First Amendment are assigned equally to all individuals, they can be fully exercised only by those who have protected their right to own computers, software, printing and broadcasting equipment, i.e., private property. In addition, it is an advantage to have learned the English language and be conversant in the history and literature of Western Civilization. Members of the staff, as a condition of their employment contract here, keep all of this in mind as they go about their daily duties. So with respect to your point of view and the hardships endured in arriving at it, the mere holding of an opinion, however strong, does not guarantee publication.

COMMITTEES OF CORRESPONDENCE

In the spirit of the Boston Tea Party

GOVERNMENT REFORM

“The idea that public-spirited behavior is the exclusive province of the disinterested is ruinous to a healthy republic.”

— Lubbers

Government Reform

Please pass on to Cecil Bohanon congratulations for a great little op-ed noting the destructive nature of using a “conflicts of interest” standard as the basis of ethical behavior.

*Mark Lubbers
Indianapolis
April 20*

The idea that public-spirited behavior is the exclusive province of the disinterested is ruinous to a healthy republic. Note I didn’t say democracy, as that implies the government produced by the French Revolution, and which lurks beneath the surface of American populism to this day.

In its modern form, this ethical standard is the creation of Common Cause and its ilk. The consequence is an entire class of ethically pure bureaucrats whose disinterest provides a judicial-like detachment from economic, civic and social life. The “no conflict of interest” model, of course, has *nothing* to do with the success of this country.

In fact the opposite is true. Past success was full of conflicts and it will be a great burden to future success.

Where excess occurred in the past, caused as always by human greed, it was policed *a la* Teddy Roosevelt in the first decade of the last century. And in any event, disclosure is always the perfect remedy.

Proving this point requires nothing more than modeling representative government to the smallest community level. How on earth could a village be governed by its citizens absent conflicts of interest? The idea is silly.

And the remedy is obvious. In the village, the conflicts are obvious because knowledge of interests is ubiquitous. To whom would government devolve in the village if only the disinterested participated? Either the unqualified or outside parties.

Unfortunately, this question, rather than proving the untenable nature of conflict

elimination in a republican form of government, has been used to promote the creation of professional bureaucrats such as those produced by the School of Public and Environmental Affairs at Indiana University. (And why it is that we would use our tax dollars to subsidize the production of a governing cadre continues to bother me.)

Healthy self-government would disclose conflicts — and relish them. Thus, the remedy for balancing public and private interest is always available.

The public is spared the expense of retaining presumably disinterested government. And the public incurs neither the distraction from important public objectives, nor the anxiety of assessing the pseudo-moral question implied by the ridiculous standard.

Thanks for your ongoing contribution to the public discourse.

Education Reform

I enjoyed Andrea Neal’s column in the *Indianapolis Star* this morning. As a retired elementary school principal, I have some other concerns regarding full-day kindergarten.

Are the majority of five-year-olds ready for a six- to seven-hour structured school day?

Kindergarten is not play time any more. There is a pretty solid academic curriculum, and my experience is that a lot of five-year-olds are not mature enough to tolerate that.

Secondly, how about the supply of early childhood educators? Won’t full-year kindergarten require about twice the number of teachers we have now? Surplus high school social studies teachers are not qualified to instruct and motivate a class of 25 or more five-year-olds.

Thirdly, and Neal mentioned this, what about classroom space? Kindergarten classrooms require some special needs, *e.g.*, self-contained washrooms, carpeting, furnishings. Going to full-year kindergarten will require about twice as many kindergarten-equipped classrooms as we have now. These last two items will cost big bucks. I

*John Logan
Indianapolis
Feb. 25*

EDUCATION REFORM

“Won’t full-year kindergarten require about twice the number of teachers we have now?”

— Logan

*Indiana Policy Review
Summer-Fall 2004*

don't feel that Governor Kernan thought his way through his proposal. I tend to believe that his idea may have been prompted by his desire to draw the votes of working mothers who would like to have full-time day care.

I read with interest a quote on page six of the summer issue of *The Indiana Policy Review*. Walter Williams wrote about his suggestions for improving the profession of teaching. After having dedicated 32 years to the profession, I would like to add a few thoughts to his insightful ideas.

One of the most frustrating and exhausting situations that teachers face today is all the hats that are continuously being piled on our heads. Not only are teachers expected to teach academic subjects but also function as computer instructors, social workers, conflict-resolution facilitators, instructors of the gifted and talented segment within the classroom, instructors of the disabled included within the classroom, instructors of children who come to school with English as their second language . . . and the list goes on and on. This is in addition to

*Harriet Rincon
Munster
June 4*

“Leaving No Child Behind.” Society is expecting the schools to address the majority of problems affecting the youth of today, and yet society criticizes the schools when not as much time is spent on academic subjects as was spent in the past. More and more children are coming from homes in which education is not valued and educators are not highly regarded. If schools are expected to handle all the additional roles, then voters are going to have to be willing to place additional resources and facilities at these or nearby sites.

In my opinion, we no longer need cookie-cutter schools that all function identically; we need to be thinking about different schools in a city serving different needs.

Not only could we better serve a diverse student population thus, but we also could place specialists at the appropriate sites. Yes, busing might be somewhat more involved, but it is hoped that the majority of classroom teachers could return to concentrating on more quality teaching time.

Perhaps more buses could be available for this plan if more cities were willing to try the concept of children walking to their neighborhood school while forming a “human bus.” An adult walks the route and picks up the children as he or she goes along; they all walk in pairs in line as if they

EDUCATION REFORM

“One of the most frustrating and exhausting situations that teachers face today is all the hats that are continuously being piled on our heads.”

— Rincon

Succeeding With Local Government

Earlier this year, a seminar in Terre Haute brought together Democrats and Republicans to ponder the question of how best to build strong communities. Thoughtful reflection about what government can and cannot do occurs all too infrequently. But it can be one of the keys to successful local government. We share here some of the insights from that seminar, which featured economists Dr. Eric Schansberg of Indiana University (New Albany) and Dr. Cecil Bohanon of Ball State University.

The economists noted that, in general:

- The goal of voters is to pay less in taxes but receive good service.
- The goal of elected officials is to get re-elected.
- The goal of public officials is to advance their career, their scope or their salaries.

Discussion focused on the assumption that we have ‘good’ voters, elected officials and public officials. But no matter how good they are, if they do not have the correct incentives, the success of government — whether on the local, state or national level — will be less than desired.

From gardens for the poor to busing school children to tax abatement, the economists gave examples of how incentives can influence behavior that helps individuals use money or effort more effectively. For instance, data shows that private provision of bus services for students results in more than a 10 percent reduction in costs because of competition for the routes.

For a variety of reasons, the economists noted that tax abatement may be a poor economic development tool. ‘If you have a level playing field where a city simply says it has low taxes, great public services and we don’t play one industry off another, you may end up doing better,’ said Bohanon, adding that ‘uniform rules are better than a lot of discretion, where you (public officials) are in a position to make a lot of mistakes.’

With tax abatements, the incentive for business and industry is to always claim that they need more abatement.

We applaud the Indiana Policy Review Foundation for sponsoring the discussion in Terre Haute. Thoughtful public discussion benefits everyone involved.

— Grace Householder, editorial page editor of *Kendallville Publishing Company*.
The editorial ran in June 13 editions of the *Kendallville News-Sun*,
the *Auburn Evening Star* and the *Bluffton News Banner*.

CORRESPONDENCE

TAX REFORM

"I have appealed my assessment, but the state will probably tell me that I have lakefront property when it floods."

— Rybicki

"It is sad to realize that I spent 30 years here building my life and now the government will force me to leave."

— Bimm

are on a bus — rain or shine. What a great way for children to get much-needed exercise, school systems to save money on buses and gasoline, and buses to be available for the transportation of students to schools other than those in their neighborhood.

Lastly, I believe our country is quite naive in believing that all teenagers will benefit from an academic setting. I think we should look at some of the European educational systems in which students are tested in their early teens. Those who test high academically are then routed into the academic institutions, and those who test otherwise are routed into career and trade facilities. I see this as a win-win situation: The academic settings are then dealing primarily with those students who have the ability and initiative to pursue academic studies, and the career and trade facilities are training those students who will then be prepared to enter the workforce skilled and ready to assume jobs.

The new career facility on the campus of the high school in Logansport comes to mind. What an awesome example this is, in my opinion, of what a community can offer to those students who are less academically oriented.

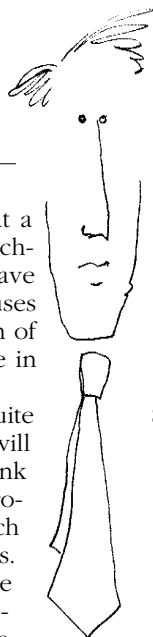
Property Tax Reform

Thank you for Andrea Neal's article regarding the Lake County reassessment. It in fact is a "disaster."

I especially was pleased that she brought to light the "neighborhood factor." I live in Dyer, and my home assessment is skewed by this factor. Our subdivision is one of Dyer's oldest and is prone to flooding. My basement has flooded six to seven times.

However, our assessment factor is 1.18. There is a newer subdivision across the road with nicer, more expensive homes and their factor is 1.00. Another exclusive area has a factor of .95. These homes were assessed for \$40,000 to \$80,000 under their market value — location, location, location.

My "plain-Jane" ranch was assessed for \$146,600. I can't sell it for that price because



*"Because Jefferson was a humble person, I feel a kinship with him."
(Jimmy Carter)*

of the flooding factor. The homes across the road are assessed for \$122,000 to

\$135,000, yet routinely sell for \$165,000 to \$180,000.

Market value reassessment? I think not. I have appealed my assessment, but the state will probably tell me that I have lakefront property when it floods. Sorry to be so long-winded. Keep up the good work.

Thank you for Andrea Neal's columns regarding the property-tax debacle. The entire underpinnings of the old system and its inequalities were kept in place so that even the market-based term can't apply.

On a walk yesterday in the 4000 block of North Pennsylvania in Indianapolis, I compared properties and their assessed value with my own home located a few blocks away.

Homes that had huge lots and twice the size as my own had valuations in the same range as mine. This showed me that there wasn't any reassessing going on.

*Mrs. Richard Bimm
Indianapolis
May 27*

I'm not complaining about the bill, but I am saying market-based solutions cannot be achieved unless you use last-sale price as a criteria.

That is the only way older, longtime residents can be allowed to stay in their homes.

As an older person I cannot see how I will be able to stay in my home in the future. It is sad to realize that I spent 30 years here building my life and now the government will force me to leave.

No one should owe the government to keep and afford their homes. No one should owe the government on unrealized gains.

I still cannot believe that this has happened. It has totally shattered my belief in the competency of government to manage this city and state.

Thank you and please keep up the pressure. We are grateful to you.

My comments are in regard to Andrea Neal's article that appeared in *the Terre Haute Tribune Star* on April 25th entitled "Property tax assessment as unfair as ever."

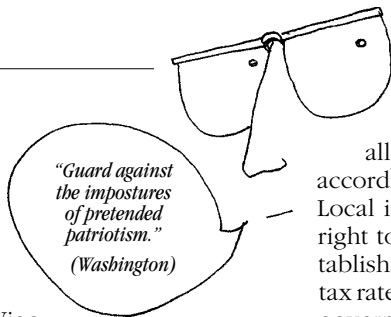
As the director of the Vigo County Public Library, I am acutely aware of the present property tax crisis in Indiana. Due to the reassessment process in 2003, both the Vigo County Public Library and the Vigo County School Corporation were forced to borrow millions of dollars (the library \$3 million, the school district, over \$40 million) to maintain payroll and basic public services until a tax settlement was received in February of 2004.

Neal indicated in her article that property taxes are unfair, yet, I ask you what form of tax is truly fair? The general public continues to grumble about the unfairness of income taxes levied by the Internal Revenue Service. Sales taxes primarily tax individuals who spend their entire incomes, who most likely are the economically disadvantaged. Property taxes serve as consistent, stable sources of revenue to finance political subdivisions in Indiana. The ownership of property throughout history has been an indicator of wealth.

The individuals you cite in the article may very well have complaints regarding the local reassessment process in their city or town. However, I pose the question: Do we completely revamp the property tax system because a few individuals have local complaints concerning reassessment?

Local governmental entities spend their money according to strict Indiana State Board of Accounts policies and procedures. Local governing boards conduct public meetings and adopt resolution after resolution to legally appropriate funds for services. The State Board of Accounts conducts audits of each political subdivision and those of us who direct political subdivisions such as public libraries spend the tax dollars from Indiana citizens in a responsible and accountable manner.

Taxpayers have the right to attend public hearings on all proposed property tax



Nancy Dowell
Terre Haute
May 7

rates in Indiana and all tax rates are advertised according to Indiana statutes. Local individuals do have the right to have input on the establishment of local property tax rates. Yet, this sense that all government and public services are somehow corrupt seems to be pervasive.

I seek your advice on how local governmental entities can change this attitude. Somehow, somehow, government services in Indiana need to be financed. The levying of local property taxes for local services cannot be all wrong or unfair. The current discussion of levying state taxes and eliminating local property taxes to finance local government will not allow Indiana citizens to have input on any local project or concerns.

The concept of democracy at the basic level will be wiped out by state taxing authority. I welcome your comments on this important Indiana issue.

Government-Licensed Gambling

In Andrea Neal's Wednesday column she stated, "Gambling shouldn't be the main attraction, or even the most visible one."

How idealistic and naive this is in fact. While aesthetics would be nice, the emphasis needs to be on the success of the project or you end up with a white-elephant failure on your hands.

The whole core of it all — the whole reason for it — is the gambling and its success. You sneer at maximizing profits, while this is the basis for its being. If you can't support this essence first and foremost, regardless of your aesthetics, the project will fail.

Competition will be tough enough. These developers aren't social workers. The gambling is foremost — please remember this.

Jack Thomas
Carmel
May 5

TAX REFORM

"Property taxes serve as consistent, stable sources of revenue to finance political subdivisions in Indiana. The ownership of property throughout history has been an indicator of wealth."

— Dowell
Vigo County Library

GOVERNMENT GAMBLING

"While aesthetics would be nice, the emphasis needs to be on the success of the project or you end up with a white-elephant failure on your hands."

— Thomas

I consider the foundation of the Constitution as laid on this ground that 'all powers not delegated to the United States, by the Constitution, nor prohibited by it to the states, are reserved to the states or to the people.' To take a single step beyond the boundaries thus specially drawn around the powers of Congress, is to take possession of a boundless field of power, no longer susceptible of any definition.

— Thomas Jefferson

BREAKING THE SILENCE ON SCHOOL SPENDING

It's the institutions, not the budget, that need examination

If in 1999 Indiana K-12 education per-pupil spending had been at the mean average of the 11 states, Hoosier taxpayers would have saved \$250-\$450 million. Add up these savings for four more years and Indiana government would be sitting on at least a billion dollars in additional resources.

Foreword by Cecil Bohanon, Ph.D.

According to the National Center for Educational Statistics, in the 1999-2000 school year Indiana taxpayers provided around \$7.7 billion to kindergarten through 12th-grade (K-12) education through state and local governments. Depending on the way K-12 enrollment was calculated (one measure is the fall headcount, the other is average daily attendance), this constituted a per-pupil state and local tax burden of \$7,831-\$8,331. This translated to \$156,620 — \$166,620 in state and local funds per classroom of 20 students.

How did this compare with other states? Consider the states that border Indiana and those that border those states as a sample from which to make a comparison. Again, depending how per-student support was measured, Indiana ended up fourth or fifth out of 11 in per-pupil tax support. Indiana's tax support was 103-106 percent of the 11-state average. Contrary to popular myth Indiana was not the Mississippi of the Midwest. Indiana education spending was typically higher than that of its neighbors.

And now to the point, if in 1999 Indiana K-12 education per-pupil spending had been at the mean average of the 11 states, Hoosier taxpayers would have saved \$250-



MORE MONEY WON'T FIX INDIANA SCHOOLS

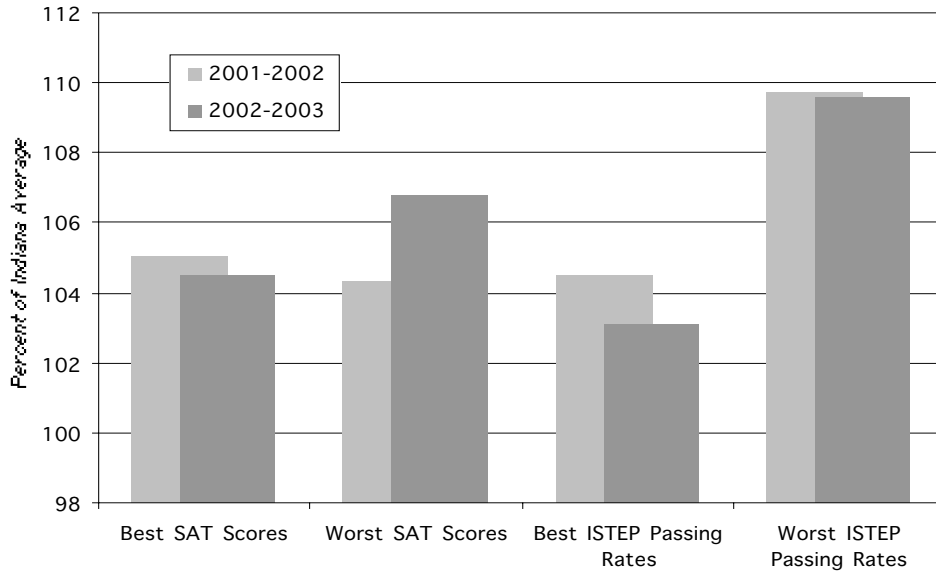
\$450 million. Add up these savings for four more years and Indiana government would be sitting on at least a billion dollars in additional resources.

Of course, the mere suggestion that Indiana K-12 education could have gotten by on less is a political and social heresy. It is simply impolite to ask what have

the taxpayers of the state obtained by K-12 education spending being above average. The fact of the matter is that Indiana's political leadership on both sides of the aisle never questions the hypothesis that more spending is necessary for our schools to improve. Both sides have facilitated an ever-increasing flow of resources to K-12 education. No candidate has ever proposed a frank discussion of how resources are supposed to improve educational quality. Both Republicans and Democrats are afraid to even hint at limiting K-12 spending. There has been a deafening silence on an obvious issue.

Charles Freeland's essay, "More Money Won't Fix Indiana's Schools: The Mythology of Public Education," breaks the silence. Carefully marshaling facts and analysis Freeland reminds us of the little boy who said that the Emperor was naked. For the case is clear: there is little evidence that

*Indiana Spending per Pupil as a Percent of Average
for 20 Best-Performing and 20 Worst-Performing Schools*



additional expenditures on education do much to improve learning outcomes. Or as educational finance expert Professor Eric Hanushek has argued:

The suggestion of a disconnect between spending and student performance has actually been reinforced by detailed studies at the school and classroom level. The studies, which have been controversial largely because of their findings indicate no systematic relationship between resources and outcomes. . . .¹

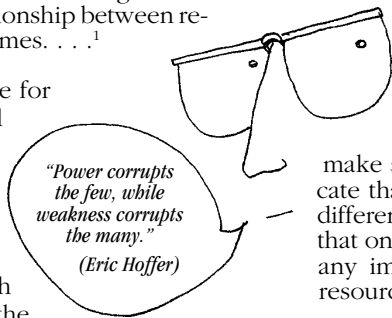
But Freeland's case for examining our fiscal commitments to K-12 education is not really motivated by fiscal issues. He isn't calling for K-12 education to be the cash cow to ameliorate the state's fiscal imprudence. Rather, the compelling reason for examination of educational spending is that the policy of directing ever-increasing resources to K-12 has simply not worked.

Most taxpayers are probably willing to support current or even increased levels of K-12 funding if they had a reasonable

assurance that Indiana could rise from 42nd in educational attainment to say 30th over the next decade. The salient point of Freeland's analysis is as long as citizens and legislators are informed by the "more money equals better outcomes" mythology, putting more resources into education will not just be a waste of resources. It will forestall the reforms needed to provide our children with the education we so desperately want for them.

As Professor Hanushek points out:

The studies, of course, do not indicate that resources never make a difference. Nor do they indicate that resources could not make a difference. Instead they demonstrate that one cannot expect to see much if any improvement simply by adding resources to the current schools.²



It is the institutions of K-12 education we need to examine, not the funding level *per se*. It is the incentives provided by the dollars we currently spend on K-12 education that are the important issues, not the appropriation of dollars. Thank you, Mr. Freeland: it is high time the discussion begins. — *Muncie, March 24*

As long as citizens and legislators are informed by the "more money equals better outcomes" mythology, putting more resources into education will not just be a waste of resources. It will forestall the actions and reforms needed to provide our children with the education we so desperately want for them.

1. Eric A. Hanushek. "Spending on Schools: A Primer on America's Schools," edited by Terry Moe, Hoover Institution Press, 2001, p. 81.

2. *Id.*, p.81-82.

MORE MONEY WON'T FIX INDIANA'S SCHOOLS

The mythology of government education

by CHARLES M. FREELAND

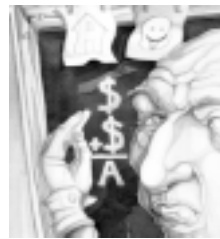
*"Indiana Is Shortchanging its Schoolchildren."*¹

*"Indiana Is Still not Adequately Funding Education."*²

*"Indiana Isn't Paying for the Schools it Wants."*³

*"State Funding Is Inequitable and Inadequate."*⁴

*"The trouble with people is not that they don't know but that they know so much that ain't so."
(Josh Billings)*



MORE MONEY WON'T FIX INDIANA SCHOOLS

Calls for more spending on education are stimulated, of course, by the sorry state of Indiana's government schools. We have all read the stories: Indiana students rank 42nd in SAT scores (up from 43rd); one-quarter to one-half of Indiana students fail the ISTEP test; manipulated and misleading graduation rates; college grads leaving the state; Indiana losing out to neighboring states in job creation.

We have also heard the statements from the education establishment⁵ and politicians about "improvement," "steady progress" and about how high are Indiana's educational standards. All the publicity about Indiana's high standards reminds one of the high-jumper who could not clear six feet, so

Such are the headlines in our newspapers and the conclusions of our commissioned studies. Such are the views of Indiana's public education establishment as well as most Indiana politicians and journalists. They are all wrong.



Charles M. Freeland, an adjunct scholar of the foundation, is an attorney in Indianapolis. He holds a master's degree in business administration from the University of Michigan and a law degree from Indiana University, Bloomington. His research was funded by the Dekko Foundation and other Indiana foundations. "The Dekko Foundation funded a portion of this study because we wanted to know if more money really does equate to better education," said Tom Leedy, Dekko Foundation president. "We'll use the results of the study as background for the foundation's future planning and grantmaking."

1. *The Indianapolis Star*, "A Promise Broken," December 15, 2002.

2. *Id.*

3. *Id.*

4. *Efficiency and Excellence: A Study Commissioned by the State Board of Education, National Association of State Boards of Education*, May, 2001, page 27. This report was dismissed by Superintendent of Public Instruction, Suellen Reed, not because of its recommendations for more spending (She said that finding was "obvious.") but because it recommended that her position be appointed by the Governor instead of elected by the voters. The report's "findings" were primarily based on interviews and surveys of teachers and school administrators. It is recommended to the reader as an excellent example of bureaucratic gobbledygook at a reported cost of \$538,430 to Indiana taxpayers; more evidence that we have truly cut to the bone.

5. The term "education establishment" refers to teachers, teacher union officials, school principals and administrators, school superintendents and school board members and the various organizations representing them.

he raised the bar to seven feet and claimed he had become a better high-jumper because he had raised his standards. Regardless of how high the bar may be set, the conclusion is unavoidable that Hoosier parents and taxpayers are getting an inferior product for their education tax dollars.

There are many reasons why Indiana government schools are failing our children. A culture characterized by bureaucratic sclerosis induced by three decades of laws and regulations that penalize success and chill incentives is the chief culprit. Embedded in that culture is a mythology; a mythology that includes at least four beliefs assumed to be obviously true but, in reality, are not true at all. The subject of each mythical belief can easily be observed and measured. The relevant facts are available, usually from public sources, and have been pointed to by others before. Nevertheless, these myths retain their place in the hierarchy of beliefs that keep Indiana public education mired in mediocrity. Education is too important to our children and the economic future of our state to allow this mythology to continue unchallenged. The purpose of this paper is to examine these fundamental beliefs and to demonstrate that they are, in fact, myths.

If we can clear away the mythological debris, perhaps the path to true educational reform will become clearer.

The Spending and Performance Myth

The first myth impeding educational reform is the Spending and Performance Myth. Simply stated the Spending and Performance Myth holds that increased spending for schools will improve student academic performance, and, conversely, any reduction in education spending will harm student academic performance.

Indiana legislators are faced with a classic case of frustration caused by conflicting goals. On one hand, the government schools

are performing poorly by almost any standard and more and more Hoosiers are beginning to make the connection between our poor schools and our poor economy. On the other hand, the government schools are controlled by an alliance of teacher unions and education establishment administrators who, together, form the most potent political force in the state. This alliance of teacher unions and administrators has demonstrated its ability to bring down any politician who crosses it.⁶

Given this state of affairs on the political front, the one policy that appears to reconcile the conflicting forces facing legislators, so long as one does not look too closely, is to spend more money. By opening up the public purse strings, the politicians can say they are “doing something” about the poor state of Indiana public education while simultaneously inoculating themselves against vilification for “hurting the children.” Because most of the money pays for salaries and benefits, the beneficiaries of such spending are the politically powerful teachers and administrators. Spending more money on education is the path of least resistance, the easy way out for the politicians.

For decades, Indiana legislators and the education establishment have invoked the Spending and Performance Myth with impunity because no one has taken a hard look at its baseline premise, namely, that spending more money will improve education. No one has seriously asked if it is really true. The facts are not hard to find. Spending levels are published for every school corporation in Indiana.⁷ So are SAT scores and ISTEP passing rates. Further, a considerable body of research has accumulated looking at the question from a national perspective. This report uses SAT scores and the ISTEP passing rate for 10th-graders as indicative of student academic achievement. These measurements were selected

There are many reasons why Indiana government schools are failing our children. A culture characterized by bureaucratic sclerosis induced by three decades of laws and regulations that penalize success and chill incentives is the chief culprit.

By opening up the public purse strings, the politicians can say they are “doing something” about the poor state of Indiana public education while simultaneously inoculating themselves against vilification for “hurting the children.”

6. For a discussion of how the teacher unions and education administrators acquired and maintain control over Indiana public education, see Freeland, Charles M., “Public Education without Romance: The Impact of Collective Bargaining On Indiana Schools,” *Indiana Policy Review*, Winter 2001-2002.

7. The entities that operate government schools under Indiana law are school corporations. The school corporations are the employers of school teachers and are the contracting parties under the collective-bargaining agreements with the unions. Elected or appointed school boards manage school corporations. The school boards hire school superintendents and other administrators to conduct the day-to-day affairs of the school corporations. School corporations are known by various names in Indiana, including “Community Schools,” “County Schools,” “Township Schools,” “School City,” “Metropolitan School District” and other names. In this paper, these entities will be referred to, generally, as “school corporations” or just “schools.”

COVER ESSAY

There may be disagreements about the nature and content of the ISTEP test, but the fact remains that it is the product of Indiana's own political system. The ISTEP is Indiana's own test of whether Indiana's own students measure up to Indiana's own standards.

Not only has Indiana's spending on education grown at twice the rate of inflation, it is now equal to almost 30 percent of the personal income of the average Hoosier.

because they are the measures most often used and held out as appropriate by the education establishment itself, particularly the Indiana Department of Education, which publishes detailed records of both SAT scores and ISTEP passing rates for all Indiana school corporations. ISTEP passing rates are the much-better indicator of overall student performance for two reasons.

First, all students must take the test, unlike the SATs where only a self-selected fraction of students take the test. Second, and more importantly, the ISTEP test reflects what we Hoosiers have determined we want our children to learn. There may be disagreements about the nature and content of the ISTEP test, but the fact remains that it is the product of Indiana's own political system. The ISTEP test is Indiana's own test of whether Indiana's own students measure up to Indiana's own standards. Accordingly, the best test we have of how our government schools are doing is the ISTEP passing rate. As we unhappily learn every year when the ISTEP scores are made public, ISTEP passing rates remain low, showing little or no improvement over their seven-year history.

Instead of tracking ISTEP scores for both the English/language arts and math portions of the test for each of the third-, sixth-, eighth- and 10th-graders who take the test, this report focuses on the percentage of 10th-graders who pass, that is, who score "above standard" on both portions of the test. Of all the data available, the 10th-grade passing rate for both portions of the test seems to be the best single measurement of how our

| Year | English/LA | Math |
|------|------------|------|
| 2002 | 68 | 68 |
| 2001 | 66 | 70 |
| 2000 | 69 | 67 |
| 1999 | 70 | 63 |
| 1998 | 72 | 59 |
| 1997 | 73 | 61 |

Table I: Indiana ISTEP+ Percent Above Standard for 10th Grade

schools are doing. Does spending more money really improve education? Indiana's and America's experience over the last three decades conveys an unambiguous message. The easy way out does not work. Here are some facts:

- Spending per pupil in Indiana's government schools increased at an average annual rate of 6.6 percent from 1981 through 2002, fully two times the growth rate of the Consumer Price Index for the same period.⁸

- In 1980, Indiana education spending per pupil of \$1,882⁹ represented 19.9 percent of average personal income of Indiana citizens for that year.¹⁰ By 1990 Indiana education spending per pupil had grown to 25.82 percent of average Hoosier personal income.¹¹ In 2001, Indiana education spending per pupil had grown further to 29.52 percent of average Hoosier personal income.¹² Not only has Indiana's spending on education grown at twice the rate of inflation, it is now equal to almost 30 percent of the personal income of the average Hoosier.

- For school year 1986-1987, Indiana's average combined SAT score was 979 and Indiana ranked 46th among all states and the District of Columbia. The score of 979 was 97.1 percent of the national average of 1008 for that year. For school year 2002-

| School Year | Spending per Pupil to SAT Scores | Spending per Pupil to 10th-Grade ISTEP Passing Rates |
|-------------|----------------------------------|--|
| 2001-2002 | -0.000321 | -0.18474 |
| 2002-2003 | 0.009338 | -0.16391 |

Table II: Spending and Performance of 290 Indiana School Corporations (Correlation Coefficients)

8. United States Department of Labor, Bureau of Labor Statistics; Indiana Department of Education, *Trend Graphics*, IDOE website.

9. *Digest of Education Statistics 2001*, United States Department of Education, Table 168.

10. *Statistical Abstract of the United States 2002*, Table 643, United States Bureau of the Census.

"Personal Income" is current income received by persons from all sources minus their personal contributions for social insurance. Personal income is, accordingly, before income and property taxes.

11. *Id.*

12. *Id.*

2003, Indiana's average combined SAT score was 1004, 97.8 percent of the national average of 1026, and ranked 42nd among all states and the District of Columbia. From 1986 to 2003, Indiana's spending per pupil increased 243 percent in nominal dollars and approximately 50 percent in inflation-adjusted dollars.

- In the first year of ISTEP testing, 1997, 73 percent of 10th-graders scored "above standard" on the English/language arts portion of the test, and 61 percent scored "above standard" on the math portion of the test. In 2003, those scores were 69 percent and 67 percent, respectively. Passing rates for 10th-graders for all seven years the ISTEP test has been taken are shown on Table I. Since the beginning of ISTEP testing, then, math scores have improved a bit, but English/language arts scores have dropped. Since 1997, Indiana's spending per-pupil increased 31 percent in nominal dollars and approximately 13 percent in inflation-adjusted dollars.

- In August 2003, Governor Frank O'Bannon and Superintendent Suellen Reed released the list of 117 Indiana schools on the "needs improvement" list for the 2003-2004 school year as mandated by the new federal law known as "No Child Left Behind." The schools on the list are failing to make "adequate yearly progress" as measured by their students' performance on Indiana's own ISTEP test. In other words, the 117 schools on the list are the worst-performing schools in the state in terms of student academic performance. If the advocates of more spending are correct, we would expect that most of these under-performing schools would be in school corporations that spend less than corporations with better-performing schools. In fact, just the opposite is true. Of the 117 schools on the "needs improvement" list, 87 (74 percent) are in corporations that spend more than the Indiana average per student. Only 30 (26 percent) schools are in

| School Year | SAT Scores as a Percent of Indiana Average | | 10th Grade ISTEP Passing Rates as a Percent of Indiana Average | |
|-------------|--|-----------------|--|-----------------|
| | Highest Spenders | Lowest Spenders | Highest Spenders | Lowest Spenders |
| 2001-2002 | 97.5 | 97.5 | 99.5 | 113 |
| 2002-2003 | 98.1 | 98.8 | 94.6 | 107.3 |

Table III: Academic Performance of 20 Highest-Spending and 20 Lowest-Spending Indiana School Corporations

corporations that spend at or below the state average.

- For the 50 states and the District of Columbia, spending for education is inversely related to average combined SAT scores, with correlation coefficients averaging a negative .39 in recent years.¹³ Further, in 1999-2000, the 10 states with the highest spending levels, averaging more than \$9,900 per pupil, one-third more than the national average, produced SAT scores equal to only 96 percent of the national average. For the same year, the 10 states with the lowest spending levels, averaging about \$5,600 per pupil, 25 percent below the national average, produced SAT scores equal to 105 percent of the national average. Across America, students in states that spend more on education score lower on average than students in states that spend less.

If the Spending and Performance Myth were correct, we would have seen dramatic improvement over the last 20 years in the academic performance of Indiana students. But there has been no such improvement. There have been individual examples of an up-tick here and there, and the NAEP scores,¹⁴ which reflect the test results of only about five percent of Indiana students, are always touted as good news. The un-

• From 1986 to 2003, Indiana's spending per pupil increased 243 percent in nominal dollars and approximately 50 percent in inflation-adjusted dollars.

| School Year | Best SAT Scores | Worst SAT Scores | Best ISTEP Passing Rates | Worst ISTEP Passing Rates |
|-------------|-----------------|------------------|--------------------------|---------------------------|
| 2001-2002 | 105 | 104.3 | 104.5 | 109.7 |
| 2002-2003 | 104.5 | 106.8 | 103.1 | 109.6 |

Table IV: Spending by 20 Best-Performing and 20 Worst-Performing Indiana School Corporations

13. The correlation coefficients for spending per pupil to SAT scores for all states and the District of Columbia in 1998-1999 and 1999-2000, the latest years for which the necessary information is available, were a negative .395 and .394, respectively.

COVER ESSAY

The correlation coefficients for spending to ISTEP passing rates are strongly negative, indicating that additional spending is associated with poorer academic performance, not better.

| Year | Indiana Grade | Indiana Rank Among all States and D.C. |
|------|---------------|--|
| 2004 | B+ | 12 |
| 2003 | B+ | 11 |
| 2002 | A- | 10 |
| 2001 | A | 2 |
| 2000 | A | 3 |
| 1999 | B+ | 7 |
| 1998 | A- | 7 |
| 1997 | B | 11 |

Table V: *Education Week Magazine, "Quality Counts Reports Adequacy of Resources Devoted to Government schools"*

happy reality, however, is that overall Indiana student achievement has not improved and remains at a level unacceptable by Indiana's own standards.

Not only is the Spending and Performance Myth exposed by overall state data, it is also disproved by data for individual school corporations. If spending more money leads to improved schools, as the myth holds, we should expect to see improved academic performance by students in school corporations that spend more money.

In order to further test the Spending and Performance Myth, this author and the Indiana Policy Review Foundation undertook to collect data for all 290 regular Indiana school corporations.¹⁵ For each school corporation for school years 2001-2002 and 2002-2003, we listed spending per pupil, combined SAT scores and the percentage of 10th-graders passing both parts of the ISTEP test. Two statistical correlation coefficients were calculated for each school year: one for spending per pupil against combined SAT scores; and one for spending per pupil against ISTEP passing rates for 10th-graders.

A word about correlation coefficients is appropriate here. First, correlation does not demonstrate causality. That is, just because two variables may move together over time, one does not necessarily cause

the other. The movement of both variables may, for example, be caused by a third variable. If you have two clocks in your house, the chances are the movements of their hands are correlated. One clock movement does not cause the other, however. They are both caused by your setting them to move together. A correlation coefficient can tell us, however, how well actual values conform to predicted values, and that is the way that correlation coefficients are used in this paper. Those who advocate more spending on education are predicting that such additional spending will result in improved student learning. SAT scores and ISTEP scores are the means we use to measure student learning. Accordingly, the spending advocates are predicting that more spending will result in higher SAT and ISTEP scores. If they are correct, there should be a statistically significant positive correlation coefficient between spending and SAT/ISTEP scores.

Unfortunately for those advocating more spending to improve education, the correlation coefficients for spending to ISTEP passing rates are strongly negative, indicating that additional spending is associated with poorer academic performance, not better. The correlation coefficients for spending to SAT scores are essentially flat, showing no relationship at all between spending and SAT scores. These measurements are powerful evidence that, notwithstanding the Spending and Performance Myth, there is no causal relationship between spending levels and academic performance. Results of this analysis are shown in Table II.¹⁶

On average of the 290 school corporations in Indiana, higher spending is associated with poorer academic performance by students, not better.

Advocates of the Spending and Performance Myth might claim that the averages do not tell the real story. We really need to look at the schools that spend the most, they might say, and compare them to the schools that spend the least. In order to examine this proposition, data for the 290 Indiana school corporations were ranked according to

14. The National Assessment of Educational Progress tests are administered periodically by the U. S. Department of Education to a selected sample of about 5000 fourth-, eighth- and 12th-grade students across the country.

15. Special education and vocational education corporations were not included in the analysis.

16. Copies of supporting work papers will be made available upon request to the IPR.

spending per pupil for the two school years under review. The 20 school corporations with the highest spending per pupil were then compared to the 20 school corporations with the lowest spending per pupil. The results are shown in Table III.

The 20 top-spending school corporations spent an average of \$11,167.50 per pupil in 2001-2002 (134 percent of the Indiana average) and \$11,686.70 per pupil in 2002-2003 (135 percent of the Indiana average). The 20 lowest-spending school corporations spent an average of \$6767.05 per pupil in 2001-2002 (81 percent of the Indiana average) and \$7196.55 per pupil in 2002-2003 (83 percent of the Indiana average). For SAT scores, the lowest-spending corporations did as well or better than the higher-spending corporations. More significantly, however, for ISTEP passing rates, the lower-spending corporations performed much better than the higher-spending corporations, scoring seven to 13 percent above the state average compared to below-average results for the higher-spending school corporations.

In addition to ranking the school corporations by spending, they were also ranked by SAT scores and by 10th-grade ISTEP passing rates. We then asked how the best and worst academic performing schools compared in spending per pupil. The results are shown in Table IV. For the best- and worst-performing corporations for SAT scores, their spending levels are about the same, with both groups spending above the state average. For the best- and worst-performing school corporations for ISTEP passing rates, however, the worst-performing schools spent considerably more per student than the best-performing schools.

Indiana has tried spending more money to improve its schools, but student academic achievement remains flat to down. This is true not just for the state overall, but also for individual school corporations, and not just for a year or two but over time. The evidence is overwhelming and inarguable. Additional spending, without fundamental, systemic change, does not improve the academic performance of students. Not only is there a dearth of facts supporting the Spending and Performance Myth, the evidence actually associates greater spending

with worse academic performance; for Indiana as a whole and for individual school corporations, and for the nation's 50 states plus the District of Columbia. In sum, there is nothing to support the Spending and Performance Myth other than the self-interest of its proponents.

Most people would agree that how much a student learns while in school is a function of many different variables. The unjustified focus on funding alone allows the education establishment and politicians to ignore all those other variables, none of which can be as easily measured as dollars spent. If factors such as the quality of teaching, home environment, parental attitudes and peer pressures could be measured as easily as spending we could simply run a multiple regression analysis through our computers and find out what really matters. Real solutions, however, are not that easy.

The Inadequate Funding Myth

The second myth impeding educational reform in Indiana is the Inadequate Funding Myth, which holds that Indiana government schools are not adequately funded.

Indiana's education establishment and journalist community are fond of claiming, or assuming as obvious, that our government schools are not "adequately funded." This is, of course, just another way of stating the Spending and Performance Myth, since, presumably, if Indiana's schools were "adequately" funded the academic performance of the students would also be adequate. Once again, this proposition can be, and has been, tested. Since 1997, the editors at the publication *Education Week* have produced an annual report called "Quality Counts"¹⁷ that examines many aspects of public education in the 50 states and District of Columbia. Part of the Quality Counts report looks at what the authors refer to as "Resources: Adequacy" in which they compare how the various states fund their public education systems. Each state is given a grade and ranked among all other states and the District of Columbia.

Contrary to the story Hoosier parents and taxpayers hear from the education establishment and our newspapers, the

The evidence is overwhelming and inarguable: Additional spending, without fundamental, systemic change, does not improve the academic performance of students.

17. All *Quality Counts* reports are available on the *Education Week* website, www.edweek.org.

COVER ESSAY

Contrary to the story Hoosier parents and taxpayers hear from the education establishment and our newspapers, Indiana is considered to be among the leading states in America in terms of adequacy of resources devoted to funding public education.

editors at *Education Week* consider Indiana to be among the leading states in America in terms of adequacy of resources devoted to funding public education. The results of the *Education Week* research are shown in Table V. For the eight years for which the study has been conducted, Indiana has received four "A"s and four "B"s and has never been ranked lower than 12th in the nation, including second in the nation for 2001 and third for 2000. According to *Education Week*, not only are Indiana's government schools not inadequately funded, they are among the best-funded in the nation. At the same time, then, that the \$500,000 report "Efficiency and Excellence,"¹⁸ based on interviews with teachers and school administrators, claimed that funding for Indiana schools was "inadequate," the researchers at *Education Week* were rating Indiana schools as among the best-funded in the nation.

Strange how these reports never see the light of day in Indiana media.

Most Indiana parents would be very pleased, indeed, if their child brought home a report card as good as Indiana received from *Education Week*.

The Lower Class Size Myth

The third myth impeding educational reform in Indiana is the Lower Class Size Myth, which holds that lowering class sizes will improve student academic performance.

Indiana policymakers have worked hard to reduce average class size. Since 1974-75, the average number of pupils per teacher in Indiana government schools has declined from 22.6 to 16.7. The teacher unions point to such reduction as an accomplishment, as they should since they represent the pecuniary interests of the teachers. As we have seen, however, the academic performance of Indiana students over this time period has been flat. Just as additional spending does not improve student academic performance, neither does reduction in class size have any demonstrable positive impact on what the schools are supposed to be doing.

Eric Hanushek, Senior Fellow at the Hoover Institute of Stanford University, is the leading authority on efforts to improve student academic achievement by reducing class size. In 1999, Hanushek reviewed the research on the subject and concluded that

[e]xisting evidence indicates that achievement for the typical student will be unaffected by instituting the types of class-size reductions that have been recently proposed or undertaken. The most noticeable feature of policies to reduce overall class sizes will be a dramatic increase in the costs of schooling, an increase unaccompanied by achievement gains.¹⁹

More specifically, Hanushek identified six separate conclusions from his research about the impact of class-size reductions:²⁰

1. We have extensive experience with class-size reduction and it has not worked.

2. International experience suggests no relationship between pupil-teacher ratios and student performance. Dramatic differences in pupil-teacher ratios and in class size across countries are unrelated to measures of mathematics and science achievement.

3. Extensive econometric investigation shows no relationship between class size and student performance.

4. Project STAR in Tennessee does not support overall reductions in class size except perhaps in kindergarten.²¹

5. The quality of the teacher is much more important than class size. Unfortunately, the current organization of schools and incentives to hire and retain teachers do little to ensure that the teacher force will improve. If we are to have a real impact on teaching, we must evaluate actual teaching performance and use such evaluations in school decisions. We cannot rely on requirements for entry, but must switch to using actual performance in the classroom.

6. While silver bullets do not exist, far-superior approaches are available.

18. National Association of State Boards of Education, *supra* at note 4.

19. "The Evidence on Class Size," *Earning and Learning: How Schools Matter* (Ed: Susan E. Mayer and Paul Peterson), Washington, D.C.: Brookings Institution, 1999, pp. 131-168.

20. *Id.*

21. Project STAR is a much-discussed study purported by some to support class-size reductions.

(N)obody in today's schools has much of an incentive to improve student performance. Careers simply are not made on the basis of student outcomes. The flow of resources is not related positively to performance – indeed it is more likely to be perversely related to performance.

Efforts to demonstrate beneficial results from lower class sizes continue unabated. The state of Michigan spent the incredible sum of \$96 million over four years from 1998 through 2002 to fund a statewide experiment in lowering class sizes. The independent academics who conducted the study were forced to conclude that “there is no statistically significant difference in achievement based on [lower class size project] participation.”²² Our own state of Indiana also funded an experiment in the School City of Hammond about the same time. The North Central Regional Educational Laboratory (“NCREL”), hired by the Indiana Department of Education to conduct the study, issued a 14-page interim report that consisted of quotes from teachers and administrators about how much they liked the smaller classes. NCREL never issued a final report and no effort was made to measure the impact of smaller class sizes on student achievement.

The “No Child Left Behind Act,” passed by the United States Congress and signed by President Bush in 2002, further elevated the status of the Lower Class Size Myth by appropriating \$1.6 billion for state grants to reduce class sizes by hiring 30,000 more teachers. Indiana's share of this pay-off to the teacher unions was \$27.2 million. The same law set up an organization called the “What Works Clearinghouse” with the laudable objective of providing a central source of “rigorous research” and “solid evidence” for education decision-makers. Even though billions of dollars are being spent in its name, the Lower Class Size Myth is not currently among the subjects to be investigated by the What Works Clearinghouse.

Advocates of class size reduction point to various studies that they say support their position. Professor Hanushek of the Hoover Institute has systematically exposed the flaws in all those studies and concluded that “the evidence about class size reduction has been thoroughly spun in the political debate in order to match the preconceived policy proposals” of the class size-reduction advocates.²³

In spite of numerous studies attempting to justify the costly policy of lowering class sizes, it must be concluded that no credible evidence has been developed to support the Lower Class Size Myth. In 2002, after reviewing still more research on the subject, Professor Hanushek reiterated his conclusions of 1999. “[T]he consistent picture from available evidence is that the falling pupil-teacher ratios have not had a discernible effect on student achievement.”²⁴

In light of the dearth of evidence to support the Lower Class Size Myth, the question naturally arises as to why Indiana policymakers adopted the costly policy. In my paper examining mandatory collective bargaining for teachers in Indiana,²⁵ I quoted a former superintendent from Seattle who said “We lost our way when we became more interested in the employment of adults than in the education of children.”²⁶ When one understands that the true objective of Indiana government schools is more to employ adults than to educate our children, then the reason for the policy of reducing class sizes becomes clear. If average class size were still where it was in 1974-75, that is 22.6 pupils per teacher, Indiana schools would be employing about 9,600 fewer teachers. At today's cost per teacher, that would mean a savings of more than \$500 million per year. The research shows that the additional expenditure of \$500 million per year is quite unlikely to return any benefit to Indiana's students.

Next we examine the Teacher Quality Myth.

If average class size were still where it was in 1974-75, that is 22.6 pupils per teacher, Indiana schools would be employing about 9,600 fewer teachers. At today's cost per teacher, that would mean a savings of more than \$500 million per year.

22. *Michigan Small Class Size Initiative, Year Four Final Report, June 2003, page 24; Daniel J. Henry, Ph.D., Randall S. Davies, Ph.D., and Heidi Hoffman, Indiana Center for Evaluation. This conclusion is stated in different terms at numerous locations throughout the report.*

23. “Evidence, Politics and the Class Size Debate,” in Lawrence Misbel and Richard Rothstein (ed.), *The Class Size Debate* (Washington, D.C.: Economic Policy Institute, 2002), pp. 37-65.

24. *Id.*

25. *Freeland, supra at note 6.*

26. *Damon Darlin, “To Whom Do Our Schools Belong?” Forbes, September 23, 1996, p.66.*

COVER ESSAY

Every parent and every student knows that some teachers are better than others. Yet, the fiction that every teacher is as good as another is a linchpin of Indiana educational policy.

The Teacher Quality Myth and the one-deal-fits-all system it creates, penalizes our best teachers and rewards our worst teachers.

The Teacher Quality Myth

The fourth myth impeding educational reform in Indiana is the Teacher Quality Myth, which holds that any teacher is as good as any other teacher.

The Teacher Quality Myth, unlike the other three myths discussed here, is not widely believed. Every parent and every student knows that some teachers are better than others. Yet, the fiction that every teacher is as good as another is a linchpin of Indiana educational policy.

The source of the Teacher Quality Myth can be found in the Factory Model of union organization adopted by the teacher unions.²⁷ The Factory Model was the original conception of unionism when collective bargaining for teachers began to emerge in the 1960s. The National Education Association systematically obtained the passage of state laws and organized teachers into unions. The unions and the state legislatures, including Indiana's, used the National Labor Relations Act²⁸ (NLRA), passed by the New Deal Congress in 1935, and certain other state statutes, as models for their collective-bargaining statutes for teachers. This was natural for an organization that perceived itself in the mode of an industrial labor union. The union movement was born, matured and became institutionalized in the mass-production, industrial factories of the 1920s and 1930s. Organizing school teachers was a simple matter of extending the tried-and-true formula. The union's allies in state legislatures were not required to start with a blank piece of paper – they had the example of the NLRA. Accordingly, most state public employee collective-bargaining laws, including Indiana's, are patterned on the NLRA. They reflect the Factory Model of labor-management relations.

According to the Factory Model, schools are analogous to large, production-line factories, with teachers in the role of production-line workers, producing standardized products in high volumes and operating according to uniform work rules. As with factory production-line workers, teachers are considered interchangeable parts in

the great education factory. For reasons that should be obvious, the Factory Model does not work in an educational setting. Contrary to the Teacher Quality Myth, teachers are not interchangeable parts and neither are their products mass-produced and interchangeable widgets, but individual children.

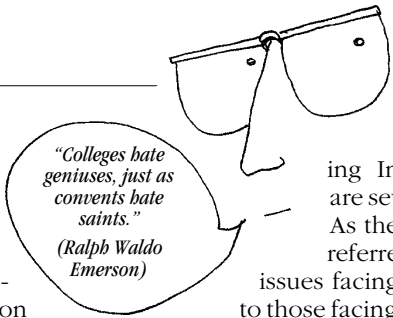
Although Indiana law does not require it, teacher unions and school corporations always agree to a Factory Model, lock-step, interchangeable parts, compensation schedule for teachers based entirely on seniority and academic classwork. True to the model, no teacher can be paid more or less than another teacher with the same seniority and academic credentials. Such a one-deal-fits-all arrangement is clearly in the interest of many teachers. It is not, however, in the best interest of any teacher with superior teaching skills or specialized education or experience. Such a teacher could claim better terms and conditions than those the union negotiates. To properly judge the impact of the Teacher Quality Myth on the quality of public education, it is critical to understand that a superior teacher—that is, a teacher who is a better-than-average teacher with skills or other attributes in greater demand than the average teacher—is penalized by Indiana's system of exclusive union representation according to the Factory Model. Conversely, a teacher with less-than-average teaching ability, with skills or other attributes in less demand than the average teacher, is rewarded by the Teacher Quality Myth. The Teacher Quality Myth and the one-deal-fits-all system it creates, penalizes our best teachers and rewards our worst teachers.

What can we reasonably expect the consequences to be over time of Indiana's adoption of the Teacher Quality Myth? Unfortunately, the impact over time is likely to be a systematic decline in the quality of teaching in our government schools. The more able teachers are more likely to leave teaching to pursue a career where they can be fairly compensated for their superior abilities. Further, students with superior abilities are more likely to be discouraged from entering teaching in the first place.

27. *The discussion of the Teacher Quality Myth is based on parts of my report on collective bargaining for teachers. Supra at note 6.*

28. 29 U.S.C. §§ 151-169.

Conversely, the less able teachers are protected by a rigid tenure system and rewarded with employment terms they probably could not obtain on their own. Similarly, the less-able students will be drawn in to teaching in greater numbers. Over time, the Teacher Quality Myth is likely to result in a decline in the quality of Indiana's teacher population.



Because the conclusions drawn here are subject to misinterpretation and distortion in the ongoing political discussion, it is important to emphasize what is not being said. This paper does not assert that all, or even most, Indiana government-school teachers are poor teachers. To the contrary, it is necessary and appropriate to recognize the thousands of dedicated, caring and able teachers working daily in our government schools. In fact, it can be said that the principal reason the system functions as well as it does is the daily commitment, skill and dedication of thousands of teachers. We all remember an exceptional teacher along the way who made a positive difference in our lives. Those exceptional teachers are still out there making a positive difference in the lives of our children. We owe them a large debt of gratitude. Our admiration and respect for Indiana's core of dedicated and able teachers cannot, however, blind us to the long-term deleterious effects of the Teacher Quality Myth.

The Teacher Quality Myth distorts the incentive structure in school management, stands in the way of true teacher performance evaluations, and prevents any discussion of merit compensation for teachers; a very powerful impact for a proposition no one really believes.

Conclusion

If spending more money won't work, and hiring more teachers isn't the answer, what will improve Indiana's schools?

The problems surrounding Indiana government schools are severe, but they are not unique. As the various studies and reports referred to in this paper testify, the issues facing Indiana schools are similar to those facing government-school systems across the country. The resources devoted to solving these problems are substantial.

While it may be premature to see a consensus developing, it is possible to perceive the outlines of effective reform. The work of Professor Hanushek of the Hoover Institute emphasizes the need to alter the structure of incentives in government-school management, especially incentives that affect the quality of teaching.²⁹ "Considerable evidence shows that by far the largest differences in the impact of schools on student achievement relate to differences in the quality of teachers." Yet, the Teacher Quality Myth and the Factory Model of school management erect formidable organizational obstacles to hiring and retaining top-quality teachers. One major obstacle is the prohibition against evaluating teachers on the basis of their actual teaching performance.

Recently, another serious voice called for changing the way teachers are compensated and evaluated. The Teaching Commission, a nonprofit group of government, business and education leaders with the goal of improving the public teaching corps, published its report, "Teaching At-Risk: A Call To Action," in January 2004. Among its recommendations are to (a) tie teacher compensation to student performance, (b) simplify certification barriers, (c) give principals authority to hire, fire and promote teachers, and (d) pay better teachers more.³⁰

Even if there were a consensus among all the experts about how to improve public education, formidable obstacles would remain. In Indiana, all of these proposals for reform are impossible to implement under current law. It is illegal in Indiana to tie teacher compensation to student performance.³¹ Hiring and firing of teachers is the

The Teacher Quality Myth distorts the incentive structure in school management, stands in the way of true teacher performance evaluations, and prevents any discussion of merit compensation for teachers; a very powerful impact for a proposition no one really believes.

29. Hanushek, *supra* at note 24.

30. The Teaching Commission, "Teaching At-Risk: A Call to Action," January 2004. These proposals were summarized in a press release dated January 14, 2004. The full report is available at www.theteachingcommission.org.

31. "However, the (staff performance evaluation) plan may not provide for an evaluation that is based in whole or in part on the ISTEP test scores of the students in the school corporation." I.C. 20-6.1-9-3.

COVER ESSAY

Indiana law prevents a school board from ever negotiating contract improvements with the union; it can only grant additional concessions.


• annual responsibility of the school superintendent subject to the provisions of the corporation's collective bargaining agreement with the teacher union, excessive certification requirements, as well as just-cause and due-process provisions ingrained in statute.

• Exclusive, mandatory representation of all teachers by unions is effectively imposed by Indiana law. That same Indiana law prevents a school board from ever negotiating contract improvements with the union. It can only grant additional concessions.

• The alliance of teacher unions and educational administrators who control Indi-

ana public education will not allow these laws to be changed. So long as the politicians and the "educators" continue to worship at the altar of the Spending and Performance Myth, the Inadequate Funding Myth, the Class Size Myth and the Teacher Quality Myth they will have no interest in truly reforming Indiana public education.

In the final analysis, reform will only come from citizens, parents and taxpayers, who care enough about the education of their children to throw out the old mythology and begin to hold their elected representatives accountable.

Do Indiana parents really care enough to change the system? 

Sen. Luke Kenley, Republican from Noblesville, was among those in the Statehouse of both political parties asked to comment on "More Money Won't Fix Indiana's Government Schools." Following are his thoughts, noted as he read through an early draft of the study:

- 'Bureaucratic sclerosis induced by three decades of laws and regulations that penalize success and chill incentives is the chief culprit.' That is truer than we realize. Dollars are being burned up in a bonfire with some of these education requirements. For special education children, we now have an individual education development plan. It takes many hours to write out each plan. Then it takes many hours to maintain and document each plan in terms of progress, etc. The annual review requires the attendance of at least seven school personnel. Even though this takes so much money, it has little to do with the actual performance of that child. Further, it takes time away from teachers' abilities to do other things or actually work with that child.

- The most common comment I get from teachers is that they barely have time to teach because they are filling out so many forms dealing with lesson plans, accountability, etc. And this comes from good teachers, union teachers and non-union alike. Their day is made longer to satisfy the system's demands.


- In the purest sense, the level of spending is not determinate of the quality. Teaching requires dedication, commitment and ability. It would be wrong, however, not to recognize that spending can enhance education opportunities for children, and that a certain commitment to paying good people is necessary.

- The greater problem is that the Indiana State Teachers Association (ISTA) has micromanaged the negotiations in 296 separate districts so that negotiations go way beyond wages and fringes. For example, most contracts permit the ISTA to fill all textbook selection committee teacher slots. They will only assign union personnel. We might have kindergarten teachers selecting high school science books because no one who teaches high school science is in the union.

- Spending might improve education but the way it is done, with constant monitoring by the union, rarely makes for improvement.

- Concepts such as merit pay, or more pay for teachers in shortage areas or in the toughest schools, are *verboten* in union discussions.

- I should tip the foundation off that the union sees the lack of progress in performance as a result of inadequate funding. In many states, "adequacy" suits regarding funding have been filed — and they have actually won. Indiana teacher unions and others are currently considering this step.

- The foundation's observation that in Indiana we spend more in the worst-performing schools is correct. This is because we aim resources at the disadvantaged areas. The 'adequacy' crowd says it is still not enough. The key in high-performing schools is that you have parents there who prepare their children, participate with their children and share value systems that reinforce the importance of learning. While these may be traits of higher-income people, they are traits that anyone can adopt if they want to succeed. So, the foundation's premise about the disconnect really points out that the attitude of the parents is more critical than the dollars. 

THE ZIMBABWEAN TABOO

Private property dare not be mentioned even in an Indiana gubernatorial campaign

by CRAIG LADWIG

There was some time that this writer thought he'd never get back. It was time spent almost 25 years ago listening to a Zimbabwean ambassador drone on about property rights.

But that time was preparation for how a generation of Hoosiers not only would deconstruct property rights but would install its philosophical opposite — envy.

In the new Zimbabwe of 1980, private property was to be protected, or so its deputy ambassador assured Dick Lugar and the two or three other senators on the Foreign Relations Committee who showed up for this particular hearing. The deputy only asked that the right of property conform to the realities of the Zimbabwean poor and oppressed.

"We are not fools," he said, "all investment would leave if we abolished property rights."

In Indiana recently, *deja vu* struck. An economic-development official was objecting to the legal term, "taking," when used to describe her government's confiscation of property. Her objection was based on the fact that the state, which needed the property to meet a social goal, couldn't be said to be *taking* anything if it *gave* something in return.



T. Craig Ladwig, a member of the foundation's board, served during the early 1980s as an aide to Sen. Nancy Landon Kassebaum on the Foreign Relations Committee. Prior to that, he wrote on Africa and the Mideast for the Kansas City Star and Capital Cities Communications, later ABC News.



Fifty years ago her position was defensible, at least in certain planning-and-zoning backwaters. Private property was thought to be one of civilization's relative rather than absolute concepts. It followed that an enlightened government might bend it to the social or political will.

A judge in Indiana or a cabinet minister in Zimbabwe might set a reasonable price on a tract needed for the common good. He thereby might put that property to better use, might move society forward if only an acre at a time.

Oops . . . Unintended Consequences

We know better now. The Soviet Union's exhaustive experiments with *perestroika*, where citizens were allowed to "own" small businesses but only under state supervision, failed — ditto in Vietnam, Iran, China.

Private property turns out to be an absolute. It cannot be fiddled with. It cannot be rationalized. It is what it is — yours or mine, his or hers, for better or worse.

A June 9 Associated Press story datelined Harare swings us full circle. It is under the headline, "Zimbabwe Seizes Farms; Abolishes Land Ownership."

Property turns out to be one of the absolutes. It cannot be fiddled with. It cannot be rationalized. It is what it is — yours or mine, his or hers, for better or worse.

THE OUTSTATER

*It is understandable
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But why not in
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economic decline is
the overriding issue?*

Did the Zimbabwean deputy ambassador bamboozle the senators? No, he was sincere. He believed back then — and one wonders his fate — that property rights were not necessarily bad, only relative to political and social goals. When his government began to apply that belief, however, investment declined in disturbingly absolute ways.

It didn't happen all at once and it didn't happen everywhere. It happened on the margin, among those property owners who could use their last bit of liberty to flee.

By the time of the Associated Press report, the margin had narrowed and shifted down from the officially approved targets of envy and resentment, white colonists, to include thousands of indigenous blacks. It was in their name that the right of property in Zimbabwe was first compromised.

It is more ironic, more tragic, that the private property market, on which hundreds of poor Zimbabweans had only recently purchased their first farm, also was nationalized.

In sum, all but the most privileged are set to lose their property and with it their life's investment. To quote that AP dispatch:

All land, including more than 5,000 former white-owned farms handed over to blacks, will become state-owned and subject to state-issued leases, Land Reform Minister John Nkomo said. 'There shall be no such thing as private land,' Nkomo said. . . . The government did not intend to waste time and money in disputes on seizures of individual farms whose owners held title deeds and other legal documents, he said.

The minister wanted it known that the property would not be *taken* by the government. No, in much the same language as our economic-development official, the government would be *giving* something in

return — 99-year leases with rent payable to the government.

The minister's policy no doubt will be adjusted. Eventually he will be told that free money doesn't invest on the promises of a government that steals from its own people.

Indeed, the best of the land, confiscated and awarded to government officials as political favors, has been curiously unproductive. The reason is that Zimbabwe's own corrupt do not trust the government enough to invest so much as a bag of seed on its word.

The economic policies of Zimbabwe, once a breadbasket of southern African, will continue to move its people toward impoverishment, perhaps famine.

Can the lesson be any clearer? Can future dispatches from Harare be anything but grim?

The Issue That Isn't

How about future dispatches from Indianapolis? It is understandable that in the envy-driven cultures of the Third World, where being politically incorrect can be fatal, no one stands up to defend property let alone the propertied. But why not in Indiana, in the midst of a free democratic election where economic decline is the overriding issue?

The Republican candidate talks generally about the burden of regulation. He pointedly stops short, though, of beginning the lesson Hoosiers need to learn ever so much as Zimbabweans, *i.e.*, private property cannot be finessed.

The Democrat candidate doesn't seem to get it at all. And if he doesn't get it in 2004, with layoffs and closings a weekly event, he may never get it — or not until Indiana joins the likes of Mississippi and Louisiana in that third tier of casino-dependent states.

Above all, what the gubernatorial debate is telling us is that the mention of property rights are taboo, even in the context of their critical, historical role in improving the lives of the poorest.

If you break that taboo, you will be dismissed as an agent of the rich, a colonist, a suburbanite or whatever economic stereotype proves handy.

And thus does envy rule; quickly in a tyranny, more slowly in a democracy, but always to ruin. ◻

If the small minority of enlightened citizens who are able to conceive sound principles of political management do not succeed in winning the support of their fellow citizens and converting them to the endorsement of policies that bring and preserve prosperity, the cause of mankind and civilization is hopeless. There is no other means to safeguard a propitious development of human affairs than to make the masses of inferior people adopt the ideas of the elite. This has to be achieved by convincing them. It cannot be accomplished by a despotic regime that instead of enlightening the masses beats them into submission. In the long run, the ideas of the majority, however detrimental they may be, will carry on. The future of mankind depends on the ability of the elite to influence public opinion in the right direction.

— Ludwig von Mises

NEW LAW OR NOT, CULTURES AREN'T EQUALLY GOOD

The Statehouse takes a stab at "Cultural Competency"

by **DICK MCGOWAN**

"Lessons Adapted to Diverse Culture"

— Headline in May 31 Indianapolis Star



The headline introduced a report on the recently signed Cultural Competency Law. The law, which was scheduled to take effect July 1, requires that schools include multicultural lessons in their curricula. According to the newspaper, one of the law's sponsors said that it "is a matter of improving the learning conditions for an increasingly diverse population of students."

The basic idea behind teacher cultural competency is sound. Teachers are more effective if they know more rather than less about their students. And it would be a wonderful world if every teacher knew exactly which button to push on each student for education to be optimized. It would be great if each teacher were able to connect with the reality of each student's experiences. Underlying the law is the view that "diverse students have diverse learning styles." The starting point for Indiana's law and multiculturalism is that people, including children, are different.

Of course, if children are different then teachers must respond to their students as individuals, not as members of this or that group. But if every child were treated as an individual, then generalizing on the basis of cul-

ture represents crass stereotyping.

Nonetheless, the newspaper reported one educator as saying: "There's no such thing as 'black math'; but you can use hip-hop music to teach concepts of interest." (As if all and only blacks have an interest in hip-hop.)

So much for diversity. So much for avoiding stereotypes. The fact is that students are individuals. Unalterable traits like race, sex, cultural membership, ethnic origin and even income, make poor markers for judging individuals. Of course, there are those who would disagree with that position — white supremacists and black extremists come to mind.

And yet, if diversity in and of itself is good and all cultures are to be tolerated then teachers must tolerate conduct that the Ku Klux Klan might display.

I would rather not have my children behave like those in that particular *clan*. For that reason I teach them that cultures must be judged.

For example, I teach my children that the way the Taliban treated women is not just different, it is wrong. People who hold the Taliban view of how women should be treated have mistaken ideas about what is proper treatment for women. Those people are mistaken precisely because they treat individuals as group members. Yet, that seems to be the view driving the new law — that group identity identifies individuals.

The starting point for Indiana's law and multiculturalism is that people, including children, are different. Of course, if children are different then teachers must respond to their students as individuals, not as members of this or that group.



Richard J. McGowan, Ph.D., an adjunct scholar of the foundation, teaches philosophy at Butler University.

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CONSTRAINED VISIONS

Our children need to be taught that the difference is less important than sameness. They need to be taught that a glad heart and good will can overcome difference.

What if legislation reflected a different view about people? What if the starting point of legislation is that people are more alike than they are different? In fact, people the world over demonstrate predictable patterns. They are not as different as people like to think.

Our children need to be taught that the difference is less important than sameness. They need to be taught that a glad heart and good will can overcome difference.

Then children might act as though "truth is one, though sages call it by many names," as *the Vedas* suggest. Children might know that "What is hateful to you, do not do to

your neighbor," as the Talmud says, or that "None of you truly have faith if you do not desire for your brother that which you desire for yourself," as the Koran puts it. If they would see in another a being like themselves, they will realize to "Do unto others as you would have others do unto you" and "Regard your neighbor's gain as your own gain and your neighbor's loss as your own loss," as Taoism directs.

Indiana's Cultural Competency Law can work but only in a moral context where the dignity of each human being is respected and cultures are judged according to a standard of human decency. □

WHY DIVERSITY STOPS AT THE CLASSROOM DOOR

College students are likely to be encouraged to view America through the ideological prism of race, class and gender. They're likely to learn, for instance, that women make 76 cents on the dollar compared with men — and never hear this false statement contradicted.

Over the last few years, the foundation has been encouraging a discussion of intellectual diversity on Indiana campuses. There is hypocrisy in a university administration that forces precise numerical balance in regard to inalterable physical traits such as skin color and sex but accepts homogeneity in political belief or ideological stance. The discussion continues below in an essay written by a fellow member of the State Policy Network.

by **KATHERINE KERSTEN**

Remember when you began applying for college? You got an avalanche of glossy brochures in your mailbox. Each brochure featured smiling students of different racial and ethnic backgrounds. Each one promised that at the campus in question, you would find a critical ingredient of education: a diversity that would enrich your life and expand your horizons.

What do colleges really mean by diversity? As the brochures suggest, they generally mean external characteristics: skin color and ethnic background that supposedly make you different, in important, if ambiguous, ways from your classmates. If you're black, for example,



you're assumed to be somehow crucially different from your white roommate, even if you both graduated from the same high school.

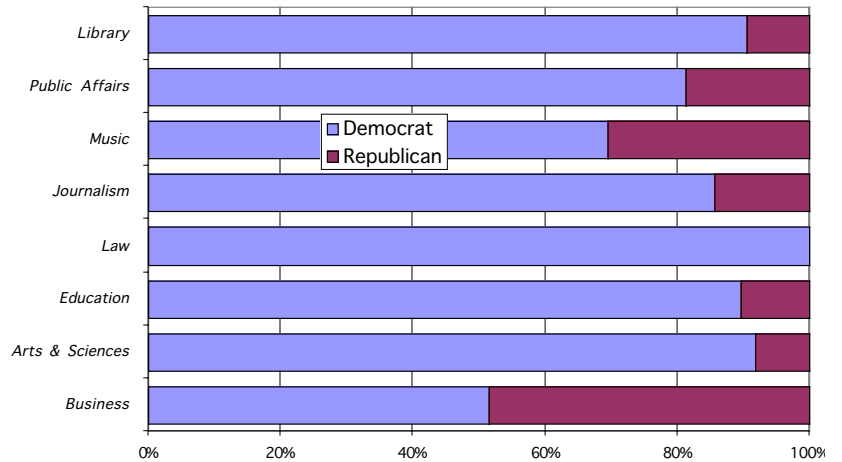
This isn't real diversity, and many students sense it — especially people who've traveled to places that have truly different cultures: India, Singapore, Saudi Arabia, or even France. In America there's really one overarching culture in which all citizens participate, though the experience of various demographic groups may differ in relatively minor ways. Today, however, for complex reasons, colleges magnify these small differences into cultural gulfs that are thought important enough to feature on the covers of recruiting brochures.



Katherine Kersten is a senior fellow for cultural studies at the Center of the American Experiment in Minneapolis. This is excerpted from the winter journal of the James Madison Institute, "What Your Professors Won't Tell You: Why Diversity Stops at the Classroom Door." Copyright © 2004 The World & I. All rights reserved. Reprinted with permission. For more information, visit www.amexp.org.

*Intellectual Diversity at Indiana University**

(IU colleges of study with tenured faculty members declaring in a primary election)



But there is one kind of diversity that is actually central to both a liberal education and a flourishing free society. That's intellectual diversity: the diversity of ideas, of philosophical perspectives, of ways of looking at and understanding the world. Unfortunately, the last place to look for this kind of diversity is at American colleges and universities. Today, you can generally find a wider spectrum of opinion in any bowling alley or fast-food restaurant than in the faculty lounges of a typical American university.

Unfortunately, over the last several decades, American colleges and universities have become intellectual monoliths.

Their faculties, particularly in the humanities and social sciences, are now dominated by the political left. Why is this important? Because today, at most colleges, America's best and brightest young people are generally getting only one side of the story on a host of issues. Too often, professors seek to proselytize students or indoctrinate them through one-sided syllabi and topic selection. As a result, in subjects like political science, sociology, history and literature, you and your fellow college students are likely to be encouraged to view the world (and America in particular) through the ideological prism of race, class and gender.

You're likely to learn, for instance, that women make 76 cents on the dollar compared with men — and never hear this false statement contradicted. In literature, you're likely to have a tough time finding a course on 18th-century British poets — some of literature's greatest geniuses — but an easy time finding a course on women writers of secondary importance. You'll have a hard time finding a faculty adviser for a pro-life organization, and you'll almost certainly have to sit through a commencement speech by a political liberal.

A number of studies have confirmed how pervasive intellectual conformity is in American higher education. Recently, for example, the California-based Center for the Study of Popular Culture searched primary voting registration records to deter-

mine the party affiliations of faculty at a broad cross-section of colleges and universities. Here's a sample of what they found (for Indiana University, see chart above):

- Brown University was typical. There, 95 percent of professors whose party affiliations could be found were Democrats and only five percent were Republicans. Brown's entire liberal arts faculty included only three Republicans.

- At the University of California-Santa Barbara, 97 percent of faculty whose party registrations could be established were Democrats.

- At the University of New Mexico, 89 percent were Democrats and four percent were Greens.

- At the University of Colorado in Boulder, 94 percent of liberal arts faculty who registered a party affiliation were Democrats, and only four percent were Republicans. Yet, Colorado is a Republican state. Its governor and senators are Republican, as are four of its six congressional representatives. Colorado citizens are being taxed to support a university where their own political and philosophical views are barely represented.

All of this raises an obvious question: Why are so many college professors on the left-liberal side of the political spectrum? Some observers claim that professors tend to be liberal because they're smarter and better educated than other people — which proves, they say, that the liberal position is correct. Is this right? Not at all. In my view, there are two fundamental reasons for the

• Today, you can find a wider spectrum of opinion in any bowling alley than in the faculty lounges of a typical American university.

* Charles M. Freeland. "Is There Diversity in College Faculties?" *The Indiana Policy Review*, Vol. 4, No.3, Fall 2003. Note: Chart is based on voting records of 1,065 tenured faculty registered in Monroe County (1,410 total tenured faculty) with 504 declaring party affiliation in one or more primary elections. Sources: Monroe County voter registration list of Dec. 6, 2002; University Faculty Council list for 2001-2002.

CONSTRAINED VISIONS

When the boat people began flooding out of Vietnam by the thousands, with horrifying stories to tell, few young people cared. They had moved on — quite a few to graduate school and careers in college teaching.

ideological imbalance that pervades most American campuses. First, political conservatives often face many obstacles if they seek to become professors in disciplines like history, English or sociology. Conservatives may find it tough to get accepted into a doctoral program, especially at a prestigious institution. Once accepted, they may struggle to find a thesis adviser. (I have a friend who attended graduate school in history at a large public university and had to hide his political leanings for years in order to make it through the program.) When conservatives finally get their degrees, they may have trouble landing a job. Moreover, they may find it difficult to get tenure, and next to impossible to win positions of real influence — for example, to get appointed to their department's hiring committee.

Many conservatives, of course, don't even think about going into college teaching because they have no desire to live and work in an unwelcoming social environment. At the University of Wisconsin-Madison, where I worked as an administrator in the 1980s, I was surrounded by faculty who frequently made loud, mocking comments about Ronald Reagan. A faculty member who didn't share their views simply couldn't be part of the club.

Clearly, centrists and conservatives are not likely to feel at home on many college campuses. But there's another, more profound reason why few conservatives join college faculties: the matter of mindset. Intellectuals, especially in the humanities and social sciences, tend to be drawn to a particular vision of how the world works. This vision is common to many members of the so-called "knowledge class" — a group that includes what is loosely termed the helping professions.

Thomas Sowell, a scholar at the Hoover Institution at Stanford University, has written a book that sheds light on the mindset in question. His book — one of the most insightful I've read — is *A Conflict of Visions: Ideological Origins of Political Struggles*.

Sowell starts his book with an observation: One of the curious things about political opinions, he notes, is how often the same people line up on opposite sides of different, unrelated issues. The issues may range from military spending to drug laws

to tax policy. Yet time and again, the same familiar faces can be found glaring at each other from opposite sides of the fence.

The reason, Sowell suggests, is that the people glaring across the aisle approach issues from very different starting points, or visions of reality. These visions spring from different assumptions about human nature.

Sowell identifies two primary visions, which he calls the constrained vision (*from which this section of the journal takes its name*) and the unconstrained vision.

The constrained vision correlates roughly with political conservatism, and the unconstrained with political liberalism.

When the Vietnam War ended in the early 1960s, it quickly became clear that the protest movement had not really been about the war, but about ourselves. When the draft ended, the protests ended. When the boat people began flooding out of Vietnam by the thousands, with horrifying stories to tell, few young people cared. They had moved on — quite a few to graduate school and careers in college teaching.

A recent article in *the New York Times* reports on a protest at Amherst College, where — shortly before the Iraq war began — 40 professors paraded into the dining hall waving antiwar signs. Many students were vocally annoyed. Some accused the professors of behaving inappropriately. One student put it this way:

It seems the professors are more vehement than the students. There comes a point when you wonder, are you fostering a discussion or are you promoting an opinion you want students to embrace or even parrot?

According to the article, many professors were dismayed by the students' failure to follow their lead. "There's a second when I hear them," says one prof, "and my heart just falls." And here's Martha Saxton, an Amherst professor of women's studies:

We used to like to offend people. We loved being bad, in the sense that we were making a statement. Why is there no joy now?

Why does diversity stop at the classroom door? If you want a two-word answer, it's "my generation." And I'm afraid that true diversity may not return to college classrooms until my generation fades away. □

THE PROS AND CONS OF IMMIGRANT LABOR

*There are no free lunches,
and apples aren't free, either,
even when Americans pick them*

by **CECIL BOHANON** and
NORMAN VAN COTT

*"Give me your tired, your poor,
your huddled masses yearning to
breathe free . . . I lift my lamp beside
the golden door."*

—Emma Lazarus, *The New Colossus*



It's an old story, a story embedded in America's national psyche. An immigrant comes to the United States, drawn by beacons of economic opportunity, political freedom and religious tolerance. Lacking English-language skills and being unaware of America's cultural dynamics, the immigrant starts out on the bottom rung of the economic ladder.

Time overcomes the handicaps; fueled by a strong work ethic, the immigrant climbs the ladder. America ends up with a new American household, which, in turn, becomes the progenitor of other American households. A "nation of immigrants" is the wealthiest nation in the history of the world.

But there's another immigrant story, just as old and just as engrained in American consciousness. In the second story, immigrants slice themselves a piece of the U.S. economic pie at the expense of hard-working, native-born Americans. Immigrants impoverish native Americans by bidding wages down, and Americans pay a price for letting immigrants in,

a price exacted in lower living standards. The two stories stand in stark contrast with each other. Nevertheless, they define the two prisms by which immigrants are viewed. What is interesting is that the tension between the views is a constant component of our nation's history. Whether the immigrants came in by a sailing ship in 1790 or 1840, a steamer in 1900, or an airplane in 2004; whether they were Germans, Irish, Chinese, Japanese, Italians, East European Jews, Cubans, Vietnamese, Koreans, Russians, or Hispanics; the same two perspectives inform the immigration debate.

On one hand is the first immigrant story of economic benefit and promise; on the other hand is the second story of economic harm and despair. Both versions claim to be mapping the consequences of immigrants selling their labor to the American economy. Which story is correct? Which one makes economic sense?

To cut to the chase, immigrants affect the economy in much the same way that labor-saving technical innovations do. Just as employers who switch to adopt these cost-saving innovations gain, Americans who employ low-wage immigrants gain. More important from a longer-run perspective, Americans who consume the fruits of immigrant labor gain, just as consumers gain when they buy goods and services whose

*The tension between
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T. Norman Van Cott, Ph.D., at left, and Cecil E. Bohanon, Ph.D., are adjunct scholars of the foundation and professors of economics at Ball State University. Their article was posted this February on www.worldand1.com. Copyright © 2003 The World & I. All rights reserved. Reprinted with permission.

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CONSTRAINED VISIONS

The effects brought about by immigrant pickers are analogous to what would happen if American apple-pickers are displaced by more efficient machinery. Bad for the pickers, good for orchard owners — on net, a gain.

prices have fallen due to the cost-saving innovations. But just as workers lose when labor-saving innovations displace them, Americans who compete for jobs with low-wage immigrants lose.

Comparing Gains and Losses

How do the gains and losses compare? Straightforward analysis reveals that what gainers gain exceeds what losers lose. In other words, working immigrants increase the U.S. economic pie, a result consistent with the first immigrant story. A larger economic pie doesn't make it any easier for those who compete with immigrants for jobs. They're still worse off, which is the message of the second immigrant story.

But it is this latter loss that is an engine of economic progress, perverse as that might sound to some. Indeed, if immigrants don't push wages down, just as if technical innovations don't reduce production costs, they offer no pot of gold at the end of the economic rainbow. As Harvard economist George Borjas put it in his 1999 book, "Heaven's Door":

If some workers are not harmed by immigration, many of the benefits that are typically attributed to immigration . . . cease to exist. . . . No pain, no gain.

Let's bring these results down to earth with a simple numerical example. Suppose it's 1880 and American apple-pickers are earning \$100,000 per year in the orchards. Further suppose that these Americans' next most lucrative job pays \$70,000. The \$70,000 figure represents Americans' rock-bottom price for picking apples — if they're offered any less, they'll move on to other jobs. Moreover, \$70,000 measures what the United States sacrifices in terms of money that could be used for other things in the event Americans pick the apples for \$70,000. There are no free lunches, and apples aren't free, either — even when Americans pick them.

Nor would the apples be free if, say, Irish immigrants pick them. Now the apples would cost the United States what the Irish are paid to pick them. The Irish will displace American pickers only if they will pick for less than American pickers' rock-bottom \$70,000 price. If the Irish pick for \$60,000, the American pickers will move on

to those next most lucrative occupations. Americans get the apples by giving up \$60,000 instead of the \$70,000 they give up when Americans pick apples. In other words, the United States gets the apples and \$10,000 of savings by opting for the Irish pickers. Anyone who has ever bought apples (or anything else for that matter) will tell you that paying less for apples means you have more money for other things. It is no less true for a nation.

Note that apple orchard owners gain \$40,000, the difference between what they pay American and Irish pickers. At the same time, American apple-pickers lose \$30,000, the difference between what they earn as pickers and what they earn in those next most lucrative jobs. Gains exceed losses by the difference in the costs of picking. Costs matter.

The effects brought about by immigrant pickers are analogous to what would happen if American apple-pickers are displaced by machinery that can pick the apples for \$60,000. Bad for the pickers, good for orchard owners — on net, a gain.

What About Today?

The analysis is not unique to 1880 or to apples. Nor is it unique to the Irish. If one changes the year from 1880 to 2004, the product from apples to computer software, and the immigrant group from Irish to Indian, the economic conclusions remain the same. Indeed, a 1997 report by the National Academy of Science on the contemporary immigration issue stated: "Some (native-born Americans) largely gain from immigration because the goods produced by immigrants, with their lower wages, will now be cheaper. On the other side of that coin, some native-born Americans may see their wages or even their jobs jeopardized as they compete directly with immigrant workers."

Throughout American history, some have viewed immigrants in the light of the first immigrant story, while others have viewed them in the light of the second story. Indeed, in 1882, four years before the Statue of Liberty began beckoning the world's "tired, poor and huddled masses," the two competing stories were at center stage in Washington, D.C. This was the year the U.S. government enacted the first of three suc-

cessive 10-year bans on Chinese immigration.

In the 1880s, Massachusetts was a state rich in factories and physical capital. A steady supply of immigrant workers enhanced the interests of Massachusetts mill owners and their customers. Among those opposing the ban were the two senators from Massachusetts, George Hoar and Henry Dawes. During the Senate debate, each argued from within the confines of the first immigrant story. Senator Hoar, for example, said (as noted in *the Congressional Record*):

I will not deny to the Chinaman any more than I will to the Negro or the Irishman or the Caucasian the right to bring his labor, bring his own property to our shores, and the right to fix such a price upon it as according to his own judgment and his own interest may seem to him best.

Hoar and Dawes were unable to prevail against their “second story” opponents. Sen. James Slater from Oregon, for example, noted:

We who are pressing this bill understand it to be a bill in the interest of labor. We understand it to be a measure to protect labor, to keep him from being ground down by the capitalists by employing Chinese labor so cheaply that the white man, or the American citizen, if you prefer the term, is unable to live at the prices for which these immigrants will work.

More ominous, but still within the boundaries of the second story, were the comments of Missouri’s Sen. George Vest, who said of Chinese immigrants:

There is not an American instinct among them. . . . They come among us and are a fungi upon our body politic. . . . I mention this to show that the people of California are not alone in their belief that this is under God, a country of Caucasians, a country of white men, a country to be governed by white men.

Implicit in all this is that the immigrants work. In the 19th and early 20th centuries, this was a valid assumption. To paraphrase the Nobel laureate and economist Milton Friedman, “The welfare state as we know it did not exist during that time.”

However, the remainder of the 20th century witnessed the growth of an extensive system of welfare entitlements. Many of the entitlement benefits go to low-income residents, including immigrants. In many cases, receipt of the benefits is contingent on not working.

Discerning the consequences of such welfare-state entitlements on immigration economics is not rocket science. Nonworking immigrants deny to the United States the larger economic pie that working immigrants generate. In fact, to the extent that the welfare state turns working immigrants into nonworking immigrants, its effect is similar to government legislation that prevents U.S. firms from adopting cost-reducing, labor-saving technology. Unfortunately, there’s more: the wherewithal to finance these transfers necessarily comes from American taxpayers. Nonworking immigrants living off American taxpayers are a losing proposition for Americans.

A number of studies have attempted to assess immigration’s consequences in the context of the welfare state. Many use questionable theoretical and empirical methodologies, as they seem bent on obtaining particular results. One of the better studies, however, is the aforementioned National Academy of Science effort, which argues that the consequences are ambiguous.

Ambiguity suggests that public policies that move the United States toward encouraging working immigrants will have long-run positive consequences. Working immigrants enhance the well-being of Americans, just as the steam engine, electricity and computers have undoubtedly raised Americans’ living standards. The reason, again, is simple: both immigrants and innovations reduce the costs of production.

Sorry to say, the transition to the longer-run outcome is not easy, for the more immediate consequences of immigration are less evenly distributed across the population.

And just as the Luddites in 19th-century England smashed labor-saving textile machinery, one can expect (as observed throughout U.S. history) vehement opposition by those espousing the second immigrant story.

Nevertheless, in the race among nations, victory will go to those nations more open to the first story.

Working immigrants enhance the well-being of Americans, just as the steam engine, electricity and computers have undoubtedly raised Americans’ living standards. The reason, again, is simple: both immigrants and innovations reduce the costs of production.

THE GUBERNATORIAL PLATFORMS

Democrats gamble on school chief job while Republicans take care not to offend

Why would Democrats want a platform that disenfranchises their own voters?

Republican candidate for governor Mitch Daniels says the governor, not the voters, should pick the state school superintendent. If elected, he'll push for legislation to make that happen.



terproductive, especially when the governor and school chief are from opposing parties. He cites the 2004 legislative session when Gov. Joe Kernan pushed for all-day kindergarten but School Superintendent Suellen Reed, a Republican, objected due to concerns over financing his plan.

The Democrats have gone one step further. If elected to be Superintendent of Public Instruction in November, Democratic candidate Susan Williams says she'll resign and let the next governor replace her.

As a practical matter, Tew says, most people look to the governor for setting education policy, so "it seems logical if he's going to held accountable, he ought to have full responsibility."

It's a risky strategy that could backfire with voters, who generally like their elected officeholders serving out their terms.

Republicans make no mention of the issue in their platform, despite Daniels' position in favor of making the position appointive. Gordon Durnil, executive secretary of the GOP platform committee, said the topic didn't come up in discussions. If it had, he said, there would no doubt have been controversy since rank-and-file Republicans tend to favor keeping statewide offices elective.

But Democrats are so confident of the merits of their position that they've put it in writing — in their 2004 platform.

As one hard-core Republican voter put it, "Why would you want to disenfranchise voters?"

The plank, approved June 11 during a voice vote on the document, states, "It is the governor's belief that the state's chief executive, regardless of the political affiliation of the person occupying the office, should be able to appoint and have a full partner in formulating the education agenda for the state and our future workforce. The appointment of the Superintendent of Public Instruction would fulfill this goal, taking politics out of education and focusing on the best person qualified to administer and propose forward-looking changes to the state's education programs."

The state Constitution requires there be a school superintendent, but leaves the method of selection up to legislators. Indiana is one of 13 states where voters decide, although some use nonpartisan ballots. In the remainder of states, the chief is appointed by the governor or a state board of

Democratic State Chairman Kip Tew says the current system can be coun-



Andrea Neal, formerly editorial page editor of the Indianapolis Star, writes a weekly column for the foundation as an adjunct scholar. Neal won the "Best of Gannett" award for commentary and was recognized three years in a row as Indiana's top editorial writer. She holds the National Award for Education Writing and the National Historical Society Prize. This is the editor's selection of recent columns.

education. By announcing her intent to resign if elected, Williams guarantees that the election will be a referendum on the question.

In the event Williams wins, and Daniels is elected governor, Daniels said he will appoint incumbent Reed to the post.

Tew doesn't count on that happening. He is convinced that voters will keep the Democrats in office based on a 16-year record of achievements, which make up the bulk of the platform's text. Among the highlighted accomplishments:

- "The Kernan-Davis administration has made job creation and continued economic development its top priority."

- "Democrats are proud of the efforts we have made in the past 16 years to ensure that highway funds have been equally distributed to all regions of the state to improve Indiana's road and highway system."

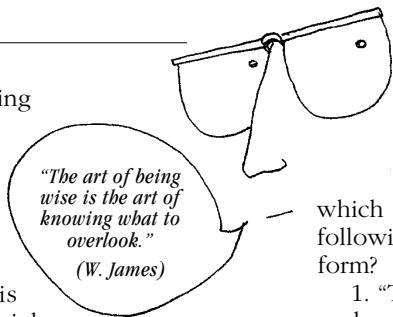
- "We are particularly proud of the effort to create Hoosier Healthwise, a program which has provided health insurance to more than 502,000 children from low-income and working families."

Despite the fact Reed has been in office for 12 of the 16 years under discussion, the platform cites educational performance and opportunities for Indiana children as one example of the Democrats' "unprecedented success" of recent years.

As evidence, the platform points to higher-than-national-average scores on the National Assessment of Educational Progress taken by fourth- and eighth-graders. But it makes no mention of the statewide ISTEP+ exam, which 10th-graders must pass to graduate. Almost a third of 10th-graders failed to meet math standards and 28 percent fell short in language arts during the most recent testing cycle.

If the number of words devoted to education in their platforms is an indication, both parties intend to make it a focal point of the 2004 campaign.

While Democrats have gone out on a limb to make the governor fully responsible, Republicans are playing it safe. Voters will make the final decision, which is how it should be. (June 19)



The Republicans

Time for a pop quiz on Indiana politics. Guess which political party includes the following statements in its 2004 platform?

1. "To combat public corruption and end the cycle of scandal, fraud and theft in state government, we support the creation of an Office of Inspector General" as well as stronger whistleblower protection laws to reward state employees for reporting wrongdoing.

2. "No task is more important for Indiana's governor and general assembly than a focus on job creation."

3. "Along with providing a job-friendly environment, Indiana should invest in its workers. We can do so by providing opportunities for upgrading skills, better coordination between higher education and workforce training programs and encouraging increased support from higher education."

If you're not sure whether that language comes from the Republican or Democratic platform, read further.

This party wants to reduce property taxes and promote Indiana coal. It supports privatization in Indiana prisons, prefers childbirth to abortion, defines marriage as the union of a woman and a man and wants to do whatever it can to promote voluntary charitable activity. It supports President Bush's response to the Sept. 11, 2001, terrorist attacks.

Predictable. Boring. Noncontroversial. Just like the Republicans planned it.

Gordon Durnil, former GOP state chairman who served as executive secretary of the 2004 Indiana Republican Platform Committee, says the foremost goal of platform writers is to avoid controversy. The last thing the party wants to do going into a huge election is attract headlines that might take attention off the candidates and their messages.

On that score, both Republicans and Democrats have been successful. A scan of Indiana newspaper stories during the June 7-8 Republican convention and June 12 Democratic state convention showed few mentions of the party platforms and no substantive stories about their contents. Times have changed. Political junkies may

The GOP platform is predictable, boring and noncontroversial — just like the GOP planned it.

ANDREA NEAL

“No Indiana resident should ever be in jeopardy of losing his home because of a gross lack of due diligence and planning over taxes.”

— Letter to the editor of the Northwest Indiana Times

remember when newspapers put platform stories on page one. As recently as the 1980s, state law required the parties to develop policy platforms.

Durnil, who’s been involved with just about every Indiana Republican platform since 1966, pushed the legislature to eliminate the requirement. His reasoning: Government has no business micromanaging parties.

Nonetheless, platforms serve a purpose, he believes. “The value of it is: You do bring the party workers together and let them have a voice in what the collective view of the party is,” says Durnil. “It is a significant statement of principle. A good basic democratic process.”

Durnil says government teachers and students still turn first to party platforms when they research political parties and their philosophies.

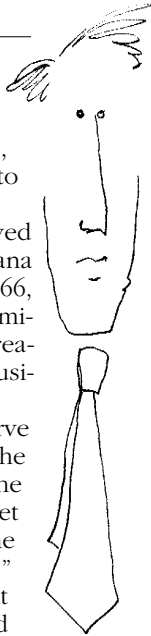
While they won’t find the more extreme convictions of some party members listed, they will get a good sense of identity. And they will find differences in emphasis between Republicans and Democrats.

One obvious example. This year’s Republican platform attacks the record of Gov. Joe Kernan and points to a series of scandals in state agencies — the Bureau of Motor Vehicles, Family and Social Services Administration and Public Employees Retirement Fund — as evidence change is needed.

Otherwise, there are few specifics. The platform says “every child should be entitled to a highly qualified teacher,” but gives no suggestions on how to guarantee one. It describes the property tax system as “a complete unfettered mess,” and urges tax cuts, but doesn’t say how to replace revenues that would be lost through cuts.

The parties defer to the gubernatorial candidates to set the agenda. That’s one of the biggest shifts in politics over the past four decades. In times past, the parties approved the platforms and asked candidates to run on them. Now, the parties give the candidates veto power over language they might find problematic.

What you can find in a platform is consensus. The Republican platform com-



mittee included 100 people from all nine congressional districts and held hearings in Evansville, Fort Wayne, South Bend and Indianapolis. A rules committee approved the platform and the full convention adopted it.

On one of the most sensitive issues mentioned — abortion — the platform itself acknowledges “diversity of opinion among members of our party.”

So if you’re looking for controversy, you won’t find it in the 2004 Republican platform, but you will get a sense of what Republicans agree on. (June 15)

A Disaster in More Ways Than One

The reassessment fiasco continues. If Marion County’s experience didn’t convince lawmakers the system is messed up, Lake County’s surely will.

Even before tax bills went out, citizens living in Gary’s Miller Beach area filed suit, alleging the county’s property reassessment process was unconstitutional. On May 7, a lower court agreed and halted the mailing of bills. The Indiana Supreme Court said the next month that billing should move forward, but ordered oral arguments be held in the case on June 23.

When Gov. Joe Kernan visited the region, protesters — some of them facing 900 percent tax hikes — demanded he call a special session of the legislature. Others have been flooding the newspapers with angry mail.

“Many of the increases are absolutely outrageous,” wrote Dan Powers of Crown Point in a letter to the editor in *the Times of Northwest Indiana*. “No Indiana resident should ever be in jeopardy of losing his home because of a gross lack of due diligence and planning over taxes.”

Until the courts sort things out, funding of critical public services remains in jeopardy. Lake County relies more on property taxes than any other county. Some child welfare agencies had already taken out loans to make ends meet.

Lake County is going through now what Indianapolis residents endured a year ago,

“Political language is designed to make lies sound truthful and murder respectable.”
(George Orwell)

only worse. In some urban pockets of Indianapolis, residents faced tax increases in the 300 percent range. In some neighborhoods of East Chicago, Gary, Hammond and Whiting, the increases are two or three times that.

Lake is one of seven counties that have yet to mail out bills from the 2002 reassessment because of confusion over new assessment guidelines. The new rules were the result of a 1998 Indiana Supreme Court decision requiring Indiana to move toward a more uniform, market-based property assessment system.

Lake County's beef, however, goes beyond rising tax bills.

In his May 7 ruling, Lake County Superior Court Judge Robert Pete said it was wrong for the legislature to single out Lake County in requiring that an independent assessor conduct the reassessment instead of elected assessors, who did the task in the other 91 counties. Although few will say it bluntly, lawmakers felt the Lake County officials weren't competent to conduct what was certain to be a complicated and politically sensitive assessment that would shift the burden from the county's four big industries toward homeowners.

Whether or not a special session was merited, it was clear that the reassessment guidelines are not creating the fairer, more uniform system demanded by the Supreme Court.

This summer, two Indianapolis lawmakers asked Attorney General Steve Carter to look at the constitutionality of the "neighborhood factor" used in the formula for assessing houses. The factor is multiplied by a home's "bricks-and-sticks" value to reach something close to a market price. The factor has led to wide disparities in assessments of houses that are physically comparable, but located in different neighborhoods, sometimes separated by only a street.

"In my district, I have homes that face each other,"

explained Rep. Cindy Noe, Republican from Indianapolis. "They are relatively the same house. They have relatively the same amount of area. Yet if you look at the neighborhood factor, one is way high and one is way low."

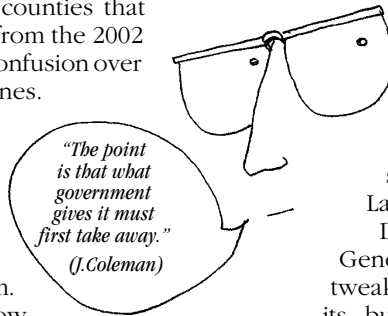
Noe and Rep. Carolene Mays, Democrat from Indianapolis, have asked Carter to issue an advisory opinion on the subject; Noe says the issue may get placed on a slow track in light of the Lake County lawsuit.

During the 2004 Indiana General Assembly, lawmakers tweaked some property tax credits, but declined to address the assessment process itself because reassessment had not been completed across the state.

It did, however, establish a study commission to evaluate the effects of reassessment and study ways to reduce state reliance on property taxes.

At a meeting of the commission, two groups trying to analyze the effects offered similar opinions: It's almost impossible to do because data coming in from counties is incomplete or inconsistent. That's no comfort to the folks in Lake County trying to figure out if they can keep their homes.

Even without data, it's safe to declare reassessment a disaster. If the aim was a fair and uniform system of valuing property, Indiana has missed the target. (May 25)



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— Rep. Cindy Noe, Republican from Indianapolis

F.A. Hayek's disciples remember his famous essay, 'Why I Am Not a Conservative.' He was, rather, a 'liberal,' as the word is and has always been understood except in the United States. Liberals stand, in the editorial credo of this newspaper, for 'free people and free markets.' They see decentralized market-driven decisions not only as economically efficient, but also as a moral bulwark against intrusions on liberty by the crown, or more recently the collectivist state. Conservatives, by contrast, stand for authority and are suspicious of change. As Hayek's essay put it, 'In the last resort, the conservative position rests on the belief that in any society there are recognizably superior persons whose inherited standards and values and position ought to be protected and who should have a greater influence on public affairs than others.' The liberal order did indeed prevail in the 19th century, but in the 20th century was challenged by the rise of socialist thought. So liberals and conservatives found common cause in opposing socialist 'reforms.' And the U.S. has always been an exception, since it was founded as a liberal Republic, so 'what in Europe was called "liberalism" was here the common tradition on which the American polity had been built: thus the defender of the American tradition was a liberal in the European sense.'

— The late Robert Bartley, "About Freedom in the Free World," the Wall Street Journal, Oct. 14, 2002

ABUSES AND USURPATIONS

“The people who stay in government tend not to be conservatives . . .”

— three-term congressman, Mark Souder

“. . . because of the growing use of the color pink, we decided to be proactive.”

— the Merrillville government schools superintendent

- Sponsors of a student exchange program in Lafayette told *the Indianapolis Star* that they were having trouble finding Hoosiers willing to take in French students. Nobody suggests that it has anything to do with France’s stand on the Iraq War.



- The U.S. Agriculture Department is abandoning welfare food stamps for “bank” cards, which are thought to cause less embarrassment in the checkout lane. Even so, may we suggest that this so-called bank be named the SEM for “Somebody Else’s Money.”

- Sometime before Rep. Mark Souder voted against a Clinton impeachment count and even before he announced our misunderstanding of his term-limit promise, he said this: “The people who stay in government tend not to be conservatives, so unless a Republican wins (the presidency) like Reagan and challenges the status quo, it’s very difficult to get change.”

- Gang-shy school officials in Merrillville have banned students from wearing pink. “There is no evidence of gang activity,” explained Associate Superintendent Michael Betta. “But because of the growing use of the color pink, we decided to be proactive.”

- “A tax office official in Finland who died at his desk went unnoticed by up to 30 colleagues for two days.” — *Jan. 19 dispatch from the BBC*

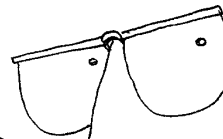
- “I know no one likes to say it, especially in Richmond (Va.). They find ‘revenue enhancements’ or ‘user fees’ much

more melodious. But let’s call it what it is: a tax reform plan.” — *Gov. Mark Warner of Virginia referring to a tax increase.*

- The California Department of Real Estate says advertising your home for sale on the Internet requires a real estate license.

- Manalapan, Fla., has created a speed trap with the moral sensitivity of Big Brother. Police photograph an image of every car that passes through town and run a background check on the license plates they can identify.

- Chris Westley, posting on the June 14 www.mises.org, reports that the Milwaukee Metropolitan Sewerage District dumped 4.6 billion gallons of raw sewage along the Wisconsin coast. What’s more, it did it as a matter of policy. Westley explains:



*“I didn’t leave the Democratic Party, the Democratic Party left me.”
(Reagan)*

Several years ago, district officials decided to upgrade the sewer system by creating a deep tunnel that would feed raw sewage with rain water to its water treatment facilities. This \$3 billion project took several years to complete and was touted as the answer to an existing sewage system that was so old that it had become an environmental and health hazard. The risk in choosing a single “deep tunnel” system combining both types of wastewater is in deciding what to do when excessive rainwater stressed the system. Many thought that a dual system of piping that separated rain from waste water was a safer, if more expensive, solution in an area of the country known for heavy spring rains. Instead, the city decided on the deep tunnel with the understanding that it would dump the overflow into the lake. Q

Compiled with Hoosiers in mind by the Outstater from various sources, local and national (a special thanks to the editors at the Cato Institute and Reason Magazine).

When Abraham Lincoln spoke in his famous Gettysburg speech of 1863 of ‘government of the people, by the people, and for the people,’ he gave the world a neat definition of democracy which has since been widely and enthusiastically adopted. But what he enunciated as a form of government was not in itself especially Christian, for nowhere in the Bible is the word democracy mentioned. . . . Ideally, when Christians meet, as Christians, to take counsel together, their purpose is not (or should not be) to ascertain what is the mind of the majority but what is the mind of the Holy Spirit — something which may be quite different. . . . Nevertheless, I am an enthusiast for democracy. And I take that position, not because I believe majority opinion is inevitably right or true — indeed no majority can take away God-given human rights — but because I believe it most effectively safeguards the value of the individual, and, more than any other system, restrains the abuse of power by the few. And that is a Christian concept.

— Dame Margaret Thatcher