Gubernatorial candidates begin shaping issues agenda

by Betty Wilson

Imagine that sometime early in the 21st century Minnesota finally will see major reforms in its tax and public school systems and see the state hailed as a model education state, with a government that serves people efficiently and economically.

Imagine also: High-speed public transit that gives everyone access to jobs and destinations crisscrossing the Twin Cities area.

A much-needed state highway system.

Plenty of affordable, attractive housing located close to employment. Many new, good-paying jobs, resulting from Minnesota's aggressive activity in a booming global market.

If candidates already running for governor agree on anything, it's that the challenge for whoever will lead Minnesota into the year 2000 and beyond is to forge a consensus on how to reach these long-debated goals. Here are some of the ideas of the eight most active candidates with campaign committees registered with the state Ethical Practices Board, who are shaping the agenda for the 1998 election.

DFL candidates

Mark Dayton, 50, owner of Vermilion Investment Co. in Minneapolis and a former Minnesota state auditor, is a believer in "people, by the people, for the people." But he sees ways to improve government services and make them more efficient.

Continued on page 6

Minnesota charters break new ground on facilities

by Jon Schroeder

Six years after passing the nation's first charter school law, Minnesota is again breaking new ground on one of the toughest challenges facing these results-oriented, more autonomous public schools. The latest breakthrough—a dedicated, state-financed revenue stream for charter facilities—has long-range implications for district public schools, as well.

The new Minnesota program is called "Building Lease Aid" and is modeled after an earlier program allowing school districts to levy extra property taxes to pay rent for programs located in privately owned buildings. Just under $3 million was appropriated for charter lease aid for the next two years. That's enough to provide charters up to $425 to $550 per year for each student they enroll—depending on their grade level and the school's actual lease costs. (See box on page 5 for an explanation of how the aid is calculated.)

Minnesota's lease aid program is being closely watched around the country because—for the first time—charters can access a significant state revenue stream dedicated explicitly to facilities. Heretofore, charters have been expected to finance their facilities entirely out of private donations and public operating revenues diverted from

Continued on page 5

Research universities must make course corrections

by Kenneth H. Keller

With its history of interest in and support for higher education, the Citizens League is well-positioned to carry out its new study of quality at the University of Minnesota. I expect that it will be a constructive contribution.

But this is clearly not the first such effort. Over the past 20 years, through three University administrations and a number of fiscal crunches and crises, the institution and the community have thought about, talked about and planned about the school's health and its future. Some have been structured, formal studies; some urgent and reactive. Some have been thoughtful discussions; others have been little more than media events.

The innocent observer, and I am obviously not one, might naturally ask if there is something special about Minnesota—the state or the university—that makes this kind of public debate such a popular pastime. In a sense, of course, there is. This is a state that has always prided itself on its concern for education; it is also one whose citizens are active and have a healthy sense of ownership of its institutions.

The University has had a unique position—the only major research university in the state and, despite our relatively small population, one
Proposals seek accountability for higher ed investment

From Degrees of Excellence: High-
ing Education in Minnesota, Minne-
sota Planning, Aug. 1997

Minnesota taxpayers are investing $5 billion in higher education in 1997—12 percent of the state’s budget. State appropriations grew faster than the gross state product between 1982 and 1997, and the state-per-student grant grew slightly. Here’s what some of that is used for.

MINNESOTA JOURNAL
August 19, 1997

Legislators, not referendum, should decide on stadium

On Balance

The game isn’t over till it’s over.” —Y. Bernard


Minnesota: an engine of economic growth?

Citizens who demand that ideas be at the core of the campaign. And who see the contributions of informed, well-informed citizens. As citizens, we share responsibility for taking the campaign debate.

Lyle Wray is executive director of the Citizens League.

The Minnesota Journal

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Continued from page 1

of the largest universities in the country. Its teaching, research and service cover a wider range of dis-
ciplines than any other university. What has made it such a formidable institution is not simply its size, but also its continuing commitment to research and teaching. It is one of the most highly regarded universities in the world. And one of the most innovative.

And it has had more than its share of problems—not central to the institution and its mission, but painful, disturbing and distressing.

Nevertheless, I believe that 16-20 percent of the university’s problems and challenges are simi-
lar to those facing many other institutions.

Continued on page 4
more immediate by the end of the Cold War, it was exacerbated by the fact that neither principles of accountability nor the tradition of autonomy had been well defined. Liberalizers, who were sometimes frustrated by the hardworking of their professional peers, sometimes felt that policy was not improving their discipline. But we don’t want to create red tape or bureaucrats or eliminate the dis- crimination that makes our institutions unique and quality and provide the “discipline” in “multidisciplinary.” The answer might be further kinds of adjustment - the kind of creating, in disciplinary depart- ments, changing the scope of multidisciplinary activities. How can the national universities coordinate their activities, set their priorities jointly and demonstr- ate an increasing need for institutions of higher education to perform an increasingly diverse functions?

I must note that the problems that have been accentuated by the Cold War and the economic factors that have made them so, the constraints on both teaching and research and provid- ing alternative teaching that would help students and faculty develop their own teaching and research orientation, are now more evident than ever. For example, the discipline of economics has been a necessary and effective tool in understanding the new opportunities. As the financial strains have increased, the discipline of economics has become more explicit role for the state in funding the status of financing public school new, expanded, or remodeled buildings. But, what group of voters and their districts should authorize the sale of referendums or bonds? And, what group of proper- ties, public and private, should be taxed to pay for those referendums or bonds? But we don’t want to create new entities to control how those expectations are met; university communities should create, with as much promise for success as traditional lenders. Options for fill- ing charters around the country. That need doesn’t just follow the geography of the state’s tax- ing authority. In the late 19th and early 20th cen- turies, many charter schools have been directly controlled by districts. But, what group of voters and their districts? What if that charter school facilities was an area to tax. Clearly, the need for the state’s tax- ing authority to either explain or change them is needed. As the financial strains have increased, the discipline of economics has become more explicit role for the state in funding the status of financing public school new, expanded, or remodeled buildings. But, what group of voters and their districts should authorize the sale of referendums or bonds? 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Facilities
Continued from page 5

Flexible-use facilities: School buildings have traditionally been designed with no particular purpose in mind for their future use. Charter schools have a fixed term, however, that may or may not be renewed. The entire premise of charter schools is that—fully exposed to the marketplace—some will fail. Others will start small, gradually add students and curriculum offerings, and will need expandable space. That’s why locating and designing schools for multiple uses and easy expansion or conversion to other uses, if demand arises, are among the strategies now being used in the emerging world of charter schools. These facilities may have application in the changing world of district schools, as well.

There’s not enough experience yet with charter schools to know whether Minnesota’s new lease aid program could also be a model for increasingly autonomous district schools. It’s not even certain that if the new program will fully meet the facilities financing needs of charters.

Candidates
Continued from page 6

“I wonder if these candidates for governor wear an ‘S’ on their chest...cause that’s what we need—a caped crusader!”

He’s open to indexing the state gas tax, too, he says, to help light-rail transit. Moreover, he says he’ll push the state to pay up to 50 percent of the cost of K-12 schools—-unless development is timid- ened. As a former state senator, Mundelein is a sponsor of the bipartisan Liveable Communities Act, which provided incentives for suburban developers to construct affordable housing. He cospon- sored a bill to make the Metropolitan Council an elected body.

Republicans

I.G. Joe Bonime Benson, 54, an experienced attorney, talks about her close relationship with Gov. Arne Carlson: “I’ve promised him I’d continue his course of fiscal pru- dence. Benson, who is on leave from her position as an assis- tant professor of education at St. Cloud State University, favors higher property tax rates and would like to see more local aid to schools and students to run their schools at the local level.

She’d have schools set goals and develop strategies to meet those goals. A school would be given a financial incentive for reaching that goal, or lose one if it fails to be subject by restructuring by the state if it failed. She favored a voucher system for parents willing to send their children to non-public charter schools to unaffordable public schools, and would like to see more charter schools in the state, especially in urban school districts or charter schools for students with special needs. She’d also like to make technical and vocational education more available to more students.

Building the state’s education system is funda- mental to the state’s thriving in a competitive global economy and to a high quality of life, he says. “If we do that, the rest will fall into place. The good jobs of the future, the good companies, the 3Ms, the Microsofts, are more apt to follow where the skilled workers reside.” He’d invest more in early childhood programs and provide teachers in critical care centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says; provide teachers in critical centers with more than five children; set higher standards for K-12 and post secondary education, he says;
Districts, schools must reallocate compensatory aid

As much as anything, it was the pressure from the late president of the Minneapolis Urban League, Gary Sudduth, ("Show us the money") that caused the Legislature this year to order that the compensatory aid meant for low-income students must now be allocated to the school those students attend, with the school’s parents and community getting to help decide how it’s used. Next the job is to implement that change.

- Districts, which up to now have had control over the compensatory money, will have to revise their budgets. The existing compensatory money, first voted in 1971, is built into the 1997-98 budget somewhere else. It must now be reallocated to the school. All of it. In St. Paul, for example, all $36 million; not just the $7 million added this year.

- Schools will have to decide how they want to use the additional money. (There will be up to $1 million more for schools with large concentrations of low-income students.) This means a district should simply create the "team" it would create if it were going fully into the 1997-98 budget somewhere else. It must now be reallocated to the school. This means a district should simply create the "team" it would create if it were going fully into the 1997-98 budget somewhere else. It must now be reallocated to the school. All of it. In St. Paul, for example, all $36 million; not just the $7 million added this year.

- Superintendents and boards have been insisting for years they’re doing school-based management. But principals, parents and community groups would be well advised to start asking about implementation now.—Ted Kolderie.

Speaking of school-based decision-making...For some years the Legislature has been appropriating money to Shared Decisions Minnesota (SDM); a group set up by the big education organizations to help districts "get ready" for the change to school-based decision-making.

One of the things SDM was not doing, it develops, was training business offices how to budget by school. Now suddenly districts have to know how to budget by school, since they now have to allocate compensatory revenue to schools. (See note above.)

So SDM is organizing a workshop on budgeting by school. This, even though the Legislature cut off its appropriation to SDM this year. (The organization is considering becoming an "enterprise," earning its revenue by selling services to districts.)

So: Where the Legislature used to spend tax money and not get the training done, now it will get the training and not spend the tax money—because it created a need for districts to buy the training with their own money. Is there maybe a general lesson here for the state about how to get things done?—T.K.

Depends on the yardstick: The recent leadership hand-off from Nils Hasselmo to Mark Yudof as new president of the University of Minnesota has energized thoughts on how to bolster what some view as a sagging flagship. Indeed, the Citizens League itself is in the midst of a study committee on how to improve graduate education and research at the University.

In fact, by some measures the University is doing quite well, thank you. It has never been stronger in pulling down external funding for research, training and public service. In 1996, for example, the Twin Cities campus received $465 million in total external funding, including $340 million for research.

This growing pile of money has consistently put the University of Minnesota among the top 10 nationally in total research and development activity, and in the top 15 universities in total federal funding. Further, University of Minnesota faculty ranked in the top 10 nationally in patents issued from 1990 to 1995.—Ron Wirtz.

While the financial impact of the proposed $368 billion national settlement on the tobacco industry has been called monumental by settlement supporters and financially infeasible by opponents, it looks to be neither when considered in a global context.

Minnesota currently taxes cigarettes at a rate of 48 cents per pack. MIT health economist Jeffrey Harris estimates that the payments required under the proposed settle-

By some measures, the Twin Cities is doing well in the fight against drugs. For example, the rate of cocaine- and heroin-related emergency department admissions here is the lowest of any 21 major cities reporting on the Drug Abuse Warning Network.

But by other measures, the Twin Cities has yet to see the peak of its drug infiltration. According to a recent report by the state Department of Human Services, monthly use of marijuana by area ninth graders increased dramatically, from four percent in 1992 to almost 15 percent last year; among high school seniors it went from 10 percent to almost 19 percent.

Hospital admissions for crack and cocaine abuse increased 3.3 percent in 1996 and cocaine-related deaths hit an all-time high of 64, compared with 46 in 1995 and 35 in 1994. Cocaine seizures by police increased significantly in 1996; one law-enforcement agency in Hennepin County reported a one-year increase of 80 percent.

"Take Note" contributors include Minnesota Journal and Citizens League staff members and Joe Loveland, public affairs account group director at Shandwick in Minneapolis and former communications director for Attorney General Hubert Humphrey III.

The disturbing implication, as The Economist pointed out, is that "in a world of mobile capital, labour is likely to bear a growing share of the tax burden—especially unskilled workers who are the least mobile."—Janet Duddrow.
Welcome
New and Returning Members

David Chapman
Sigrid Hutcheson
Patrick Irvine
Mary Lou Irvine
Laura K. Lazar
Judith Schwartz
Kathy Tunheim

Thank you recruiters:
Dave Hutcheson,
Ellen Brown

Citizens League
708 South 3rd St. Suite 500
Minneapolis, MN 55401
Ph.338-0791 FAX 337-5919
citizen@epx.cls.umn.edu

Please visit our web site at:
http://freenet.msp.mn.us/polcitizen

The Citizens League promotes the public interest in Minnesota by involving citizens in identifying and framing critical public policy choices, forging recommendations and advocating their adoption.

Suggested dues for membership are $50 for individuals and $75 for families. For more information, please contact the office at the numbers and location listed above.

Thank you! Contributions to the League's year-end drive have been excellent so far. But we still need your help. Make your gift by August 31.

First stage of Public Leadership Initiative completed

For the last several months, Citizens League board members and staff have interviewed a diverse collection of "public" leaders from around the Twin Cities region.

These leaders were asked what they viewed as significant public challenges, what gaps they saw in public leadership in response to these challenges, and their view of barriers to public leadership. In addition, each interviewee was asked how the Citizens League might respond to the public leadership environment through a study committee or other action.

The League Board will review the results of these interviews and consider everything from study topics to special forums to possible strategic alliances at its annual transitional meeting scheduled for Monday, August 25 at Pam Neary's house in Afton.

Board members who participated in the interviews included:
Mike Christenson, John Adams, Mary Anderson, Duane Benson, Cal Clark, Jim Dorsey, Sally Evert, Linda Ewen, Peter Gove, Marie Grimm, Peggy Gunn, Jean Harris, Peter Hutchinson, Sean Kershaw, Shif Lang, Gene Merriam, Herman Milligan, Pam Neary, Randy Peterson, Christine Roberts, Robert Vanasek, Jane Vanderpoel and Steve Young.

The Twin Cities is blessed with an abundance of public leaders. In its interviews the League tried to cast a wide net that captured a great variety of perspectives. While we do not missed many who could have been interviewed we nonetheless had an impressive array of people who agreed to be interviewed. The League is very grateful to the following for their time and thoughtfulness in the interview process:

Sharon Roe Anderson    William Finney    Tim Pawlenty
David Beal            Brian Herron     Tim Penny
Stacy Becker          Karen Himple     Orville Pung
Peter Benner          Peter Hutchinson  Al Quie
John Brandl           Ron James       Shelly Regan
Richard Braun         Curt Johnson    James Rickabaugh
Dick Broeker          Lani Kawamura  Dan Salomone
Larry Buergler        A.M. (Sandy) Keith  Lyall Schwarzkopf
Gerald Christenson    Kenneth Keller  James Solem
Dan Cornejo           Reatha Clark King  Tom Swain
Kenneth Dayton        Joel Kramer     Imogene Treichel
Charles Denny         Rick Krueger    Kathryn Tunheim
Gail Dorfman          George Latimer  Bruce Vandal
Steven Dornfeld       Larry Laukka    Winston Wallin
David Doth            Dan McElroy    Laura Wittstock
Dave Durenberger     David Morris    DeDe Wolfson
Judith Eaton          Ted Mondale    Lee Pao Xiong
Jon Elam             Rafael Ortega
Joe Errigo             Chris Park

Boomer Bonanza: Upcoming forums on Watergate and Social Security

The League is a local co-sponsor of the Washington-based Public Forum Institute summit on retirement security. Chaired by Sen. Rod Grams, the Retirement Security Summit: Strengthening America for Today and Tomorrow will be held on Thursday, August 28, 1997 from 7:30 a.m. to 5:00 p.m. at the Hyatt Regency in Minneapolis. The morning session will provide an overview of the current system, followed by a question and answer period. After lunch, small groups will participate in an exercise in hard choices managed by the Committee for a Responsible Federal Budget. Cost for the day, which includes breakfast and lunch, is $22. Please call the League at 338-0791 if you are interested in registering or for more information.

Archibald Cox is the guest speaker at the Common Cause annual dinner. Details on the other side.
Common Cause Minnesota, along with our cosponsors:
The Citizens League, Minnesota Journal of Law and Politics, Minnesota Public Radio,
Minnesota League of Women Voters, and the University of Minnesota School of Law,
presents:

Archibald Cox,
Former Watergate Special Prosecutor
speaking on

25 Years after Watergate: What Has Changed?
Saturday, October 4, 1997
5:30 - 9:00 PM
Radisson South Hotel, Bloomington, Minnesota,
Interstate 494 at Highway 100, exit on Normandale Boulevard.

1997 marks the 25th anniversary of the Watergate break-in and the 1972 election. Come for dinner and hear Archibald Cox discuss how Watergate has influenced our country in the ensuing 25 years and how our political system has changed for the better or worse in that time.

Tickets: $40 Common Cause Members, $50 Non-Members
Call Common Cause at 644-1844 to:
~ make special arrangements to reserve an entire table.
~ obtain advertising space in the evening's program.
~ pay by credit card.
~ become a member of Common Cause.

Social Hour: 5:30 - 6:30 pm
Dinner: 6:30 - 7:30 pm
Speech: 7:30 - 8:30 pm
Book-signing: 8:30 - 9:00 pm
Advanced Reservations are required.
There is limited seating and
tickets are selling fast already so
ORDER YOUR TICKETS TODAY.

Archibald Cox is a former Watergate special prosecutor fired by President Nixon in the famous Saturday Night Massacre. He is currently a Professor at Harvard Law School and the author of numerous books and articles. Professor Cox is also a long-time board member and past Chairman of Common Cause and has served as the United States Solicitor General.

To buy tickets detach here and mail this form along with your check to:
Common Cause Minnesota, 1010 University Ave. W., St. Paul, MN 55104.

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Tickets: _____ ticket(s) at $50 as non-members of Common Cause totaling $_______
______ ticket(s) at $40 as members of Common Cause totaling $_______
Membership: _____ New Membership(s) at $20 per individual totaling $_______
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