

05/02/94	D.C.	Benefits at Work Event	D.C.		Safeway Groc
01/29/98	District of Columbia	DC Budget	D.C. White House	Draft	D.C. Budget A
02/04/98	District of Columbia	Community & Economic Redevelopment	Anancostia	Draft	Good Hope M
05/05/98	District of Columbia	downtown revitalization-DC	Washington, DC	Draft	Living Arts D
04/10/97	Washington, D.C.	Cherry blossoms	D.C.	Draft	Cherry Tree P
09/04/95	Welcome	Reception	Guam		hosted by Gov
06/24/93	White House	Tour	D.C., White House	Video	
10/18/94	White House	Tennessee Day Reception	D.C., White House		All principals
02/13/95	White House	Workers at the White House	D.C.	Draft	Shaed Elemen
02/13/95	White House	Importance as a museum	Written	Draft	Intro for Whit
02/17/95	White House	Art - Blue Room Unveiling	D.C.	Draft	White House E
03/13/95	White House	White House	D.C., White House	Draft	Opening of W
05/06/96	White House	"In Performance at the WH"	D.C., White House		Welcoming R
10/29/96	White House	Presentation	D.C., White House		Henry Ossawa Painting
03/05/97	White House	White House	Audio	Draft	Children's Mu Houston
04/09/97	White House	White House gardens	D.C., White House	Draft	Opening of Th
04/30/97	White House	Importance as a museum	New York, New York	Draft	White House E
05/18/97	White House	Importance as a museum	California, Los Angeles	Draft	White House E
10/24/97	White House	Unveiling and Reception	D.C., White House		Georgia O'Ke
12/08/97	White House	Christmas in Washington	D.C., White House	Video	Walk-through
01/21/98	White House	White House Endowment Dinner	D.C. White House	Trans	White House E
04/13/98	White House	CD-ROM "The WH is Our House" Video	Washington, DC	Draft	MLK Library
04/05/99	White House	Easter Egg Roll	DC, White House	Trans	

1ST STORY of Level 1 printed in FULL format.

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January 11, 1997, Saturday, Final Edition

SECTION: METRO; Pg. C01

LENGTH: 1042 words

HEADLINE: First Lady Says White House Has a Plan to Help District; Initiatives Aimed at Structural Factors in Fiscal Crisis

BYLINE: David A. Vise, Washington Post Staff Writer

BODY:

First lady Hillary Rodham Clinton said yesterday that the White House is preparing to release a major package of initiatives for the District that will address some structural problems that have hampered the city's efforts to emerge from its financial crisis.

In an interview, Hillary Clinton said the administration's broad-based plan will deal with political as well as financial issues in the District, which is burdened with major expenses that state governments pay for other cities.

Del. Eleanor Holmes Norton (D-D.C.), who has been working with the administration on the plan, described it as "bold" and "dramatic." D.C. financial control board Chairman Andrew F. Brimmer said he will meet with the federal budget director, Franklin D. Raines, early next week to review the details.

Among the most significant items in the proposal, according to sources familiar with it, is federal assistance with a \$ 5 billion shortfall in the D.C. pension plan for police officers, firefighters, teachers and judges. The pension plan is the single biggest financial problem facing the District, costing the city hundreds of millions of dollars annually and posing a long-term threat that the control board warns could bankrupt the city.

Politically, the pension shortfall is among the easiest D.C. issues for the Clinton administration to address because the federal government's responsibility for the problem is clear. When the federal government turned the pension plan over to the city in 1979, the plan had a shortfall of more than \$ 2 billion, and much of the growth in the shortfall since then can be traced to the original gap.

The uniqueness of the pension situation also makes it less likely that members of Congress will oppose the aid on the grounds that it is unfair to their home states.

While the White House plan will offer to have the federal government assume some of the city's financial responsibilities, the \$ 660 million annual federal payment to the District would be slashed as part of the deal, sources said.

Brimmer, who has objected strongly to reducing the payment, said yesterday that he still has reservations about the concept but will reserve final judgment until he sees the entire Clinton proposal.

The Washington Post, January 11, 1997

Clinton administration officials are committed to cutting the District's sizable spending on Medicaid, the nation's health care program for the poor, sources said. The federal government -- which pays three-quarters of the Medicaid bills of dozens of states but only half of the District's expenses -- may absorb a higher share of the city's costs.

In addition, the administration is devising a tax incentive program to spur job creation and investment in the District, sources said.

"In the next few weeks, some of the administration's plans and commitments will be unveiled," Hillary Clinton said. "I believe that, as the president has said, the District is in a difficult political and legal situation, and the financial strains on the District have to be addressed."

The first lady made her remarks after a program at Georgetown University Medical Center, where she called on pediatricians to give parents children's books and prescribe at least 20 minutes of daily reading to young children.

She said parents are more likely to follow advice from doctors than from teachers and neighbors, and she noted that new research shows that reading to children from birth improves intellectual growth and development.

Hillary Clinton, who has been focusing increasingly on helping the District, said that encouraging D.C. parents to spend more time reading to their children is a high priority. It "could make a significant difference in this city," she said.

The first lady appeared at Georgetown with author Maurice Sendak, who read his popular story "Where the Wild Things Are" to an enthusiastic group of children. In addition to working with Georgetown University Medical Center on the reading initiative, Hillary Clinton has enlisted the support of the American Academy of Pediatrics and other groups.

But she cautioned that neither her efforts nor the White House's D.C. package would immediately remedy all that ails the District. She said D.C. residents and people across the country who care about the capital need to get involved in volunteer efforts.

Last month, President Clinton praised a report by the control board that said the city needs federal help with about \$ 1 billion in programs -- including pensions, Medicaid, road and bridge maintenance and prisons -- that generally are paid for by state governments.

White House spokesman Michael McCurry said yesterday that the control board report provided a "sensible" menu of choices for the administration.

Key local legislators, led by Rep. Thomas M. Davis III (R-Va.), chairman of the House Government Oversight D.C. subcommittee, are hopeful that the package will include a phase-out of the Lorton Correctional Complex in Fairfax County, a move that would please Northern Virginia residents who want the prison closed.

The package also may include the transfer of D.C. prisoners into the federal prison system, which would ease the city's financial and management burdens.

The Washington Post, January 11, 1997

D.C. Council member Frank Smith Jr. (D-Ward 1), who heads the council's Finance and Revenue Committee, said that he is glad the White House is drawing a list of initiatives to improve the city's finances but that he doesn't want the federal payment reduced.

"I have to be cautious with any plan that eliminates the federal payment," he said, "because the federal payment is real dollars meant to offset losses."

Smith said the payment compensates the city for its inability to tax valuable property owned by the federal government and foreign embassies.

Norton said final decisions about the D.C. package have not been made. But she already has scheduled a town meeting for early next month so that residents can discuss the plan with Clinton administration officials.

"It involves a great deal more in innovative thinking than the usual pleas for more money," Norton said. "It is a very credible package with real relief."

Staff writers Hamil R. Harris, John F. Harris and Clay Chandler contributed to this report.

GRAPHIC: Photo, tyler mallory for The Washington Post, Hillary Clinton joins Jeremy Cockerham, Jewellianna Palencia and other children of staff members at Georgetown University Medical Center for a reading by popular children's author Maurice Sendak.

LANGUAGE: ENGLISH

DATE: January 11, 1997

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December 20, 1996, Friday, Final Edition

SECTION: METRO; Pg. C01

LENGTH: 1064 words

HEADLINE: Hillary Clinton Makes D.C. Advocate Debut; In Shaw, First Lady Reveals Administration Plans for Community Bank, Other Aid

BYLINE: David A. Vise, Washington Post Staff Writer

BODY:

First lady Hillary Rodham Clinton pledged yesterday to help the struggling District of Columbia overcome its many difficulties as Mayor Marion Barry and other D.C. officials expressed hope that her expanded public role will be a catalyst for change.

The first lady's promise came at a news conference in the city's Shaw neighborhood that marked the public debut of her heightened focus on the nation's capital. She said that in the next month, the Clinton administration will announce a federal package of assistance for the District, which has been struggling with budget woes, unemployment, crime and crumbling schools. And she promised to increase her own efforts to strengthen the city.

Appearing with Housing and Urban Development Secretary Henry Cisneros, the first lady helped unveil an \$ 8.5 million, federally funded community bank for the city. It will provide loans for D.C. residents to start small businesses that typically would be overlooked by large banks. She also disclosed plans to continue working with a community-based group that is starting new after-school programs and building affordable housing in the city.

"This is not just a city for our country," Hillary Clinton said. "This is a city for the world. This is the city where the seat of government of the United States fulfills its responsibilities at home and abroad. And we know that we have unique and difficult challenges facing the men, women and children who live and work in our nation's capital.

"Much has been written and debated about what is wrong with Washington and what isn't working," she said. "And all of us will do our part to meet those challenges. But let's not forget about everything that is right about Washington and the people who live here. This is a unique place to live, work and to visit. . . . It is a place filled with people working hard to bring greater prosperity and progress to themselves, the city and the country."

Barry (D) described the first lady's involvement as "great" and said he will seek a private session with her so that he and his wife, Cora Masters Barry, can discuss the city's most pressing needs. He said high-level meetings in the Clinton administration this week to devise a rescue package for the city and Hillary Clinton's remarks yesterday have convinced him that the White House's commitment to the city is real. Those efforts could lead to constructive changes in the way the federal government treats the District, he said.

The Washington Post, December 20, 1996

"We have been stepchildren," the mayor said. "I assume that stepchild status is about to change."

D.C. Council member Frank Smith Jr. (D-Ward 1), who also attended yesterday's event, said that although it took too long for the Clintons to pay attention to the city, the potential benefits of their increased support are significant.

"I think the president and Mrs. Clinton are doing the right thing," Smith said. "I think it would have been a terrible blight on their presidency to leave the city in the shape it was in. I'm glad they are getting involved while there is still enough time left for them to make a difference."

Last week, President Clinton praised a report by the D.C. financial control board that said the federal government should take responsibility for about \$ 1 billion in city programs -- including Medicaid, road and bridge maintenance and prisons -- that in other cities are paid for by states. The mayor said he eagerly awaits details regarding how much support the administration's package of D.C. initiatives will include.

"Talk is cheap," Barry said.

Hillary Clinton's decision to make the District's revitalization one of her top priorities during her husband's second term followed months of sometimes public hand-wringing over how she should focus her energies. Some of the first lady's earlier attempts to play a high-profile role in administration affairs -- especially her involvement in health care reform -- provoked considerable criticism.

By choosing the District, Hillary Clinton has staked out an area where she will work on programs affecting the city's children and neighborhoods without playing the kind of central role in policymaking that produced a backlash, administration sources said.

For example, the first lady will announce today that she is donating tens of thousands of dollars from the sale of her book, "It Takes a Village," to three local hospitals -- the city's privately run Children's Hospital, the Hospital for Sick Children and the Children's Inn, which is affiliated with the National Institutes of Health. She also will give away money to hospitals serving children elsewhere.

The first lady waited to declare her interest in the District until after the president -- who has been criticized locally for ignoring the District -- made the issue a greater administration priority. Privately, Hillary Clinton had strongly urged the president to do more to help the struggling city, administration sources said.

Before November's election, administration political advisers had cautioned the president that getting too involved in District affairs -- and being photographed with Barry -- could hurt his support with voters across the country. Now that Clinton has won a second term, that argument is moot, sources said, and yesterday Hillary Clinton said she was "delighted" to be with Barry at the news conference.

The new banking program the first lady saluted yesterday is unusual because it involves federal funding, government loan guarantees and private

The Washington Post, December 20, 1996

investment. Georgetown University has said it plans to invest \$ 1 million in the city's new community bank, which also will sell low-priced shares to D.C. residents. Cisneros said the \$ 8.5 million federal investment in the District's bank would generate tens of millions of dollars of business in the city's neighborhoods. Similar programs will be introduced in Baltimore and in rural Mississippi.

Hillary Clinton said that she has been moved by seeing small businesses prosper in some of the world's poorest areas, thanks to their access to loans. She said the lack of funding here for such "micro-enterprises" has prevented people with good ideas from acting on them. She also said the failure to fund small businesses hurts entrepreneurs, communities and job creation.

"A lot of great ideas," she said, "die in the parking lots of banks."

GRAPHIC: Photo, dudley m. brooks , Hillary Rodham Clinton talks to Robert L. Moore, far left, of the Development Corporation of Columbia Heights, and others after the announcement.

LANGUAGE: ENGLISH

LOAD-DATE: December 20, 1996

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December 22, 1996, Sunday, Final Edition

SECTION: METRO; Pg. B01

LENGTH: 1006 words

HEADLINE: A Rising New Force in D.C. Wins First Lady's Attention

BYLINE: David A. Vise, Washington Post Staff Writer

BODY:

When Hillary Rodham Clinton decided earlier this year that she wanted to help the District, she didn't call Mayor Marion Barry or try to work through the beleaguered D.C. government.

Instead, on the advice of Housing and Urban Development Secretary Henry Cisneros, she established ties with a fledgling local group called Washington Interfaith Network (WIN). Founded by African American clerics, the group comprises about 55 D.C. churches that want to build 1,000 units of affordable housing for low-income residents, start after-school programs and tackle crime and other urban issues.

Cisneros said he advised the first lady to work with WIN in part because it is affiliated with the Industrial Areas Foundation (IAF), a national group with a track record of setting and achieving goals in cities. IAF affiliates have helped build thousands of affordable housing units in New York and hundreds in more and Suitland.

Cisneros, who experienced the IAF's aggressive grass-roots campaigns firsthand as mayor of San Antonio, said he views WIN as an important new player on the local political scene, which has been dominated for decades by Barry (D) and a handful of others.

"They were decisive and changed the politics of [San Antonio] forever," Cisneros said last week. "I swear by them. If they do that in Washington, the city will never be the same."

The Rev. Joseph W. Daniels Jr., pastor of Emory United Church of Christ and one of WIN's co-chairmen, said that although the group is nonpartisan, it will not hesitate to support candidates who embrace its mission. He said that the group includes people of many races and faiths and that unlike groups made up solely of clerics, WIN derives its strength from the active involvement of hundreds of church members citywide.

More than 1,400 black, white, Asian and Latino churchgoers attended WIN's first major public rally in the city in May at Metropolitan African Methodist Episcopal Church. Bishops from the Washington jurisdictions of the Roman Catholic, Episcopal, United Methodist and Evangelical Lutheran churches sat on the podium, as did Georgetown University President Leo J. O'Donovan, Del. Eleanor Holmes Norton (D-D.C.) and Barry.

The Washington Post, December 22, 1996

WIN has raised \$ 2.5 million in a short time, Daniels said, and is getting help in that area from the first lady. On Oct. 21, she held a meeting at the White House and asked major foundations to consider funding WIN's programs. Inward, the Washington-based Fannie Mae Foundation contributed \$ 150,000 to start an after-school program for children at J.O. Wilson Elementary School, in Northeast Washington. The program, slated to start next month, also will serve adults who need job training and other help -- part of WIN's attempt to make the school a community hub.

In an interview last week, Hillary Clinton said she intends to continue supporting WIN as part of her increased focus on helping the city, which is struggling with crime, poverty, unemployment and poorly performing schools. She said that WIN's leaders have impressed her and that their programs have "tremendous potential" to improve life in some neighborhoods.

But she also cautioned not to expect miracles. "It takes a lot of patience and time to make changes that are necessary," she said.

Daniels said Hillary Clinton would continue to help WIN by identifying potential financial supporters. WIN is seeking money as it tries to obtain land in the city to build its first 300 housing units.

WIN's goal, Daniels said, is to provide the "working poor" with the down payment needed to buy a house. In the WIN program, people would be required to pay their monthly mortgage bills and other expenses after getting help with a down payment. Daniels said WIN will develop 300 housing units in one area of the city, part of an effort to create a new neighborhood of homeowners.

WIN is holding discussions about the program with officials at Fannie Mae, a giant local company that provides funding for home loans. WIN's proposal is a kind of program that company officials say they like to support by making mortgage money available for low-income home buyers.

"We are all working together on these initiatives, and we think they hold this potential for getting good ideas from the conceptual stage through reality," said Barry Zigas, Fannie Mae's senior vice president.

Industrial Areas Foundation, a national network of 40 community groups, was started by organizer Saul Alinsky more than 50 years ago. The son of an immigrant tailor from Russia, Alinsky believed that common people of diverse backgrounds could gain power if they organized in significant numbers and ignored their racial differences. The group's motto: "Never do for others what they can do for themselves. Never."

When the IAF added WIN to its network of affiliates, it dispatched specialists with community-organizing know-how to make sure the group conducted its business according to strict principles. For example, the group's meetings must have clear goals and last only a set amount of time.

In Baltimore, the IAF has provided scholarships for high school graduates and persuaded employers to guarantee job interviews and job training, if necessary, for students with 90 percent attendance records in their junior and senior years. It also pressured city officials to require higher wages for low-paid employees of government contractors.

The Washington Post, December 22, 1996

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The Washington Post, December 22, 1996

Cisneros said the group was such an effective advocate for the poor in San Antonio that it enabled him when he was mayor to stake out a new middle ground, rather than tilting toward business interests, as politicians there had done in the past.

Hillary Clinton spoke of her strong commitment to WIN on the night of its first public rally.

"It is time for all of us to ask ourselves and our neighbors, 'What can we do?' because there are solutions to every problem which faces us in Washington," the first lady said then. "The president and I will stand with you. . . . We will work with you in WIN."

GRAPHIC: Photo, HENRY CISNEROS

LANGUAGE: ENGLISH

LOAD-DATE: December 22, 1996

5TH STORY of Level 1 printed in FULL format.

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December 18, 1996, Wednesday, Final Edition

SECTION: A SECTION; Pg. A01

LENGTH: 886 words

HEADLINE: Hillary Clinton Steps Up Effort To Help D.C.

BYLINE: David A. Vise, Washington Post Staff Writer

BODY:

First lady Hillary Rodham Clinton is taking a more active role in the District of Columbia and its problems, raising money for a new D.C. after-school program and agreeing to donate some of the proceeds from the sale of her book to Children's Hospital, Clinton administration sources said yesterday.

The first lady convened a meeting Oct. 21 at the White House of major foundations to round up backing for programs started by a group of local congregations called the Washington Interfaith Network (WIN). As a result, the Washington-based Fannie Mae Foundation agreed to contribute \$ 150,000 to start an after-school program at J.O. Wilson Elementary School, in Northeast Washington, according to Carol Wheeler, a member of Dunbarton United Methodist Church who is active in WIN and attended the White House meeting.

After working on District issues behind the scenes recently, the first lady decided to publicly express her interest in helping the capital city and its children during two appearances later this week, administration sources said. The decision follows President Clinton's public affirmation last week of his administration's expanded commitment to the financially struggling city.

Hillary Clinton is to speak tomorrow at the unveiling of a \$ 20 million program to provide money for housing and small businesses in the District and a few other cities, her spokeswoman, Marsha Berry, confirmed. On Friday, she will announce at Children's Hospital that she is donating a considerable portion of the proceeds from the sale of her book, "It Takes a Village," to the privately-run institution, administration sources said.

Del. Eleanor Holmes Norton (D-D.C.) said she would welcome a heightened public role from the first lady in the city's affairs. "I think it would be appropriate and welcome, particularly given her continuing interest in children," Norton said.

During the president's first term, Hillary Clinton's highly visible attempts to put her mark on national policy, particularly health care, sparked criticism of her influence and style, and she more recently has maintained a lower profile on most political matters.

At public appearances during the reelection campaign, the first lady concentrated on the needs of children and the government's role in meeting them. She also has been grappling with legal issues stemming from the Clinton's money-losing investment in an Arkansas land deal known as Whitewater.

The Washington Post, December 18, 1996

This week's appearances in the District follow speculation about Hillary Clinton's priorities during the president's second term. The first lady is still setting her agenda and reviewing other endeavors that will be given her attention, administration sources said.

After being criticized locally for ignoring the District, President Clinton acknowledged last week that his administration has not done enough to help the ailing city, which is struggling with financial woes, high crime rates and underachieving schools. Clinton praised a report by the D.C. financial control board that said the federal government should take responsibility for \$ 1 billion in programs typically supported by states, including Medicaid, prisons and road and bridge maintenance.

The first lady had strongly urged the president to display more leadership on District matters, but she waited until he publicly elevated the administration's interest in the city before revealing her own commitment, administration sources said. Hillary Clinton was worried that if she moved on the issue earlier, it would spark questions about who really was in charge of White House policy on the city, the sources said.

Henry Cisneros, U.S. Department of Housing and Urban Development secretary -- who also will appear at tomorrow's housing announcement -- said he has discussed the District's needs with Hillary Clinton recently and that she has shown interest in making a significant contribution. He cited her involvement with WIN -- which is working on getting affordable housing built in the District in addition to the after-school programs -- as an example of the kind of initiative she already has embraced.

"It is the next logical extension of the first lady's role, which traditionally has been to take care of the White House," Cisneros said last night. "I'm sure she can play a very constructive role."

WIN's Wheeler said the first lady already has helped her organization in important ways. "She has tried to open doors for us and given us the chance to make our case to people to help make something happen," she said.

The Rev. Joseph Daniels, pastor of Emory United Methodist Church of Christ, in Northwest Washington, said Hillary Clinton has directed her staff to work with WIN on District matters. "She has been an arm of support in terms of trying to make sure that what we are doing gets off the ground," he said.

The first lady foreshadowed her interest in District affairs in May during a speech she delivered at WIN's first major public rally. She pledged then to help the group "make a profound difference in this city" and declared that "the time for sitting and worrying over news reports on the state of affairs of our city is over."

"Maybe six months from now," she said, "we can look back at this night and say, 'That's when it all started.' "

LANGUAGE: ENGLISH

LOAD-DATE: December 18, 1996

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July 25, 1996, Thursday, Late Edition - Final

SECTION: Section A; Page 1; Column 1; National Desk

LENGTH: 4571 words

HEADLINE: Trying to Fix Capital Where 'Everything Is Broken'

SERIES: MONUMENT TO DECAY -- First of three articles.

BYLINE: By STEVEN A. HOLMES and MICHAEL JANOFFSKY; Leslie Wayne also contributed to this article.

DATELINE: WASHINGTON, July 24

BODY:

On any given day here in the capital of the richest nation in the world, nearly a third of the 16 water-pumping firetrucks are kept out of service to save money. Police officers dip into their own pockets to buy tires and put gasoline in squad cars. City clinics periodically stop testing for the AIDS virus because they cannot afford supplies. Local officials are dumping extra chlorine in drinking water to battle elevated levels of bacteria caused by eroding pipes.

The Washington of glittering monuments, world-class museums and graceful, leafy neighborhoods continues to captivate tourists, hordes of them. But in ways big and small, the Washington of cold municipal reality is falling apart.

Two decades into Washington's experiment in limited self-rule the city is virtually insolvent. Its bond rating is junk status. Its population, 706,000 just 20 years ago, has fallen to 554,000 -- the lowest since the beginning of the New Deal in the 1930's. While New York and other cities have registered lower crime rates, here crime is on the rise, and arrests are down. City contractors wait months to be paid. Public school employees are facing up to 12 days of furloughs in the coming academic year to help trim the school system's \$7.1 million deficit.

And the people elected to run the city, especially Mayor Marion S. Barry Jr., lost the trust of Congress, which has the constitutional power to oversee the national capital. Last year, Congress shifted much of the local power to a board of financial overseers, known locally as the financial control board, appointed by the President.

"Everything is broken," said Anthony A. Williams, the city's new chief financial officer. "This isn't just a car that has run out of gas. There is something fundamentally wrong with the car. The gas pedal doesn't work, and neither do the brakes."

Major efforts are now under way to fix things. The control board is pressing local leaders to cut more spending and reduce the size of city government. Mr. Barry has introduced a "transformation plan" to streamline the government. A White House task force has been formed to help city agencies improve services.

The New York Times, July 25, 1996

These efforts were rewarded this month when Wall Street offered to help the city raise \$220 million in short-term notes, the first time in 18 months that investors have been willing to lend money to the city.

In Congress, momentum is gaining to pass legislation to create a flat Federal income tax of 15 percent for District residents, a measure some lawmakers say would reverse the population exodus and encourage economic development.

And as a sign that confidence in the city and its efforts for change might be growing, the House on Monday passed the District's 1997 fiscal year budget by 332 to 68, and the Senate Appropriations Committee passed a similar version on Tuesday.

But as Federal and local officials strain to reverse the tumble into financial and physical decay, national lawmakers are beginning to suggest what was unthinkable a few years ago: that Washington's hard-won right to govern itself should be stripped away. After 100 years of being ruled through Congress, the District accepted a limited form of independence that is now under attack.

"The control board is the city's best hope to retain home rule," Speaker Newt Gingrich said recently. "If the politicians stop that control board from succeeding, I think it puts into doubt the whole issue of home rule."

The issue of home rule has special racial and historical poignance here in Washington, a black-majority city that had long been denied political independence by the white Federal establishment.

And while, in many ways, Washington's problems are similar to those of other large and aging American cities -- increasing poverty, rising crime, middle-class flight, Washington is not just any American city. It is the capital, with all the symbolism of great expectation that such a status implies.

"Washington, D.C., is the political center of the universe as we know it, and people could not believe it was bankrupt," said Representative James T. Walsh, the New York Republican who is chairman of the House subcommittee that oversees Washington's budget. "I was doing interviews with German, British, French and Australian TV outlets. They are astounded by it. How could this happen?"

It happened for a complex mix of reasons. But in the end, the prescription for failure was quite simple: In granting Washington home rule, Congress imposed a bad financial and political deal on the city, and local leaders made it considerably worse.

In their zeal to gain even limited independence, city leaders accepted numerous economic and political shackles on the government's ability to function:

*The District's revenue-generating powers are paltry, limited to income, property and business taxes: The only Federal help the District receives to offset its expenses is an annual payment, now \$660 million, which even some members of Congress regard as inadequate. And it is barred from taxing the commuters who make up two-thirds of Washington's work force, or the 43 percent of property within its borders that is owned by the Government, diplomatic missions or private nonprofit institutions.

The New York Times, July 25, 1996

*Its financial burdens are large, and made larger by the city's general decline: It must pay for a variety of social-service programs, including Medicaid, which it splits with the Federal Government. (Most other cities pay nothing for Medicaid.)

*And as the only capital of a major democracy without a vote in the national legislature, Washington has little power to press its case on a national level.

"I think you could bring the smartest person from the Harvard School of Government down here, and he couldn't make this thing work," said Fred Cooke, the city's former chief lawyer.

But Washington has also been failed by its elected leaders, including Mr. Barry, who has been Mayor for 14 of the last 18 years, and Sharon Pratt Kelly, who was Mayor from 1990 to 1994, during which time Mr. Barry served six months in prison on a conviction for drug possession. Both championed a liberal ideology, unchecked by any conservative opposition, in which government provided jobs and services while paying too little attention to the city's budget and physical condition.

Mr. Barry, who describes himself as a child of the civil rights movement, acknowledged in an interview that some of his priorities were misplaced: "My focus was on social services, jobs and education. In retrospect, we should have paid more attention to roads and bridges."

And while that emphasis helped enrich and expand the city's black middle class, the inattention to roads and bridges helped drive them -- and the crucial tax base they represented -- to the suburbs.

But in recent years, the city's problems, and its efforts to address them, have been complicated by the racial and class strains that originated when the city was ruled in a high-handed manner by white-dominated Congressional committees.

That history has often served as a convenient foil for the city's political leadership, particularly Mr. Barry and his supporters, to deflect attention from their own managerial shortcomings, and from corruption in city government: In the 1980's, several of Mr. Barry's close associates went to prison on a variety of charges.

Now, allies of Mr. Barry have criticized the control board, and its chairman, Andrew F. Brimmer, as a vehicle for whites to retake control of the city. They have been especially angered by Mr. Brimmer's threat to dismiss the head of the city's human services agency, a longtime friend of the Mayor, for poor management practices.

"He's doing the white folks' bidding," said Lamont Mitchell, owner of the Imani Cafe in southeast Washington and a close friend of Mr. Barry, referring to Mr. Brimmer, who is black. "They want to get a foothold back in the city," he said. "They lost it through home rule, and they want to get back in charge."

Over the years, that kind of reaction has led whites, and some blacks, to abstain from criticizing the city, even in the face of poor delivery of services.

The New York Times, July 25, 1996

"There has been a genuine guilt about intervening," said Representative Thomas M. Davis 3d, the freshman Virginia Republican who heads the House committee with general oversight authority for the District. "The difficulty has been every time Congress tried to intervene, people yell home rule or racism."

But as the control board has struggled to halt the city's slide, and as Mr. Barry has challenged its authority, there is a growing sense in some powerful quarters -- and a growing fear in others -- that Washington may need a drastically altered style of government or maybe even a new one.

"The District of Columbia government is a mess," Mr. Gingrich said in a recent television interview. "The fact is, it has to be overhauled."

District Life From Potholes To Robberies

The problems in Washington never seemed worse than this year, when acts of man and nature combined to deny city residents many of their basic services.

As a stepchild of Congress, the District was virtually shut down along with other Federal agencies during a budget impasse that began last fall and lasted into the spring. With lawmakers unwilling to release money owed the District, the city stopped picking up trash; libraries and health clinics closed, and tourism, the main industry after government, slowed to a trickle.

Then came the blizzard of 1996, exposing the city's inability to perform even simple functions like plowing. While Mr. Barry took to the skies in a helicopter to inspect city streets and pronounced most of them passable, residents wondered what city he was inspecting.

Only the Federal shutdown that kept thousands of workers home prevented total chaos along snow-blocked commuter routes. Finally, city officials admitted that the District had too few snow-removal vehicles and salt trucks and that many were inoperable because of insufficient financing to fix them.

The salt, sunshine and warming temperatures that finished clearing the streets only renewed attention on another major problem -- potholes. They were everywhere, growing in size and number, and city officials said it would take months to fill them.

But the disrupting effects of snow and potholes were only annoying examples of a city in free fall. Scarcely a week passes without evidence pointing to deeper, more systemic problems in virtually every city agency. Here are several recent examples:

*Mr. Barry disclosed that the city was paying Medicaid benefits to 20,000 ineligible people. He blamed the oversight on a faulty computer program, which is now fixed, he said, saving the city \$15 million a year.

*After a fire at the Department of Treasury, firefighters acknowledged that the closest ladder truck could not respond because it was out of service. They also said that with so few trucks available, other parts of the city were left under covered during the fire.

The New York Times, July 25, 1996

*Two employees of the city's real estate tax agency were dismissed and four others placed on leave after officials found that they had used improper methods to assess 9,700 residential properties.

*The elevated levels of bacteria recently found in the District's water system violated Federal standards for the fifth time in a year. Carol M. Browner, administrator of the Environmental Protection Agency, said the finding reflected "a pattern of deterioration, neglect and uneven operation."

*Recyclable trash, once picked up weekly, is now collected every other week.

Even major political figures are touched by the problems. Attorney General Janet Reno, the country's top law-enforcement officer, lives in a downtown building where Karin Vaughan owned a beauty salon and spa for years. In April, Ms. Vaughan closed the salon after a string of crimes, including an armed robbery of her customers.

"I wake up in the morning, and I want to cry," said Ms. Vaughan, who lost most of her \$250,000 investment in the business. "It feels like a relative has died."

Home Rule

'They Didn't Get A Good Deal'

For 100 years before home rule, Washington had been governed by a Mayor and City Council appointed by the President, and before that a three-member Board of Commissioners. Much of Washington's decline has come as a result of the deal to allow the city to govern itself.

When police officers, firefighters, teachers and judges moved from the Federal payroll to the District's, Congress did not provide money for their retirement fund. The liability then was \$1.9 billion. Today, it has ballooned to \$5.1 billion, in part because the District has maintained a generous retirement plan that includes two cost-of-living increases each year. Washington's Medicaid costs have also expanded, to \$844 million, from \$17 million in 1973.

In addition, the city inherited a set of books so poorly maintained that a \$279 million deficit was not discovered for three years.

Without a state government to funnel taxes of non-city residents back to Washington, the estimated \$18.5 billion earned in the city by suburbanites is lost to the District. And the Congressional ban against a commuter tax costs Washington \$1.25 billion annually in lost revenue, city officials say.

"If you move out of New York to Westchester County, you still pay taxes to the state, which kicks back some to the City of New York in the form of state aid," said James O. Gibson, who was Mr. Barry's planning commissioner during the Mayor's first term. "Here, if you move, it's a 100 percent loss to Washington."

As a result, more than half the money in the District budget comes from local taxes. Other cities receive, on average, 75 percent of their budgets from state and Federal governments. In fact, other national capitals -- like those of the United Kingdom, France, Italy and Japan -- are generously subsidized by their governments.

The New York Times, July 25, 1996

The District's revenue problems are made worse by the fact that 43 percent of taxable land in Washington, most of it prime downtown real estate, is free of property tax because it belongs to the Federal Government, diplomatic missions or other tax-exempt organizations like the American Red Cross, the World Bank and Georgetown University.

Representative Julian C. Dixon, Democrat of California, and the former chairman of the House subcommittee that oversees Washington's budget, said of home rule: "I don't know if they got a bad deal, but they didn't get a good deal."

Former and current city officials generally agree that the city's negotiators took the deal because local residents thirsting for self-rule felt the prevailing winds of the civil-rights movement, which emphasized black political empowerment. After all, District residents only won the right to vote for President in 1964.

"Those of us who were fighting for home rule were so anxious to get some degree of freedom, we didn't examine what it was," Mr. Barry said. "We inherited a mess."

That "mess" has discouraged many would-be politicians from trying to build a career here. Indeed, working for the city is often perceived as a dead end, leading to no meaningful state or Federal office. In the mid-1980's, before he became chairman of the Democratic National Committee, the late Ronald H. Brown was urged by a group of civic leaders to run for mayor. He turned them down, asking, "Where do you go from there?"

Leadership Creating Jobs, And Problems

For almost 10 years, the shortcomings of independence were masked by a robust local economy. An office building boom through the early 1980's transformed the downtown skyline and swelled the city treasury with new tax revenue. The city chipped away at its deficit. From 1984 to 1987, the population increased.

The good times paralleled Mr. Barry's early years in office, starting in 1978, and he quickly improved services and controlled finances, winning the support and confidence of the business community. But the boom years hid the underlying flaws of the city's leadership. And ultimately, Mr. Barry's policies made conditions worse.

While new tax revenue flowed in, the Barry administration ignored crumbling roads and bridges, and failed to invest in new computers, telephone systems or training programs for workers. It passed no tax cuts or other measures to attract new businesses.

Instead, the administration spent much of the money hiring more workers, expanding the city's employment rolls to more than 48,700 employees by 1990, from 39,000 in 1982. Those city workers helped create a loyal following for Mr. Barry, who won re-election in 1982 and 1986. They also reduced the city's welfare rolls.

The New York Times, July 25, 1996

"Marion's view was, 'I can put them on the payroll, pay them and get some tax money from them, or I can put them on welfare and pay them and get nothing from them.' " said a former Barry aide who spoke only on the condition of anonymity. "Either way," he said, "I'm going to be paying them."

But those new middle-class city employees eventually did what thousands of middle-class people have done before: move to the suburbs, in this case, of Maryland and Virginia, taking their tax dollars with them.

In 1988, the District tried to pass a residency requirement for municipal workers, but Congress blocked it. Today, 51 percent of the District government's workers live outside Washington's borders.

Mr. Barry argues that he did not add unnecessarily to the city payroll. He said he had to hire more employees to build up the police department and to run St. Elizabeth's Hospital, a psychiatric institution run by the Federal government that was transferred to the city by Congress in 1985.

"That was a mistake on my part," Mr. Barry said of accepting responsibility for the hospital, which meant adding 3,700 people to the payroll. "We wanted to demonstrate we were able to govern ourselves, able to manage all these big state, county and city functions. We should have said, 'No, thank you.' "

Around the same time, the city expanded programs, offering more social benefits than most municipalities, like full-day kindergarten for 5-year-olds, and half-day nursery school for 4-year-olds. It passed a law guaranteeing every homeless person shelter, and financed a university and law school for residents. By 1995, Washington, with an annual budget of nearly \$5 billion, spent more on an annual per capita basis, around \$9,500, than any other city in the country.

"The city provided the Cadillac of safety-net systems," said Jack Evans, a veteran member of the city council. "It never saw a model program it didn't fund."

Also in the mid-1980's, the national recession hit Washington, stunting economic growth, and crack cocaine made its first major impact on the city, overwhelming the police department and social agencies. As the exodus of the middle class quickened, Washington by the late 1980's became known as the "Murder Capital" of the United States.

Between 1985 and 1990, the District's population declined by almost 31,000 people, and another 49,000 left by 1995 -- a 12 percent drop in 10 years that included many middle-class taxpayers. Businesses also left.

"We left for economic reasons as well as the degradation of the city," said John Martin, chief financial officer of the Washington Consulting Group, a government contracting firm with 75 employees that left the District last year after 25 years. The company moved just across the city line to the suburb of Bethesda, Md., where Mr. Martin said the firm pays \$12 a square foot for office space, compared with \$30 a square foot in Washington, and where the office is closer for its employees who also chose to live in the Maryland suburbs rather than the city.

He said the state of Maryland also provided economic incentives, like moving and employee-training costs, benefits Washington was in no position to match.

The New York Times, July 25, 1996

As the District's economy flagged, evidence emerged that Mr. Barry was beginning his own downward spiral of drug use, alcohol abuse and late-night binges that ultimately led to his 1990 arrest for smoking crack cocaine. Caught on videotape in a sting operation in a downtown hotel room, his instant response that he was "set up" became a national joke; his conviction and imprisonment became a symbol of corrupt government and an eroding national capital.

But even before his arrest, Mr. Barry's behavior had lost the city critical support on Capitol Hill. As Dwight Cropp, a senior aide to Mr. Barry in the 1980's, said, a common attitude among Federal lawmakers was: "As long as Marion Barry was Mayor of the District of Columbia, the Congress was not going to do anything to assist us."

In November 1990, Mrs. Kelly, a former corporate executive, won election as Mayor with 85 percent of the vote. She vowed to clean out City Hall, not with a broom but with a shovel.

Lost Opportunities A Bad Situation Gets Even Worse

Before he left office in 1990 after his arrest and conviction, Mr. Barry brought together a group of business, civic, academic and union leaders to study the problems of the city. The \$2 million project resulted in an extensive report that warned city leaders to cut spending and increase revenues, or face dire consequences.

While the Kelly administration adopted many of the recommendations, many of them were unfulfilled.

"This was a big opportunity missed," said Alice M. Rivlin, the vice chairwoman of the Federal Reserve, who headed the group. "When Sharon Pratt Kelly came in, she had the window of opportunity and the enormous good will of Congress. There was momentum for D.C. to face up to its problems, reduce the city payroll, restructure the government and come up with long-term solutions."

"Once that opportunity was missed," Ms. Rivlin added, "things went from bad to worse."

Mrs. Kelly declined to be interviewed for this article. But Robert Mallett, her former city administrator, said: "I think many who found her a disappointment may have felt better about her had she had stronger political skills. But nobody could say she didn't tackle every major problem faced by the city."

When Mrs. Kelly took office, Washington was \$331 million in debt, the legacy of falling revenues in a bad economy. But unlike Mr. Barry, Mrs. Kelly was embraced by Congress and the financial markets. Wall Street firms raised \$336 million for the city. Congress increased its annual payment by \$200 million a year to \$660 million, and provided a one-time \$100 million "emergency" payment.

For the first time in years, the city had a clean financial slate.

The New York Times, July 25, 1996

But Mrs. Kelly squandered this good fortune and did not make the tough cuts in the city's high expenses, say city officials and Federal lawmakers. Her administration only nibbled at reducing the work force, while tax-exempt organizations like Georgetown University rebuffed her efforts to have them pay anything to the city.

"She didn't have a political base, so she didn't feel she could do the hard things," said Eleanor Holmes Norton, the District's nonvoting Congressional delegate.

On paper, the Kelly administration looked efficient. Each year, the city balanced its budget, occasionally even showing a small surplus. But behind these numbers was a harsher reality. Federal lawmakers said the administration used questionable accounting tactics to mask a widening gap between revenue and expenses. Even the money borrowed on Wall Street to pay off past debts was used for current expenses.

Unknown to most, the city had again begun to roll up massive deficits.

Money earmarked for capital projects was spent for operations in violation of a Congressional ban, and losses at D.C. General Hospital were hidden on the books as loans, according to a 1994 General Accounting Office report. In one year, a "fifth quarter" of tax revenue was added to balance the books.

"It wasn't done in the dark of night," said Mr. Mallett, referring to the accounting strategy. He added that the administration's actions were approved by the city council and by Congress. "We told everybody," he said. "We didn't have any money. We didn't have any cash. We couldn't meet the payroll. You had to do something."

He said Mrs. Kelly felt hemmed in by the conflicting expectations of the two major groups that had supported her: middle-class whites pressing for a smaller government, and middle-class blacks, many of whom worked for the city.

Mr. Mallett said that for many white people who did not work for the city and were paying higher fees and property tax assessments, there were not enough layoffs. "They felt betrayed," he said, adding, "To middle-class blacks, it meant that she was out to get me, that she was doing white folks' work. Clearly that wasn't true. She was just trying to save her city."

And she got virtually no support from President Clinton in trying to ease the restrictions on the city's taxing powers, or to have the Federal Government take over some of the city government's burdens. Indeed, a former Kelly aide says Mr. Clinton virtually ignored Washington and Mrs. Kelly after making one well-publicized walk along a black commercial strip shortly after his election.

"President Clinton never even invited Mrs. Kelly over to the White House," said the former Kelly aide, who spoke only on the condition of anonymity. "Bush at least had her over for a state dinner and had a photo op with her. She didn't have anything like that with President Clinton. My marvelous liberals."

By the end of her term, the city's deficit had ballooned to \$335 million, according to a General Accounting Office report.

The New York Times, July 25, 1996

"She was worse than Barry," said Representative Davis of the oversight committee. "She was in a job over her head. Congress gave the city \$1 billion and it got no value back."

In 1994, just two years after his release from a six-month prison term, Mr. Barry made one of the most remarkable comebacks in American politics by defeating Mrs. Kelly in the Democratic primary and easily winning in the general election.

Shortly after his inauguration, he announced that the deficit could reach \$722 million within a year. Wall Street promptly downgraded the city's bond rating to junk status.

The control board began its work last year by imploring Mr. Barry to cut thousands of the jobs created in the 1980's. Resistant at first, Mr. Barry finally recognized the powers lined against him, especially with Congress ignoring his requests for more money and with Mr. Williams, the new financial officer, accountable only to the control board.

And by last February, Mr. Barry unveiled a plan to eliminate 10,000 city workers, 25 percent of the work force, as part of a four-year plan.

But even now, with major efforts for improvement at work, change is slow. City officials have eliminated a few jobs, and Representative Walsh is insisting that Mr. Barry find more spending cuts in the proposed 1997 budget of \$5.1 billion.

"Mr. Barry is a tremendous politician," said Mr. Williams, the city's chief financial officer, who has not always agreed with the Mayor's policies. "But a lot like nuclear power. On a good day, he can light the city. On a bad day, he can blow it up."

TODAY -- How and why the District of Columbia is falling apart.

FRIDAY -- A look at two neighborhoods: Washington's richest and its poorest.

SATURDAY -- The flight of the black middle class.

GRAPHIC: Photos: A street in the Southwest section of Washington blocks from the Capitol. The District's problems have been largely intractable. (Stephen Crowley/The New York Times) (pg. A1); NOTHING WORKS: Broken parking meters, uncollected trash, a broken firebox and damaged police cars are part of everyday life in the nation's capital. "The District of Columbia government is a mess," Speaker Newt Gingrich said in a recent television interview. (Photographs by The New York Times) (pg. B6); MAKING DO: For many of Washington's residents, shortages are a way of life. A boy in a marching band in Anacostia, one of the city's poorest sections, used a wheeled swivel chair to carry his drum because his school could not afford the proper equipment. (Stephen Crowley/The New York Times) (pg. B7)

Chart:

MIDDLE-CLASS FLIGHT -- As the middle class abandoned the city for the suburbs, the District's population fell from 706,000 two decades ago to 554,000 now.

BOOKMARKED STREETS -- Between 1991 and 1994, the public works budget was cut

The New York Times, July 25, 1996

63 percent, or \$95 million, leading to the disrepair of streets and bridges.

G VIOLENCE -- While the murder rate for other cities is declining, Washington's has increased by 24 percent this year compared with this time in 1995. (pg. A1)

Chronology: "Steps on a Path Of Steady Decline"

In May 1974, residents of the District of Columbia approved the Home Rule Act in a referendum. Since then, the city has struggled with the constraints placed on its independence by Congress, while grappling with persistent deficits and mismanagement by elected officials.

JAN. 1975

Walter E. Washington, the first mayor elected under home rule, takes office, along with the new City Council.

JAN. 1978

Marion S. Barry Jr. is sworn in as the District's second mayor under home rule.

JUNE 1980

An audit by the District's financial consultants turns up a \$284 million accumulated debt, much of dating back to before home rule, and a \$1.4 billion shortfall for city pension funds.

JUNE 1981

The General Accounting Office discloses that three banks, seven credit unions and a church, all authorized to dispense food stamps, failed to distribute \$2.1 million taken in during the late 1970's; most are out of business, and the city can't collect.

OCT. 1981

Under pressure from religious groups, the House of Representatives kills a District ordinance to decriminalize all forms of sexual relations, the first time Congress has overturned a City Council measure that did not clearly impinge upon Federal prerogatives.

AUG. 1985

A Constitutional amendment, passed in 1978, to give the District full voting representation in Congress dies after less than half of the states needed for ratification approve the amendment by the seven-year deadline.

JAN. 1987

A breakdown in snow removal virtually paralyzes the city and the Federal Government; Mayor Barry is in California at the Super Bowl.

OCT. 1990

Mayor Barry is sentenced to six months in prison, after being convicted of one misdemeanor charge of cocaine possession.

NOV. 1990

Sharon Pratt Kelly is elected Mayor; during the campaign, she vows to "clean house with a shovel, not a broom."

AUG. 1992

The New York Times, July 25, 1996

Congress votes to force the District to hold a referendum on the death penalty; the vote marks a further deterioration in relations between Congress and the District.

SEPT. 1994

Mr. Barry is reelected Mayor; the budget surpluses under Mayor Kelly are seen as the product of questionable accounting practices.

FEB. 1995

Moody's Investors Service downgrades the District's municipal debt to junk status. Standard & Poor's follows suit two months later.

FEB. 1995

The General Accounting Office reports that the District is insolvent and may run out of money by summer.

APRIL 1995

President Clinton signs legislation to create a financial control board for the District.

Budget data are included from 1981; data before the city's first audit in 1980 are seen as unreliable.

(Source: District of Columbia Comprehensive Annual Financial Reports) (pgs. B6 & B7)

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HEADLINE: A CITY IN TRANSITION; D.C., WHERE HOME RULE FLEW AND FALTERED

BODY:

(PART I OF II)

How did it happen? How did self-government stumble in the capital of the most powerful democracy on earth?

It has been two decades since Congress granted residents of the District of Columbia the right to elect their own leaders. Rep. Charles C. Diggs Jr., then-chairman of the House District Committee, proclaimed that Washingtonians had become "masters of their own fate."

A generation later, Congress has snatched back power from the mayor and the D.C. Council, dropping it into the lap of an appointed financial control board. Many of the privileges of local self-rule have been put on hold until sometime in the next century.

The breakdown of home rule is not merely the result of ineffective local government, although that played a pivotal role. Nor was it caused by Congress taking the District the right to tax the income of those who work in the city and live in the suburbs -- although that, too, was an important factor.

Self-government has stalled, in large measure, because the population of Washington has undergone an astounding transformation. A huge middle-class exodus in the last 25 years has drained the city of 186,000 inhabitants -- a quarter of the city's 1970 population. As a result, Washington has been left with an affluent upper crust that is both black and white; a vastly reduced middle class that continues to shrink; and a deeply troubled underclass that is mostly black and continues to grow. Home rule, in a sense, is a casualty of the missing middle.

White flight had largely run its course before the coming of home rule, leaving the city 70 percent black in 1970. The architects of home rule assumed that the District's large black middle class would be the primary beneficiary of self-government.

Yet, in a wave of urban flight that started after the riots of 1968, middle-class blacks -- married couples with jobs and children in public schools -- marked their democratic breakthrough by breaking out to the suburbs. The first decade during which District residents were allowed to elect their own leaders turned out to be the first decade in which the black population of the city declined. A majority of the region's African Americans now live in the suburbs.

The Washington Post, June 18, 1995

Washington has been left with the same sicknesses that afflict nearly every U.S. city with a poor urban core: unemployment, drugs and violence, integrating families and unsuccessful public schools. Without the stabilizing of a large middle class, the distance between poor blacks and affluent whites has widened into a cultural chasm. In the home rule era, that chasm has proved a breeding ground for racial suspicion.

"In the District, there is a sense of racial identification with elected leaders. When that leadership is bad, it is excruciating for blacks, causing paranoia and conspiracy thinking," said Jim Gibson, a senior associate at the Urban Institute.

"The converse of this is that there is a lot of stereotyping [by whites], so much so that there is virtually no recognition of the deep structural problems that helped cause this situation."

The political peculiarities of Washington, of course, have contributed to the city's woes. Congress chose to dress the District in a revenue straitjacket that limits its taxing power. And during the long reign of Mayor Marion Barry, racial attitudes hardened and Congress grew antagonistic. But fundamentally, in Gibson's words, "the story here is the classic fall of an American city."

CHAPTER ONE: 1972-75

LIBERATION: The Dixiecrat's Demise

Five words, shouted down a phone line from South Carolina, ended the racist game that Congress played in its home town:

Johnny Mac ain't coming back."

Rep. John L. McMillan had been bossman in Washington for a quarter-century. The jowly segregationist who chaired the House District Committee fixed parking tickets, padded the city payroll and creamed off kickbacks for himself. He invited John Birchers to tell his committee how blacks had turned the District into a "rat-infested sinkhole." Year after dismal year, he killed proposals for home rule in the District. But when that phone call came through from South Carolina on the evening of Sept. 12, 1972, Johnny Mac was past tense, flushed from power in a Democratic primary upset.

Walter E. Fauntroy, then the District's congressional delegate, took the call that night. Slamming down the phone, the civil rights leader and Baptist minister said, "Ain't that wonderful." He decided to lead a celebratory stroll up 14th Street NW. For nearly a decade, Fauntroy had been plotting Johnny Mac's demise. He and an army of civil rights workers had registered thousands of blacks in South Carolina and tens of thousands across the South.

"This victory," Fauntroy told the press, "serves as a warning to those who oppose self-determination for the District."

So on that muggy evening 23 years ago, Fauntroy marshaled his impromptu parade. He had marched up 14th Street with the Rev. Martin Luther King Jr. after President Lyndon B. Johnson signed the Voting Rights Act of 1965. He had been on the street in 1968 when word came that King was dead. Four hard years after the riots and flames sparked by that killing, Fauntroy was back, striding past

The Washington Post, June 18, 1995

charred storefronts and saying, "Good evening," to puzzled prostitutes and dope dealers who asked the reverend what his march was all about. Fauntroy thought to himself: Washington does not know it is free.

"We saw it that night," he recalls. "Oh, my goodness, that was some kind of excitement."

The next year, Congress passed a Home Rule Charter that finally allowed the black-majority city to elect its own mayor and council. Still, this was not the dawn for which Fauntroy and other D.C. leaders had plotted and prayed. Home rule came with strings attached. Johnny Mac's hard-cheese brand of race baiting was supplanted by a more insidious tension between city and suburbs, between whites on the west side of Rock Creek Park and blacks on the east side. It wasn't old-school racism, although racial suspicion gave it an enduring bite.

White members of Congress who represented the Maryland and Virginia suburbs feared that they would not be reelected if their mostly white, commuting constituents were forced to pay income taxes to the District. The lawmakers demanded explicit language that would ban the District from passing a nonresident income tax. As Fauntroy remembers it, suburban lawmakers chose to "cripple" what they could not stop.

In years to come, the tax ban made the District uniquely vulnerable to the urban flight that would curse all U.S. cities. While New York and Philadelphia could tap the income of commuters, federal law said the District government could not. Over time, two-thirds of the salaries paid inside the city became untaxable.

"Everybody knew the home rule law was flawed. The money situation was really worked out at all," said Sterling Tucker, the first popularly elected chairman of the D.C. Council. But District residents weren't about to turn down home rule, whatever its problems. Tucker explained: "We were hungry for autonomy."

Besides swallowing an imperfect charter, eager District leaders inherited a poorly run and hugely bloated city government. During the final 13 years of Johnny Mac's reign, the District payroll had doubled to 40,000 workers, and spending jumped fourfold. In language that sounds as though it could have come out of the current Congress, a 1972 House report scolded the District government for mismanagement and for believing that public spending could "solve all problems."

But neither municipal bloat nor problematic legislation dampened the optimism that Washington leaders, both black and white, felt as home rule began. As Tucker recalled, "We had a lot of excellent relations racially. We worked so hard together, and we expected to improve the law in future sessions of Congress."

But Congress never got around to patching most of the holes in the Home Rule Charter. As they often do, members simply stopped paying attention.

Many "blacks and whites of goodwill," as Fauntroy described them, chose to play down racial tensions in Washington. But those tensions did not leave town with Johnny Mac. A bloody reminder occurred on the Mall in 1975, the year home rule began. At a concert celebrating Human Kindness Day, an event aimed at

The Washington Post, June 18, 1995

building racial unity, young black men marauded through the mixed-race crowd, singling out whites. They stomped on, stabbed and robbed more than 400.

Other than being viewed as a symptom of underlying racial division, the violence was dismissed as an anomaly. In an editorial about an event whose implications could not have been more racial, The Washington Post did not write a single word about race.

CHAPTER TWO: 1975-81

THE FAT YEARS: Miracles, Mirages

"No black man can handle this contract."

That's what Will R. Walker, son of a Virginia farmer and graduate of the seventh grade, heard when he inquired about selling auto parts to the District. The city already had a supplier: a white-owned company from Pennsylvania.

The year, however, was 1981. Home rule had been in place for six years, and the District had a law requiring aggressive recruiting of minority contractors. Insisting that he could supply car parts as well as out-of-town white men, Walker -- who owned four auto-parts stores in the city -- pestered the District until he found bureaucrats who would stick their necks out for a fellow black.

Walker, a self-taught entrepreneur who started his working life in a District brickyard walking the boss's dog, proceeded to corner the city's fleet-maintenance business. By the end of the 1980s, he controlled more than \$ 4 million a year in District contracts and was responsible for keeping 8,000 vehicles on the road. He had 50 people on the company payroll, and he farmed out to more than 150 subcontractors, almost all of them black.

"I employed a lot of people, and they made some good money," Walker said. "I didn't like anyone telling me what I couldn't do."

As home rule shifted into the early 1980s, no one was telling District blacks what they could and could not do. By that time, the city was on a roll. Marion Barry had replaced Walter E. Washington as mayor in 1979, and his brain trust of technocrats was performing management miracles.

City finances, such a mess in 1975 that they could not even be audited, were put into punctilious order; in 1982, the District won a national award for financial reporting. At the same time, Barry attacked the deficit, laying off 10 percent of the city's work force and slashing neighborhood services.

By 1981, the year Walker got his first auto-parts contract, Barry presided over a government that was beginning to run healthy surpluses and was paying down a \$ 273 million debt inherited from the dark days of Johnny Mac.

A booming real estate market backstopped the mayor. New jobs and tax revenue surged. The redevelopment of Pennsylvania Avenue took off, the Georgetown waterfront was reclaimed and the first free-standing downtown department store in any U.S. city in four decades was being built by the Hecht Co. Largely because of the boom at the beginning of the decade, the District had the sharpest drop in poverty rates during the 1980s of any major U.S. city.

The Washington Post, June 18, 1995

"Barry has done better than Congress" in running the city, Rep. Stewart B. McKinney, the ranking Republican on the House District Committee, conceded in

Not the least of his achievements was breaking up the old, mostly white network of city contractors. Barry doubled the percentage of city contracts that went to minorities. The shake-up, however, was neither simple nor cheap.

As Walker took over maintenance of the city's cars and trucks, he had to spend lots of money on job training. He also recalls being forced to buy auto parts through middlemen, paying excessive markups because some large wholesalers refused to deal directly with blacks. In the end, Walker lost his contracts with the District because his costs were too high.

The money that the Barry administration awarded private contractors was only part of a massive increase in spending. Surging tax revenues transformed Barry the budget hawk into Barry the munificent.

"Those of us who have money, those of us who have income . . . ought to be willing to show our humanity, our civility, by sharing that money through taxes with a government that's efficiently run," Barry told The Post in 1988. "That's the overriding philosophy."

That philosophy, along with the mayor's skill at building a political machine, put more and more blacks behind desks and counters in the District Building. It spelled generous pay raises for many unionized District workers. With the help of Congress, the payroll grew from 40,000 to 48,000. There were more police officers and teachers per capita than in any other major city in the country. The social service safety net was among the most generous and expensive in the nation.

Minority contracts and city jobs were supposed to help build a broader black middle class, and, to a considerable degree, they did. What Barry and his advisers did not expect (and what they tried to prevent with a residency law that Congress nixed) was that thousands of city workers would pack up their silverware and head for the suburbs. But that is what happened. About half of the city's employees now take their paychecks home to Maryland or Virginia.

Another unexpected and even more disturbing demographic trend emerged at the height of the boom years. The gap widened between the new white-collar, high-wage jobs in the District and the blue-collar, low-wage skills possessed by a large proportion of the city's inhabitants. The federal government compounded the job mismatch by moving thousands of low-level clerical jobs out of the District.

"The rosy sense of prospect in the early 1980s was in fact fool's gold. The trend meant that about half the black population would not qualify to participate in the city's occupational structure," said Jim Gibson, the urban planner who worked for Barry in the early 1980s.

Blacks eligible for high-skill jobs were far more likely to live in the suburbs. Indeed, although Will Walker prospered for a decade on D.C. contracts, he never considered living in the city. He owns a sprawling house with a swimming pool in leafy Upper Marlboro.

The Washington Post, June 18, 1995

"I couldn't raise 13 kids in the city," Walker said. "We are country people."

CHAPTER THREE: VOICES

EXODUS: Moving Up and Out

As men from Greenwood's Movers loaded her furniture onto a truck, Mary Edmunds made one last round. She went door-to-door among neighbors she had known for a quarter-century, sharing hugs and memories and giving in to tears.

"I just hated to go. My neighbors, too. They said they were worried about who would move in after me," she said.

But on July 18, 1979, it was done. Edmunds, then a 54-year-old practical nurse who had been active in her church and PTA, who had campaigned for Marion Barry, rode out of Northeast Washington. She joined an exodus that is perhaps the single sharpest irony of home rule.

Blacks in the District had waited for a voice in local affairs for the better part of two centuries -- a wait that seemed particularly unjust after the 1950s, when they became the majority. Yet when home rule finally arrived, they were clearing out of Washington at the rate of 1 percent of the black population a year. About 7,000 families moved out every year throughout the 1970s.

Those who left included the educated and the employed, the church-going and the ambitious. They were from so-called typical families: father and mother living together in the same house with the children. And those children, who each year left behind thousands of empty seats in D.C. public schools, were the ones who tended to get the best grades, who did not act up in class and whose parents were most likely to raise holy hell if they did.

The disintegration of D.C. schools, of course, cannot be blamed solely on fleeing students. While losing 33,000 students between 1979 and 1992, the school system added 516 administrators. Compared with other big-city school systems, D.C. schools have the highest-paid teachers on average and rank near the top in per-student spending, but they languish near the bottom in test scores.

(Since well before home rule, few white parents have enrolled their children in public schools. Whites accounted for less than 6 percent of enrollment in 1971 and account for less than 4 percent now.)

Edmunds was not running away from anything when she moved out of the District. Her son, then a student at the University of the District of Columbia, had received what she regarded as a fine education in the D.C. schools. Crime in her neighborhood, River Terrace, was not a particular problem.

Edmunds was not fleeing from; she was going after. For her, as for many blacks then leaving the city, moving out was moving up. She was newly married, after having been widowed, and her elderly mother needed a house that did not have so many stairs to climb. So Edmunds went to a ranch house in Fort Washington -- in a grassy promised land called Prince George's County.

Doors to the suburbs had been unlocked by a cluster of federal laws that forbade discrimination in housing and employment. By the time home rule arrived, many black families in Washington had money in the bank, children hungry for

The Washington Post, June 18, 1995

space and nothing holding them back.

Back in District neighborhoods such as River Terrace, the absence of parents like Mary Edmunds and her family began to tell. Over the course of a decade or so, boarded-up houses began to dot the streets, and gunfire pierced the night. The mismatch between pinstripe downtown jobs and blue-collar skills in black neighborhoods pushed up unemployment. The percentage of black families headed by a single parent nearly tripled, from about one-quarter in 1970 to about three-quarters in 1993. Rates for infant mortality, juvenile crime and children born into poverty all soared.

Not everyone, of course, was poor. There was slight growth in the number of well-off black households, those making more than \$ 100,000 a year. But the real growth was in poor black households, those making less than \$ 20,000. Middle-income households continued to drift off to the suburbs.

Walter Fauntroy, a minister, uses the word "pathology" again and again to describe parts of black Washington where the middle class has disappeared: "Around my church [New Bethel Baptist on Ninth Street NW], you got a whole block of people who are engaged in a cycle of violence and family disorganization. There is not a single mother with a child who has a father living in the house. You got [white] people on the outside saying this is a problem of black leadership. But that isn't what's driving this."

According to Fauntroy, 80 percent of his parishioners now live in the suburbs.

Like many former District residents, Edmunds comes back to the city for church. She belongs to First Baptist Church of Deanwood, which has 1,500 members, half of them living in the suburbs. The church's mission is shaped by service to those left behind. Its soup kitchen served 4,302 meals last winter. It has a prison correspondence group. There are programs for life skills and health care, male mentoring and job searches. Parishioners from the suburbs run most of the programs, serving people who live in the neighborhood.

Edmunds volunteers at the soup kitchen whenever she can. Still, she knows the neighborhood. Because of crime, especially on dark winter evenings, she is reluctant to come to town.

CHAPTER FOUR: 1981-90

MAYOR FOR LIFE: New Personas

Three days before Christmas in 1981, the mayor's Lincoln Continental was idling outside a topless bar on 14th Street NW. Inside, police reports said, Marion Barry was either snorting cocaine or watching others snort it.

It took more than a year for this strip-joint adventure to wiggle its way out of police files and into the newspapers. When it did, Barry was ready.

"There's a theory that you hear from time to time . . . a concerted effort on the part of either the federal government or local government to assassinate [the character of] black leaders," the mayor said. He warned reporters to bring forward some "hard evidence" about cocaine or "stop talking about it."

The Washington Post, June 18, 1995

When members of Congress were writing the Home Rule Charter a decade earlier, they envisioned that the District's chief executive would be a rather less confrontational guy.

Rep. Charles Diggs, then-chairman of the House District Committee, said members wrote the law for a noncombative mayor such as Walter Washington, then a shoo-in to be the first elected mayor. By education a Howard University Law School lawyer, by marriage a member of the city's old-line black elite, by style a cautious bureaucrat who played down race, Washington was a man with whom Congress felt it could reason.

Assuming the mayor always would be a "Walter Washington-type," Congress granted the mayor sweeping authority to spend money, as well as to hire and fire. Members of Congress felt that a powerful but accommodating mayor would simplify their oversight responsibilities.

The strong-mayor system worked like a charm during Barry's first term, when Congress found him to be both accommodating and exceptionally competent. Then, however, the mayor began checking out of his job, occupying more and more of his evenings with assorted intoxicants and women. But even in his season as the self-described "night-owl" mayor, even after many of his sharpest advisers had jumped ship or gone to prison for corruption, Barry kept a vigilant eye on the electorate.

"I may not be perfect, but I am perfect for Washington," Barry told supporters in 1986, after his third election victory.

As the demographics of the city evolved, so did the mayor, changing constituencies, changing policies and changing his persona. For the first-term mayor, a prodigious ability to synthesize the details of municipal government made him credible with skeptical white businessmen. For today's fourth-term mayor, a much-advertised capacity to triumph over prison has made him credible with constituents who have fought similar battles.

The most fundamentally divisive change in the mayor's style occurred early in his second term. It went on public display at the news conference when he defended his night at the strip joint. Barry suggested that criticism of him was part of a white vendetta against blacks.

As the mayor stumbled through his second and third terms, he was pursued by white-owned media, including this newspaper, and by white federal prosecutors. Repeatedly, the mayor found it politically expedient to haul out the against-me, against-my-race method of damage control. That device, and the responses to it, helped to widen the distance and the antagonism in the city between whites and blacks.

When Barry finally was caught smoking crack in 1990 in a federal sting operation, the notion of a white conspiracy against the mayor was entrenched deeply enough in the city's black community to mitigate videotaped evidence.

The protean Barry -- a former Eagle Scout, former doctoral candidate in chemistry, former civil rights leader, former schmoozer with white developers -- prepared himself well for governing without much white support. He courted black preachers, parceled out contracts, handed out city jobs and fattened up city services -- steps that eventually enabled him to secure a black electorate

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that was becoming more dependent on government help.

th each of his four victories, the mayor revealed the city to itself as starkly divided along racial lines. After his astonishing rebirth at the polls last year, blacks and whites could look at Barry and see two radically different men. Eight of 10 blacks were confident he would be good for the city, and three of four said he was a good role model for children, according to a Washington Post poll.

Whites, by the same overwhelming percentages, felt precisely the opposite.

(END PART I OF II)

GRAPHIC: Symbol; Photo, The Washington Post; Photo, larry morris; Photo, joel richardson; Photo, keith jenkins; Photo, bill o'leary; Photo, john mcdonnell; Photo, gerald martineau; Photo, ray lustig; Photo, robert a. reeder; Chart ; Photo

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BYLINE: Blaine Harden, Washington Post Staff Writer

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(PART II OF II)

CHAPTER FIVE: VOICES

ENOUGH ABOUT RACE: Determination and Frustration in Ward 3

Anne Mohnkern Renshaw was pleasantly surprised when Marion Barry came back from the dark side of addiction.

"I wanted him to be back on his feet, because one does not want to see anyone crumble," said Renshaw, who lives just west of Rock Creek Park and who supported Barry in each of his first three terms as mayor.

Yet, as chairwoman of the District's Chevy Chase Advisory Neighborhood Commission and as an activist homeowner, Renshaw was left cold by Barry's spiel redemption. She judged it unwise to pin the salvation of Washington on a man who had recently salvaged his sobriety. In the fall general election, therefore, she voted against Barry, as did 93 percent of the electorate in mostly white, affluent Ward 3.

Renshaw was angry that Barry did not have the good sense "to step aside and allow the District to have new leadership." But her vote was something more: the melancholy response of a white liberal Democrat fed up with racial politics that forced her to feel guilty about being white.

Renshaw moved to Washington in 1974, determined to help make home rule work. She remembers being excited that real political power would pass into the hands of the city's black majority. "I believed it was an opportunity to shape the city in a way that the residents wanted and needed. I came to Washington expecting to contribute," said Renshaw, who is not insulted to be described as a local policy wonk.

She is a trim, divorced, childless woman of 55 who jogs every other day, wears oversize eyeglasses with brown enamel rims and speaks in neatly formed sentences. A graduate of Skidmore College, she studied Victorian literature at the University of London, has a master's degree in communication from Boston University and owns her own public relations firm in the District. She has devoted a substantial slice of her life to maintaining standards in Ward 3, the only part of Washington that saw significant population growth during the 1980s.

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When she arrived 21 years ago, Renshaw leaped into the civic life of the city. She volunteered to work on women's issues and was quickly appointed to a year term on the D.C. Women's Commission. When Barry first ran for mayor, Renshaw characteristically did her homework, reading every issue paper she could get her hands on.

"He had energy and ideas," Renshaw recalled. "He had a way of speaking out for those who needed strong support."

Even after her neighbors began to give up on the mayor in the 1980s, she stuck with him. Shortly after she began working with city hall, however, she began fighting it.

The wars started at an intersection in front of her two-story house on Military Road, where accidents were common. A parade of injured motorists tromped through her living room, calling for ambulances and bleeding on her carpets. For years, Renshaw fought for a stoplight, winning only after she organized a traffic count that proved the road was dangerous.

"That was something that citizens should not have to do," she said. "Traffic engineers should be able to determine what is a dangerous road. Yet we had to do it."

After Renshaw was elected to her local Advisory Neighborhood Commission, she began fielding complaints from residents about city services and city workers.

"The response of the city back in the later 1980s was not courteous to those of us who paid taxes," she said. "There were few examples of a work ethic. They lost pride in what they were doing, and it showed. There was insolence on the phone. Employees did not give their names and did not follow through."

Then, last fall, there was Barry again, claiming redemption. Before the general election, Renshaw said her friends and relatives urged her to get out of the city. They told her to go before Barry was reelected and property values went down. To a degree, Renshaw says, they were right. More houses than she can remember are up for sale in her neighborhood now.

But Renshaw is staying put. She said she will work with Barry because she has no choice. What she desperately wants to halt, though, are his guilt trips about race:

"Enough! Enough! Put a cork in it!" said Renshaw, raising her voice. "As a politician, as a leader of this city, [Barry] must have the vision to take us into the next century, and race has to be left behind, and it should have been left behind years ago."

CHAPTER SIX: 1990-91

CRACKED: A City Running Scared

Police Chief Isaac Fulwood Jr. had seen the duct-tape murders: hands bound behind the back and two bullets to the head. He'd seen the Jamaican specials: a gun barrel up the anus and viscera blasted through the stomach. But none of this prepared him for the spanking-white Nikes, the kind of sneakers his son wore.

The Washington Post, June 18, 1995

They were poking out from beneath a sheet in an alley behind Fulwood's home in the Hillcrest section of Southeast Washington. Catching sight of the shoes, he turned and walked away.

It was not his son under the sheet that night in 1990. But something clicked. He went home and told his wife: "I'm out of here. I'm done with it." Fulwood did not leave his job until two years later -- when he was feuding with then-Mayor Sharon Pratt Kelly and frustrated by his inability to stem the tide of murders -- but his daughter, Angela, remembers that her father "just wasn't the same" after seeing those shoes.

The crime wave that shocked the police chief began building in 1986, when crack cocaine appeared on the streets of Washington. Crack and the arsenal of automatic weapons that came with it gave the city the least desirable moniker imaginable: Murder Capital. From 1985 to 1991, homicides rose 260 percent. The per-capita homicide rate led the nation for several years before inching down.

As much as the quantity, it was the quality of the killing that chilled cops like Fulwood. Before crack, the vast majority of killings were domestic. After crack, according to the head of D.C. Superior Court, maybe 5 percent were domestic.

As Fulwood saw it, murder became a lifestyle option for "for valueless people without a soul." Bullets hit children at play, as well as commuters driving through the city. "In August of 1989, I went to the scene of a quadruple," Fulwood said. "A little kid who couldn't have been more than 9 came up when I got out of my car and said, 'Let me see your hat.' I asked him what had happened, and he answered, 'They killed some mother [expletive] in there.' "

Fulwood took the boy over to a Good Humor truck, where he smiled as he ate chocolate ice cream owl and told the chief about death. "I thought to myself I'd one day be arresting this boy. He was a little kid with no idea about life, with no idea that killing is a big deal."

By the mid-1980s, black flight from Washington was showing signs of leveling off, even turning around. Then crack arrived. Demographer George Grier says crack-related violence was a trip factor in an accelerated exodus. From 1990 to 1994, nearly 37,000 people fled the District, on top of the 31,000 who left in the 1980s. Crack helped sink the city's finances. In less than a decade, the budget for police and corrections ballooned to \$ 1.1 billion, a 61.5 percent increase. Even that doesn't begin to reflect the true costs. Bills for crack babies, drug treatment and gunshot wounds all soared.

To try to head off crack sellers, Fulwood presided over Operation Clean Sweep. It made more than 50,000 arrests, packing courts and prisons. But in the process, a staggering proportion of the District's young black men collided with the criminal justice system. In 1991, an estimated 42 percent of black men ages 18 to 35 were either in jail, on probation, out on bond or being sought on a warrant. Home rule coincided with a fourfold increase in the city's incarceration rate. The shared experience of prison has helped build exactly what police are trying to fight -- a community of criminality.

As bad as violent crime got, most of it did not occur in the monumental quarter of Washington or in upper Northwest. Tourists have figured this out; every year, about 19 million of them visit the city. But among residents, fear

The Washington Post, June 18, 1995

and flight continue. One recent poll found that more than 40 percent of people still living in the District have considered moving to the suburbs. The overwhelming reason, far ahead of taxes and schools: crime.

Property crimes are as critical as shootings in the decision to move, according to Fulwood. His own devotion to the District has been rattled by nonviolent crime. His Acura Legend still had dealer tags on it on the night he heard the car alarm go off. He ran out in his underwear and threw bricks at the would-be thief, who fled, leaving behind \$ 800 worth of damage. Six months later, thieves took the car, stuffed the trunk with stolen goods and crashed it into a house.

"One more time, one more crime," Fulwood said, "and I'm outta here."

CHAPTER SEVEN: 1990-1994

KELLY YEARS: A Rescue That Wasn't

Sharon Pratt Kelly was elected in 1990 to clean house. As she put it: not with a broom, but a shovel. She sold herself to the city's black and white upscale voters, as well as to Congress and the editorial board of The Washington Post, as the antipode of Marion Barry.

Instead of padding the payroll, she would cut it. Instead of polarizing blacks and whites, she would unite them.

Born in Washington to a striving middle-class family, she was a Howard University-trained lawyer who lived on the Gold Coast east of Rock Creek Park. She quit her \$ 140,000-a-year job as a Potomac Electric Power Co. executive to leave her home town from the humiliating legacy of Barry. Against all odds, she became the first black female mayor of a major U.S. city. People magazine named her one of the world's most beautiful people.

Kelly marketed an exceptionally attractive and reassuring reform product, and, for a while, Congress couldn't get enough. It gave her administration \$ 100 million in aid, a \$ 300 million loan and a much-needed second chance to put the District's finances in order.

Yet one of Kelly's campaign promises proved to be more true than all the rest. She really was different from Barry -- she was not a politician. A curious amalgam of shyness and steely will, she never mastered the arts of schmoozing and consensus-building.

She came into office with no support in the poorest parts of the city, where blacks were suspicious of her corporate pedigree, her light skin and her Washington Post editorial page endorsement. Kelly's response to the anxiety of the city's poor was to cut summer jobs.

She alienated her rich, white supporters by trying to build a shelter for homeless people in Northwest Washington's Ward 3. She alienated her own staff by being cold, closed-minded and indecisive. And she alienated Congress by blaming her problems on racism, sexism and the clubbishness of Capitol Hill.

The new mayor who had made so much of Barry's ethical lapses demonstrated an uncanny knack for fumbling the symbolism of reform. While preaching austerity,

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she paid for her personal makeup artist with city money. She built herself a fancy new office that included bulletproof windows and a marble fireplace.

Although Kelly did attempt to reduce the cost of city government -- she got rid of nearly 2,000 employees through attrition and layoffs -- the changes were neither broad nor deep enough to close the gap between what the District brought in and what it spent.

With neither the political will to make sweeping cuts nor the administrative skill to enforce them, Kelly resorted to budgetary tricks. Her most creative accounting maneuver seemed, on the surface, a mere technicality. She "adjusted" the city's property tax year in 1993 by pushing it back three months. In effect, she paid for 12 months of spending with 15 months of taxes, buying herself an extra \$ 170 million.

Such a splendid jolt of money, however, can come only once. By the end of her term, the extra \$ 170 million had translated into a nearly equivalent amount of overspending. Congress decided that Kelly's "balanced" budgets were phony.

"I have personally come to the conclusion that the District government has not acted in good faith with the Congress. I wanted to believe the best. Now I believe the worst," Rep. Julian C. Dixon (D-Calif.) said at hearings on the city's financial crisis.

When Kelly, the self-proclaimed house cleaner, left office in January, Barry inherited a deficit twice the size of the one he had bequeathed to Kelly -- a hole so deep it imperiled home rule.

CHAPTER EIGHT: 1995

THE GOP FUTURE: Walking the Fine Line Between Reform and Revolt

Republicans in Congress gazed at the District this spring and saw not just a city but an urban laboratory where they could experiment with free-market medicine. Rep. Rick Lazio, of New York, enthused: "Washington provides an outstanding opportunity for us to test programs for their effectiveness in relation to real life."

In a way not seen since before home rule, Congress made plans to inject itself into the everyday governance of Washington.

House Speaker Newt Gingrich (R-Ga.) put together a task force to reform schools, housing and social welfare programs. His lieutenants spoke of a plan to whisk new laws through the House, with little opportunity for the District's congressional delegate, Eleanor Holmes Norton (D), to have any say about them.

Amid the echoes of pre-home rule meddling, congressional and city leaders confronted each other for the first time last month at a House hearing. The subject was public schools. Up on the dais sat the Republicans, all of them white, all of them elected by voters who live someplace else. Down below sat the witnesses, all of them black, all of them living in the city, all of them prepared to be indignant. The day before the hearing, a D.C. school board member used the word "apartheid" to sum up GOP intentions.

The Washington Post, June 18, 1995

Norton sat in the back of the hearing room with a scowl on her face. Venting a complaint that goes back to the birth of Washington, she fumed that Gingrich's force left her city with no power: "Whenever I go to meetings, people get and say, 'What in the world is going on?' They say, 'Uh-oh, first you get this [control] board and tell me this saves home rule, and then here come these [Republican] people.' "

Before any voices could be raised in anger, however, Gingrich's team sued for peace.

Rep. Steve Gunderson (R-Wis.), the speaker's point man on D.C. schools, smiled a warm Mid-western smile and insisted that he wanted nothing more than to work with the local folks: "We're going to struggle with the issue of how we can be helpful without interfering or going too far."

Later, Gunderson wrote a "marketing" memo, saying Republicans must be careful to consult D.C. residents "so that no one can accuse us of a preordained agenda." Norton has been invited to sit with the Republicans during hearings on schools. Last week, Gingrich himself said he will slow the pace of reform, hold "town meetings" and give city residents "a chance to tell Congress what they think."

The broad retreat suggests that, as much as they might talk about schemes for better schools and housing in Washington, white Republicans in Congress will find it exceedingly difficult to ram unwelcome reforms down the throat of a black-majority city.

And yet the levers of power in the District -- which Democrats in Congress largely left alone for 20 years -- have shifted dramatically in less than six years under the Republican majority.

Marion Barry, who must now answer to the financial control board, can no longer expand the payroll or dispense abundant patronage. He must contend not only with Congress but also with the D.C. Council, which is emerging as a partner with the GOP in advocating conservative reform.

For the moment, Congress, the council and Barry are trying to work together, however warily. Barry and the council have vowed to preserve their influence over District affairs. Congress is groping for a way to showcase new ways of governing cities without giving the mayor ammunition to revive his accusation that the District is "half slave, half free."

"Consider the alternative: intransigence, intractability, finger-pointing," said Rep. James T. Walsh (R-N.Y.), chairman of the House subcommittee that oversees D.C. spending. "This is marvelous progress."

About This Article

This story was reported by Washington Post staff writers Michael A. Fletcher, Blaine Harden, Hamil R. Harris, Sari Horwitz, Cindy Loose, Lonnae Parker O'Neal, Howard Schneider and David A. Vise, and written by Harden.

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GRAPHIC: In 1965, the Washington Home Rule Committee parked a truck with a billboard on the grounds of the Washington Monument as part of its campaign for home rule. 1972: At left, Walter E. Fauntroy talks with U.S. Rep. John L. McMillan, who year after year killed proposals for home rule in the District. Will Walker: He prospered on D.C. contracts, but he didn't live in the city. 1981: Barry discusses city finances, which were put in punctilious order. Mary Edmunds: Longtime Northeast resident moved to Prince George's in 1979. 1981: Barry arrives at the Capitol for President Ronald Reagan's inauguration. Anne Renshaw: She backed Barry for three terms, voted against him in '94. 1991: Police Chief Isaac Fulwood Jr. talks with officers at the scene of a shooting. 1993: Rep. Julian C. Dixon confers with Kelly at a hearing on the city's budget. 1995: Barry, Gingrich and Norton discuss the city's future at a news conference. A City In Transition: The District of Columbia: 1950 to 1995 1950 District reaches its peak population, with 802,000 residents. 1960 White flight in 1950s bleeds city of about 38,000 people. 1967 President Lyndon B. Johnson abolishes the Board of Commissioners that had run the city since 1874. He creates a single executive and a nine-member council, all appointed. 1968 Riots after the assassination of the Rev. Martin Luther King Jr. mark a major turning point for the city's black population. The number of blacks had been growing by an average of 12,600 a year throughout the 1960s. But after the riots, growth stalled, and in the 1970s it reversed. 1972 Rep. John L. McMillan, the longtime House District Committee chairman, is defeated in a South Carolina primary. For a quarter-century, the Democrat had killed all home rule bills. 1973 Home Rule Charter becomes

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HEADLINE: A Well-Financed Failure; System Protects Jobs While Shortchanging Classrooms

BYLINE: Sari Horwitz; Valerie Strauss, Washington Post Staff Writers

BODY:

At Tyler Elementary School in Southeast Washington, water poured in from a leaking roof, sending hundreds of children to classes in nearby schools and churches for the last two weeks.

At Wilson Senior High School in Northwest, 10th-graders went 11 weeks without an English teacher because bureaucrats downtown would not hire a replacement for an instructor on sick leave.

Inside Patricia Roberts Harris Education Center in Southeast, ninth-graders work with private reading tutors on vocabulary and grammar they should have learned years ago.

What does a school system that has some of the lowest test scores in the nation do with \$ 594 million a year? How do D.C. schools allot \$ 7,389 per student -- among the nation's highest spending rates -- and still wind up short of books, crayons, toilet paper and, in some schools, even teachers?

Interviews with dozens of former and current city and school officials and an examination of hundreds of school documents and memos reveal some answers:

School officials violated federal law by continuing to pay tens of millions of dollars to administrators who had been ordered laid off by the D.C. Council. Two years ago, school officials announced that they had abolished nearly 180 bureaucratic positions -- but school records reveal the cuts included almost 100 teaching slots instead.

School authorities spent \$ 21 million annually to send 1,079 special education students to private schools because the District fails to provide services in its own schools. Their spending rate is five times the national average.

The federal government revoked grants worth \$ 20 million because the system so badly mismanaged grant funds. In one instance, officials spent \$ 1.6 million on unrelated employee salaries, rather than on extra instruction for underprivileged students as required by law.

School officials accomplished all of the spending maneuvers largely through a budgeting and accounting system that employed two sets of books -- one hidden from public inspection. Rung Pham, the former schools controller, acknowledged in an interview last week that senior officials knew they were breaking city

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laws regulating how public money is spent -- but did it anyway.

"It makes me so mad, because you really feel sorry for the children of D.C.," said Abdusalam Omer, the school system's chief financial officer, hired last summer to clean up the chaotic finances. "There is a lack of passion for children, particularly those who are disadvantaged. . . . There are children in Anacostia who have never been in the Smithsonian [Institution] because there is not enough money for field trips."

Now, Julius W. Becton Jr., a retired Army general, has come to embody the hopes of children and parents across a struggling city desperate for quality education in the District's 152 public schools. The D.C. financial control board hired him as chief executive and superintendent Nov. 15 after firing Superintendent Franklin L. Smith. Smith assumed control of a badly failing system 5 1/2 years ago, and by most analyses, produced little in the way of management reform or improvement of student performance.

It is up to Becton and his staff to figure out where their predecessors went wrong and to make fixes for the future. But it is no small task they take on as they face an entrenched bureaucracy and a budgeting system that Omer said was created to obfuscate.

"Did they really set it up this way on purpose? I think so," he said. "It's very clever."

'Ample Resources'

Anyone who first learns about the District's dilapidated public school buildings and the persistent shortages of basic materials might quickly assume the D.C. system has been starved for money. Wrong.

"The school system has ample resources to educate children. It's the management of resources and the lack of any plan or guide on how to use those resources that is the problem," said Jim Ford, the former staff director of the D.C. Council's Education and Libraries Committee.

Every year, the D.C. school system, an independent city agency, receives about \$ 475 million from city funds and more than \$ 100 million from federal grants and private donations.

"Where does the money go?" Omer asked. "The money goes to create a middle-class community. It goes to salaries."

Year after year, the schools employed more people than authorized in annual budgets approved by the D.C. Council and Congress. The extra personnel, according to Omer, cost \$ 50 million from 1990 to 1995, money that should have been spent on textbooks, field trips, athletics, facilities and other student items.

Even former superintendent Smith's harshest critics agree that when he was hired as superintendent in 1991 to reform the system, he confronted an intransigent bureaucracy that valued one thing above all else: jobs.

But Smith didn't stop overspending for personnel. In fact, the practice worsened during his tenure.

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In the 1992 school year, Congress approved \$ 429.3 million in local funds for salaries and benefits. Smith's administration spent \$ 9.52 million more on personnel -- taking money away from, among other things, school supplies, student programs and textbooks to make up the difference. The next school year, Smith's administration spent \$ 9 million more than allocated for payroll and benefits, again by taking money from classrooms.

For the 1994 school year, Smith spent \$ 12.5 million more for salaries and benefits than his budget allowed.

The next year, Smith's administration did it again, overspending on excess personnel by \$ 11 million -- and pulling money from other accounts to cover it.

Two Sets of Books

School officials were able to "reprogram" the money to pay unauthorized workers by keeping two sets of books.

One is in the giant Financial Management System, a computerized system used by the entire District government to track budgets department by department. It is controlled by the city's treasurer and chief financial officer.

The second system is controlled solely by the school district's administration. Known as the Resource Management Control and Information System, or REMCIS, it was set up many years ago to help the school system track its spending in detail at its own headquarters.

Omer discovered "there is no relationship" between the congressionally approved budget that is entered into the Financial Management System and the spending recorded in the school district's own computer system. There have been disparities since the 1980s, and they have increased, Omer said.

Just two weeks ago, newly hired school authorities brought in D.C. Inspector General Angela L. Avant to investigate \$ 250,000 missing from a 1995 school fund, according to a school source.

"The public budget was essentially a fiction," said Mary Levy, the counsel and budget analyst for an education advocacy group, Parents United. The school system had so many funds, and Smith reorganized the administration so often that it was "impossible for any outside organization or person to keep track of everything," Levy said.

A 1993 report by then-city Auditor Otis H. Troupe identified eight funds on the school district's private books that were not authorized by the D.C. Council when it passed the system's budget. The accounts included some \$ 26 million in 1991 and \$ 21 million in 1992 -- money that was being used to pay personnel but had been shifted from other categories in the published school budget.

Troupe's report -- which went to Smith, the school board, the mayor and the council -- strongly objected to "appropriated funds being shifted into areas which are essentially hidden and for which disclosure is non-existent." The number of full-time employees being paid "has been drastically understated to the point of an absolute lie told to the City Council and Congress. . . . The statutes say it is illegal to defraud and waste the District's money."

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The federal Anti-Deficiency Act states that no D.C. employee may make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation. The Home Rule Act states that no amount may be obligated or spent by any officer or employee of the D.C. government unless Congress has approved the amount.

"Any time you overspend your budget allocated by Congress, you are definitely violating the Anti-Deficiency Act, and that was the case for 1994, 1995 and 1996," Omer said.

"Yes, they did violate the Anti-Deficiency Act," said Rung Pham, the longtime controller who was fired in December by D.C. Chief Financial Officer Anthony A. Williams.

Pham said that in one year -- 1994-95 -- he initially refused to pay a \$ 500,000 bill because it would create a deficit and violate the law. "I wouldn't do it until I got a clear message from the top to do it," he said.

Smith canceled an appointment to discuss this and other issues with The Washington Post and did not reschedule or return repeated phone calls seeking comment. He also did not respond to a letter delivered to his home that requested an interview.

By law, the Board of Education also was required to give Congress, the mayor and the D.C. Council "an accurate and verifiable report" every year on the positions and employees in the public school system, including information on salaries and precise job descriptions. School authorities did not file any of the required reports, and the council and Congress did not force them to comply.

The former longtime chairman of the council's Education Committee, 81-year-old Hilda H.M. Mason (Statehood-At Large), had years ago taken a back seat to staff director Ford, an expert number cruncher and analyst on school finance. Mason had lost credibility with many in the education community who were concerned about her sometimes intemperate and unpredictable behavior and her inability to push school reform.

Like Troupe's reports, Ford's annual committee reports -- which foreshadowed the conclusions reached in fall 1996 by the financial control board -- had little impact. Some school board members angrily denounced the reports; others ignored them. And Ford's immediate supervisors, the D.C. Council, did nothing.

"The tendency over the years has been to say, 'Oh, education, that's the school board's responsibility,'" said Kevin P. Chavous (D-Ward 7), the new chairman of the council's Education Committee. "While we have mouthed the words that education is a priority, we have not acted like it's a priority."

Instead, he said, politics prevailed.

Each city ward has a council member and a school board member. School board members traditionally have used their positions as a stepping stone to council seats. So, council members, in an attempt to reduce the chance of creating political rivals in their own wards, have allowed school board members to take the lead on school matters.

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"There was that unspoken agreement," Chavous said.

For Ford, it was "extremely frustrating" to have his reports unheeded -- and at times criticized for unequivocal language.

"The council still had oversight responsibility," Ford said. "And year after year, the excess personnel, the overspending, the misinformation and the pattern of lying was brought to the attention of the council."

No Basis in Reality

The District spends about 85 percent of its funds on personnel, close to what many school districts spend. What is unusual is the proportion spent on central office administrators. According to the nonprofit Council of Great City Schools, D.C. schools in recent years had an average of 16 teachers per central administrator, compared with Los Angeles's 60 to 1.

In 1979, the school system had 113,000 students and 511 central office positions, including clerical workers, administrative assistants, deputy superintendents, assistant superintendents, coordinators, directors, assistant directors and other downtown office workers who had little or no contact with children.

By 1992, the school system had lost 33,000 students, but the number of central office positions had climbed to 967. Former superintendent Smith cut several hundred administrators toward the end of his tenure and didn't replace other central office workers who left.

But critics said he didn't trim fast enough.

The financial control board, in a report in the fall that coincided with Smith's firing, said that in the last year of his tenure, the system still employed 900 to 1,400 more people than were authorized.

During each of the last five years, Smith and school board members testified before the D.C. Council during budget hearings and asked for an increase of \$ 40 million to \$ 100 million in the school budget.

But those budget requests weren't based on realistic numbers. In 1996, for example, the board requested \$ 75,000 for garbage pickup even though the actual costs in several previous years had exceeded \$ 1 million annually. Other numbers, the D.C. Council believed, were exaggerated.

Each year the council denied the request, gave the school system even less money than it had the previous year and ordered the superintendent and board to make specific cuts in the central office staff and reallocate the savings to classrooms.

But school officials ignored those orders, Ford said, and acted as if they'd been given the tens of millions they'd sought. The elected school board, as chief policymaker, was supposed to determine how money was spent, but it ceded that power to Smith and his predecessors.

"Don't forget, the board doesn't run the school system," said Erika Landberg, who represented Ward 3 on the school board from 1988 to 1996. "A board is

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supposed to do oversight, not micro-manage."

Pham, who is looking for a new job after being fired as controller, said he was made a scapegoat for his bosses.

"I was a team player," he said. "I did whatever I had to do," including overspending on personnel and underspending on other items.

Questions About Priorities

In a system facing hard financial choices, Levy and others for years have questioned school officials' priorities, big and small.

For five years starting in 1991, for example, the system spent nearly \$ 2 million on a Values Education Office, which was supposed to promote education that raised "the consciousness level of social issues." Yet even some school board members said it was useless, and it was killed in 1996.

At the same time, programs that seemed to benefit students suffered.

Eugene Williams, a 13-year D.C. school employee, directed a program to give prospective National Merit scholars extra classes and tutoring. National education journals lauded his work. As part of his budget cuts in 1996, Smith abolished Williams's position, ending the program.

Meanwhile, the Board of Education spent well on itself. It allocated \$ 1.4 million for its own use in 1996 -- more than five times the amount Fairfax County's board spent and more than twice what Montgomery County's spent. Until last year, when their \$ 30,000 salaries were halved by the control board, the 11 members -- who work part time -- were paid more than members of any other school board in the country.

Former school board president Karen Shook countered criticism of the board's own funding and oversight of the system, saying year after year that the school system needed more money and had laid off everyone it possibly could, arguments that Smith also made often.

The trouble was that neither Shook nor the rest of the board knew how many students truly were enrolled or how many people the schools employed at any given time or where they worked.

The confusion existed despite an identification system that should have safeguarded against it. Every school system employee is supposed to receive a personnel number that puts the worker on the payroll.

Uncounted Numbers

Yet when Omer arrived to review the school budget and personnel records, he found 1,734 people on the payroll who had no number but were paid nevertheless. Nearly 200 other people -- all of whom were paid -- shared personnel numbers with one or two other people. Personnel number 0058043, for example, was held by people at Webb, Clark and Petworth elementary schools -- and was the basis on which each of the three drew a paycheck.

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The system left Omer stunned. "It was totally messed up," he said.

Landberg said recently that the board knew all about the confused personnel numbers. "Dr. Smith told us they were making progress. But we knew the numbers weren't cleaned up yet," Landberg said. Last fall, payroll data showed some administrators classified as teachers, some teachers as administrators and some employees as working at schools that had closed. There also were personnel numbers on the payroll for eight people who were dead.

A memo written nearly two years ago by school budget director George Letsa -- whom Becton fired last fall -- foreshadowed what Omer and the control board would find. The memo was attached to a computerized list of 130 employees who were not authorized to be employed. It said: "The individuals listed . . . appear on the payroll file but are not on personnel and budget files. In other words, although these individuals are being paid, there are no audit trails in our budget and personnel files to document their existence."

Things were so chaotic when Becton took over that his staff found boxes stuffed with overdue vouchers payable to more than 250 vendors who had done business with the system, ranging from a single teacher to the largest book seller in the country. One of the bills alone was for \$ 600,000. "They didn't know how much they owed," Omer said. "Nobody kept track."

Budget and employee staffing matters certainly are not the only problems facing the general. But, according to Omer, the knotted personnel list must be untangled before Becton can begin genuine reform.

During Smith's first year as superintendent, he was asked how many employees he had. He said he couldn't say. Five years later, he still couldn't answer."

Becton said in a recent interview that, based on payroll and an audit, he's come up with an answer: "About 10,461."

"But," he quickly added, "I can't tell you how many of those are dead."

GRAPHIC: Photo, dudley m. brooks; Photo, michael williamson; Photo, juana arias; Photo, larry morris; Photo, Aris Economopoulos for TWP; Illustration, The Washington Post, About the Series Called out of retirement, Julius W. Becton Jr., a former Army general, is three months into his new job as chief executive and superintendent of District schools. With nearly carte blanche powers to fix a public school bureaucracy that was given straight F's late last year by the D.C. financial control board, Becton faces a host of challenges that The Washington Post will detail over the next five days. * Today: A mountain of wasted money. Tomorrow: A bureaucracy rife with cronyism. Tuesday: A crumbling physical plant. Wednesday: A special education system that doesn't deliver. Thursday: A child struggles to learn to read. SPENDING PRIORITIES BOARD OF EDUCATION 1996 ADOPTED BUDGETS The D.C. school board had a \$1.4 million budget, far more than what boards in neighboring counties spent. The D.C. spending was \$200,000 more than what was spent by the board in Chicago, which has a system five times larger. LOCAL COMPARISONS D.C. \$1.43 million Neighboring district average \$454,000 Fairfax County \$276,000 Mont. County \$631,000 Baltimore \$296,000 NATIONAL COMPARISONS Chicago \$1.23 million Cleveland \$142,000 Milwaukee \$1.17 million Newark \$761,000 Peer Average \$720,000 CLASSROOM INSTRUCTION For

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this school year, D.C. public schools spend less on classroom instruction and more on administration and overhead than neighboring districts. D.C. Public Schools Instructional 67% Non-instructional 33% Montgomery and Fairfax Districts Instructional 77% Non-instructional 23% TEACHERS PER CENTRAL ADMINISTRATOR High expenditures on administration and overhead leave fewer resources and funds for instruction in D.C. public schools: 20 teachers are employed for every central administrator compared with a national average of 38

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HEADLINE: Work Force a Family Affair for Many; New Superintendent Pursues
Cronyism, Nepotism as Factors of Unknown Proportion

BYLINE: Vernon Loeb; William Casey, Washington Post Staff Writers

BODY:

Second of Five Articles

When Franklin L. Smith left the top spot in the Dayton, Ohio, public school system and came to Washington as superintendent more than five years ago, he brought the Gregorys and the Winstons with him.

Smith had been on the job seven weeks when he named June Gregory as chief of staff and Richard Winston as deputy superintendent for administration. Both had personal connections to Smith -- and both had spouses who came along and got jobs as well.

June Gregory, a principal and administrative assistant from Muncie, Ind., had been the college roommate of Smith's wife, Gloria. Her husband, James "Don" Gregory, landed a job as an administrator for D.C. middle schools.

Richard Winston, a businessman who owned a string of McDonald's restaurants, had befriended Smith in his unofficial role as a leading Dayton public schools booster. Winston's wife, Barbara, ended up on the District school payroll as a "special assistant."

Smith's decision to place two friends in key jobs -- and also to hire their spouses -- drew scant notice in a system in which top officials have hired and promoted friends and relatives for years. They often have ignored or manipulated personnel regulations to do it, according to personnel analysts and former school employees.

"Everybody's got buddies, friends, associates, relatives," said James R. Daugherty, Smith's personnel director from 1993 to 1996. "It is a crony system -- that's what it was all about, and it still is."

Julius W. Becton Jr., the retired Army general hired by the D.C. financial control board as chief executive and superintendent to replace Smith, said there is "ample evidence" that the school system's 10,000-plus employee work force has been shaped and dominated by cronyism. "We are going to find it, remedy it and assure ourselves we have the best people working," Becton said.

The school system's voluminous regulations require that virtually all positions be filled competitively. They also explicitly state that officials may not "appoint, employ, promote, advance, or advocate for employment, promotion, or advancement" any member of their extended families.

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But those regulations -- especially on hiring relatives -- have been ignored routinely for years at all levels, from top management to local schools, according to Jim Ford, former staff director of the D.C. Council's Education Committee.

'An Employment Agency'

"It was no secret that school officials did get jobs for their relatives," said Ford, who lost his job when the council reorganized late last year. "I don't even think people understood the concept of nepotism. This goes back to one of the major flaws of the system -- it became an employment agency."

Lagrande Lewis is the \$ 70,496-a-year principal of Sharpe Health School. School system payroll records show that her daughter, Victoria, works at the school as a \$ 17,156-a-year educational therapy assistant.

The elder Lewis, in a recent interview, said the payroll record is misleading: Her daughter actually works at Takoma Elementary School. Asked if she had any role in securing employment for her daughter, Lewis said: "I had a role in recommending her to special education -- yes, of course. I recommended her to the director on merit, not on nepotism."

It is impossible to determine conclusively from personnel records how widespread cronyism and nepotism are in the system.

And Becton is the first to note that it is common to have spouses and other relatives on the payroll -- teachers at a school, for example, who met on the job and later married. Some of the most qualified administrators, principals and teachers, according to Becton and numerous veteran observers, have relatives in the system. Two top-flight employees could be mother and daughter or husband and wife, he said, without either having played any part in hiring the other.

"We need to remember that that is not necessarily a problem," Becton said. "If they are not in a position of supervising each other's work or of being in a job in which they could arrange to have, say, a contract directed toward their spouse, then that is not on the face an issue we have to worry about."

To help gauge the extent to which family relations pervade the schools, The Washington Post cross-matched names from the school system's payroll against names and addresses from voter registration rolls in the District and Prince George's County, the jurisdictions where most D.C. school employees live.

The sample was limited -- only slightly more than half of school employees are registered to vote. And it identified only households in which the employees shared a last name. No systematic way exists to document every family relationship from name matches and addresses -- a father and his married daughter, for example, living separately with different surnames would not show up.

Still, the computerized match turned up 103 households that have at least two school employees with the same last name.

Among them are:

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The Corleys. School board member Angie (Ward 5), who makes \$ 15,000 a year; her daughter, Gwenellen, a \$ 49,096-a-year vice principal at Backus Junior High School; and her son William, a \$ 35,054-a-year science teacher at McKinley High School.

The Thomases. Ann, the \$ 70,078-a-year principal of Montgomery Elementary School; and her husband, Harold, a former revenue official in the administration of Mayor Marion Barry (D) who is now the Board of Education's executive secretary. (About half of his \$ 82,760 school board salary comes from his city pension, he says.)

The Briscoes. Patricia, the school system's \$ 62,246-a-year assistant director of athletics; and her husband, Frank, a \$ 35,005-a-year gym teacher and coach at Anacostia Senior High School.

The Jacksons. Jimmie, former president of the Washington Teachers' Union, listed on payroll records as a \$ 53,615-a-year teacher; and her daughter, Chandrai, a \$ 42,518-a-year school psychologist.

Richard Winston, the deputy superintendent brought in by Smith, said in a recent interview that he went out of his way to recuse himself from any management decision that might have affected his wife, who worked in a separate part of the bureaucracy. But many other D.C. school officials, he said, did not.

"You had to stop and find out who you were dealing with and what the relationships were before you could make decisions," said Winston, who ultimately clashed with Smith and left the school system in 1995. "There were too many hidden agendas that were related to personal matters that had nothing to do with running the schools -- matters involving husbands and wives, cousins and other relatives."

A Host of Connections

From the moment Smith arrived, the superintendent's office suites on the upper floors of the Presidential Building at 12th Street and Pennsylvania Avenue NW were full of clerks, managers and top officials with family and political connections throughout the vast bureaucracy.

In Smith's outer office, Lola J. Singletary worked as a \$ 28,461-a-year administrative assistant, a position she retains. Her mother, Lola Johnson Singletary, was a \$ 47,903-a-year administrator in bilingual education; her salary has since increased to \$ 53,610.

Deitra Bryant, now an elementary school teacher, was a \$ 14,000-a-year clerk in the superintendent's suite. Her mother, Gwendolyn W. Bryant, was a \$ 58,327-a-year program director who has since become principal of Aiton Elementary School.

Down the hall, Shelia G. Handy held the title of assistant for planning in the superintendent's office in 1991 -- and ultimately was promoted by Smith to be an \$ 81,944-a-year associate superintendent for educational accountability, a post from which she retired at the end of last year. Perry Handy, her ex-husband, who has since retired, was principal of Giddings Elementary School. Perry Handy's current wife, Saundra Handy, is a \$ 55,248-a-year coordinator of science education.

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Bettye W. Topps, a former school principal, was Smith's first director of his Center for Systemic Educational Change. (She remains as Becton's senior policy adviser.) Her husband, Andrews J. Topps III, receives \$ 68,720 a year as principal of Adams Elementary School.

Constance R. Clark became one of Smith's deputy superintendents, making \$ 77,634 a year, before she was fired by him in October. Her sister, Nancy R. Shannon, is principal of Merritt Elementary. Her son, Robert W. Clark, is a clerk at Reed Elementary School.

And B. Garnett Pinkney -- also fired by Smith in October -- was another deputy superintendent, in charge of special education and making \$ 70,286 a year. One of Pinkney's sisters, A. Lorraine Harris, is the principal at Stoddert Elementary School, and another sister, Martina Matthews, was principal at McGogney Elementary School until she retired in 1995. Barbara T. Jackson, Pinkney's cousin, held numerous posts in the bureaucracy's upper reaches, retiring in 1995 as its \$ 74,967-a-year director of grants.

The Pinkney clan was out in force at a reception Smith held shortly after he came to town. Kathleen Reilly Mannix, a former administrative assistant to school board member Jay Silberman (At Large), was at the party and remembered Smith's asking Pinkney's extended family to stand and be recognized.

"I looked over in the Garnett Pinkney section," Mannix recalled, "and legions of people were standing -- and I recognized them all as working for the school system."

Mannix said there is nothing necessarily wrong with school employees being related to one another if they were hired properly and perform well. The public school system for decades represented a gateway for African Americans striving to join the middle class in Washington at a time when racism and discrimination closed many other avenues, she said, and the hiring of family members was a consequence.

But Mannix and others contend that along the line, the school personnel system became highly politicized. Far too many school board members and D.C. Council members, they say, came to regard it as a middle-class jobs program.

"The whole issue of what was a quality employee was lost. And certainly nepotism was part of it," Mannix said.

No Selection Panels

James R. Daugherty, a retired Army colonel, was hired by Smith as personnel director in 1993 -- making him Smith's fourth personnel chief in three years. Fresh from his assignment as commandant of the Army's finance, personnel and recruitment school, he was aghast at what he found.

More than 800 employees were categorized as "extras" on the payroll, and few administrators in the system were running truly competitive selection panels for hiring and promotions. "It's a small town -- and everybody knows each other," Daugherty said. "They've all been in the system for 25 years. So they say, 'Suzy would be a good person for this job.' And they make the decision before there's ever a competition."

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Instead of convening panels of disinterested parties, he said, top officials and other program managers hired and promoted employees using "temporary" and "acting" labels to circumvent competitive selections. In 1993, there were 35 acting principals and 85 acting vice principals, meaning those jobs had been filled -- often for years -- without the superintendent and his deputies forming selection panels, conducting interviews and making permanent selections.

Daugherty immediately began convening panels and making permanent principal and assistant principal appointments.

He knew the process would make virtually all of those in acting positions permanent, because each worker in question knew the job and would have a leg up in the process. But he said he figured he had to go through the exercise to get back to "ground zero" and restore credibility before he started building a real personnel system.

He never got the chance.

Daugherty was fired Nov. 1 by Smith, who also eliminated most of his personnel office without ever saying why. Two weeks later, Smith himself was fired by the D.C. financial control board.

They left behind a hiring and promotion system that valued who you knew.

Legacy of Patronage

The D.C. schools have been a patronage haven for as long as many veteran observers can remember.

For years, powerful subcommittee chairmen who oversaw the District in Congress placed their friends and associates in the system. When Congress approved an elected school board for the District in 1969, the patronage remained, but the sponsors changed.

"With the elected board, the school system became politicized," said Dwight S. Cropp, an associate professor at George Washington University who is familiar with the D.C. system.

In 1970, Hugh Scott arrived from Detroit. Scott was brought in as the first black school superintendent under pressure to reverse decades of discrimination and elevate African Americans to senior management positions, said Cropp, a graduate of Eastern High School. Cropp, a schoolteacher in the late 1960s, went to work for Scott, then for the elected board, then for Mayor Barry before entering academe in 1990.

When the drive to promote black managers combined with local political forces through the 1980s, Cropp said, the results were mixed: Some people who rose to new heights were qualified, he said, but many were not.

"When you continually put people in positions they are not qualified for and then refrain from evaluating them," Cropp said, "it's going to take its toll."

R. Calvin Lockridge, who represented Ward 8 on the school board from 1978 to 1990, agrees that unqualified people built fiefdoms and created a system he now calls "incestuous."

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But he traces the problem not to the elected school board but to the 1980 demand by Congress that the District government and the school system sever ties to the federal civil service and create their own personnel systems. The people running the new District system, Lockridge said, simply decided "to do what white folks had been doing for some time."

Lockridge and his supporters describe his school board tenure as that of a confrontational crusader for poor black children. Lockridge's detractors say he came to epitomize political meddling, demanding that principals and school officials hire and fire at his whim.

Lockridge's school board career ended in controversy after Michael Wheeler, his best friend and longtime political aide, was arrested in 1988 while driving Lockridge's Mercedes-Benz in New Jersey with a pound of cocaine in the trunk. Wheeler was convicted of drug possession in 1990.

Lockridge, defeated at the polls in 1990, went to prison in 1994 on charges that he stole \$ 20,000 from an elderly woman who had asked him to manage her affairs.

Lockridge's nephew, William O. Lockridge, remains on the school system payroll as a \$ 34,962-a-year teacher coordinator. Calvin Lockridge, released from prison in 1995, says he didn't help his nephew secure the job and denies ever helping constituents get work in the system -- beyond those on his school board staff.

But in earlier interviews while he was a school board member, Lockridge spoke openly about finding school jobs for constituents. "Sometimes I feel like I run a job placement service," he told The Washington Post in 1988.

Board Recommendations

Members of the current school board carried on the tradition, before being stripped of power in November by the control board. A former school system administrator who handled personnel actions in her department and asked not to be quoted by name said that before being laid off in August, she frequently processed paperwork for constituents who had been recommended by school board members.

The system also is full of officials who have connections to current or former school board and D.C. Council members, three of whom previously served on the school board.

Marilyn Tyler Brown, the system's longtime associate superintendent who was making \$ 77,634 a year when she retired last summer, was a renowned political fund-raiser who had worked on the campaigns of school board (and later D.C. Council) members Betty Anne Kane (D-At Large) and Linda W. Cropp (D-At Large). Linda Cropp is married to Dwight S. Cropp.

Before Daugherty's arrival, the school system's personnel chief was Karen Jones Herbert, a lawyer who went on to become chairman of the D.C. Taxi Cab Commission. Herbert started in the school system's personnel office in the 1980s before going to work as an aide to then-council member Wilhelmina J. Rolark (D-Ward 8), herself a former school board member.

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After gaining a law degree, Jones Herbert returned to the school system in 1990 as its top personnel administrator.

Lockridge, then chairman of the school board's Personnel Committee, said recently that then-Superintendent Andrew Jenkins came to him and told him his wife, Dorothy, the school system's head of counseling, had recommended Jones Herbert.

"As chairman, I was very supportive that he was moving in that direction because [Jones Herbert] was a Ward 8 resident," Lockridge recalled. "And there were very few professionals living in Ward 8."

Neither the Jenkinses nor Jones Herbert returned phone calls seeking interviews.

Larry Hawkins worked for 22 years as a school construction foreman before resigning in late 1994. He said he got his job on the recommendation of a school official in industrial education whose house he'd worked on as a private carpenter.

During his time, Hawkins said, he watched fully qualified sons and daughters of employees get on the payroll. Problems arose, in Hawkins's view, with those who weren't qualified.

Said Hawkins, "You got guys out there who hired all of their children and just should have hired one."

Metro resource director Margot Williams contributed to this report.

GRAPHIC: Photo, 1989 file photo; Photo, aris economopoulos; tyler mallory for The Washington Post; Illustration, The Washington Post; susan biddle, About the Series Called out of retirement, Julius W. Becton Jr., a former Army general, is three months into his new job as chief executive and superintendent of District schools. With nearly carte blanche powers to fix a public school bureaucracy that was given straight F's late last year by the D.C. financial control board, Becton faces a host of challenges that The Washington Post is detailing this week. Yesterday: A mountain of wasted money. * Today: A bureaucracy rife with cronyism. Tomorrow: A crumbling physical plant. Wednesday: A special education system that doesn't deliver. Thursday: A child struggles to learn to read. FAMILY TIES To help gauge the extent to which family relations pervade the schools, The Washington Post cross-matched names from the school system's payroll with names and addresses from voter registration rolls in the District and Prince George's County, the two jurisdictions where most D.C. school employees live. The sample was limited -- only slightly more than half of school employees are registered to vote. And it identified only households in which the school employees shared a last name. No systematic way exists to document every family relationship from name matches and addresses -- a father and his married daughter, for instance living separately with different surnames. Still, the computerized match turned up 103 households that have at least two school employees with the same last name. The school offices in the Presidential Building at 12th Street and Pennsylvania Avenue NW are full of top officials with family connections throughout the bureaucracy. A few examples of key administrators on the job when Franklin L. Smith became superintendent:

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Lola J. Singletary Worked as a \$28,461-a-year administrative assistant for Smith. Retains above position. Her mother, Lola Johnson Singletary, was a \$47,903-a-year administrator in bilingual education, where h

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HEADLINE: In Lieu of Planning, Patchwork; Students Prepare for the Future in Buildings Bearing Scars of the Past

BYLINE: Michael Powell; Vernon Loeb, Washington Post Staff Writers

BODY:

Third of Five Articles

In the summer of 1995, D.C. school officials ordered maintenance foreman Jack Bond to repair half the roof at Fort Lincoln Elementary School. Bond objected, telling his supervisors that a private contractor was slated to do the same work in September.

No one listened. So his seven-man crew labored through hot, 10-hour days, stirring tar and laying down massive tiles at a cost of \$ 600,000. They finished Aug. 28.

Two days later, a construction company ripped up their work and laid a new roof. Cost: \$ 1.7 million. School officials confirm that two jobs went forward, but even today they have no idea why. "I wish I could say this was the worst I've seen in 29 years in the system," Bond said. "But it just keeps getting worse."

Decades of mismanagement and poor planning by senior managers -- and a lack of repairs -- have left many of the District's 152 public schools on the verge of collapse.

The poor conditions are dramatically underscored by thousands of fire code violations that shuttered District schools three times in the last three years. Just weeks ago, D.C. Superior Court Judge Kaye K. Christian temporarily closed three more schools.

But as Julius W. Becton Jr. has discovered since assuming control of the school system in November, problems run far deeper than a series of fire code violations.

The school system's new chief operations officer, Charles E. Williams, says he needs \$ 86 million just to eliminate fire code violations. More broadly, the federal General Services Administration recently surveyed every D.C. public school -- the typical building is more than 50 years old -- and placed overall costs for repair or replacement at \$ 2 billion.

Every conceivable problem plagues this aging stock.

Lead paint represents an immediate health hazard in many schools. Thirteen schools lack working air conditioners. Windows at many schools are nailed

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shut. Mold spores sprout in water-damaged kitchens. Asbestos, although wrapped, remains in every school.

School officials insist a lack of money lies at the root of those problems. They say that when Congress handed the schools to the District in 1968, it passed along precious few dollars to pay for the repair backlog. And they note that the schools have just \$ 52.7 million available this year for repairs and daily maintenance.

"I need all the help I can get from anyone, starting with the White House," Williams said recently. "Our children are in harm's way."

But as Becton and Williams plead for more money, they are burdened by the legacy of past administrations.

Since 1985, analysts for the D.C. financial control board estimate, Congress and the D.C. Council have handed the schools \$ 180 million for major repairs and reconstruction. Yet Franklin L. Smith, superintendent from 1991 to 1996, and his facilities chief, William McAfee, misspent and mismanaged much of that, according to the control board's recent report on the schools.

Beginning in 1991, Smith and his budget officials siphoned \$ 15 million to \$ 20 million worth of repair money to cover salaries of school bureaucrats, according to the new chief financial officer.

They expanded a Honeywell Inc. energy management contract from \$ 1 million to \$ 6 million. But when the D.C. schools reaped few, if any, energy savings, school officials simply canceled the contract, and Honeywell walked away. Honeywell put responsibility for the problem on the District.

"This was a partnership," said Kathy Hedin, Honeywell's director of corporate communications. "Its success depends on keeping things in operation. If people in local schools are overriding the controls, it won't deliver the results they need."

Smith and McAfee also gave a \$ 30 million no-bid contract to ServiceMaster Corp., a private maintenance management firm. Becton recently terminated that contract, in part because reports in The Washington Post and an investigation by D.C. Inspector General Angela L. Avant found that school officials may have authorized \$ 6 million in overpayments and double-billings to ServiceMaster.

Smith canceled an appointment to discuss that and other issues with The Post and did not reschedule or return repeated phone calls seeking comment. He also did not respond to a letter delivered to his home requesting an interview.

Abdusalam Omer, appointed chief financial officer for the schools last summer, wagged his head as he ticked off examples of wasted repair money. "What happened is really something of a moral crime," he said.

The system suffers another problem with its facilities, this one as grave as it is unlikely for a system facing such financial pressure: It has far too many schools.

In the early 1970s, the D.C. school board embarked on a massive building program -- even as student enrollment plummeted. Today, its elementary schools

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are, on average, one-fourth empty, high schools one-third empty and middle schools nearly half empty. The collection of half-used and vacant buildings costs the District tens of millions of dollars in energy and repair costs, school officials say.

"We needed to close and consolidate, but the school board buckled to pressure," said Edward Winner, a former deputy superintendent.

Becton, a retired Army general, pledges sweeping reform. He and Williams are examining 30 underused schools with an eye toward closing perhaps half of them by September. "Unless we can do something about demographics, and also about repair, why keep the schools open?" Becton told The Post recently.

Williams pledges to inspect every school personally in preparation for a 10-year repair and rebuilding plan to be released in the spring. It will be the first such plan in more than 20 years.

"The short-term focus will be to make the heat work and stop the leaks," Williams said. "But I'm going to require that the people who work for me operate on two levels: They must attend to emergency need and to a long-term fix."

An Eye on the Weather

D.C. school officials live in terror of the weather. Of rain that finds cracks in aging roofs and sends rivulets spilling down staircases, destroying walls and buckling tiles. And of cold that strains 80-year-old boilers and forces children in classrooms to wear coats and mittens.

Ninety percent of the District's schools are more than 25 years old; 25 were built in the 19th century. Across the District, from Lafayette Elementary School in the Chevy Chase neighborhood to Wheatley Elementary School in Trinidad to Wilkinson Elementary School in Southeast, schools are on life support.

In 10 schools, inspectors have condemned every boiler, forcing officials to rely on rented portable boilers. And principals in a dozen schools sometimes send children home because of lack of heat.

School officials note that new boilers cost \$ 140,000 each. But a recent internal study reveals that it costs far more in the long run to rent one.

More to the point, officials neglected less costly boiler repairs. For instance, officials failed for years to replace the condensation systems in 30 school boilers. New condensation systems, which recycle hot water into boilers, cost about \$ 12,000 per boiler. A working condensation system saves nearly \$ 8,000 per boiler per year in energy costs -- and thus would pay for itself in about 1 1/2 years.

Such conditions exact a toll on workers.

At Taft Junior High School in Northwest, boiler engineer Raymond Sanders most days resembles nothing so much as a mad scientist, jury-rigging pipes and hoses, siphoning 220-degree water into sinks and cannibalizing a broken boiler for parts to keep two more running.

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Barrel-chested, sweating as clouds of steam swirl around him, Sanders waves a fistful of unheeded two-year-old repair requests that warn of clogged pipes and exhausted pumps. "I can't take this," he said. "It's dangerous, and I'm working my damn buns off."

The view from the roofs is no better. A recent school district survey estimated that 90 roofs should be replaced.

In the early 1990s, the D.C. Council allocated \$ 63 million for roof repairs. But officials spent just 7 percent of that money on roofs and diverted much of the rest for salaries, control board analysts say. The school system's roofing crew -- which McAfee described as the best in the city -- has dwindled from 19 to seven since 1990.

At Marie Reed Learning Center in Adams-Morgan, 20-foot-wide puddles pool atop the school for weeks at a time because the drains sit six inches above the roof's surface. "This roof is a \$ 400,000 birdbath," said Martin Proctor, a maintenance engineer at Marie Reed.

D.C. Council member Kathy Patterson (D-Ward 3) led the battle to replace the dilapidated roofs. Now she's chary of committing more money. "We kind of need to know where \$ 63 million went," she said. "It says to me that there was no sound decision-making in the facilities area."

Of Roofs and Wiring

Planning, too, often eluded D.C. school officials, who frittered away millions on poorly conceived and supervised repairs, according to D.C. Council and control board analysts. A council hearing highlighted the problem.

How was it, Patterson asked in December, that school officials spent a quarter of their capital money in the last five years rewiring eight schools before replacing the roofs? Won't leaks destroy the wiring?

Brenda Dunston, deputy superintendent for facilities, allowed that it was not good planning and that leaks had destroyed new wiring at three schools. But she couldn't explain why it had happened that way.

"The electrical modifications got to the money first," she said, shrugging. "That was an unfortunate, out-of-sequence project. The roof work did not happen to go forward."

Dunston's vague phrasing is instructive. In the D.C. school system, it's rarely clear who failed to plan properly or why money was spent badly. But control board analysts say they have unearthed at least one unshakable fact: Smith and McAfee repeatedly failed to set clear, long-term priorities for repairs and rebuilding.

Three days after taking office in 1991, Smith promised to quickly unveil a blueprint to fix fire code violations. A year later, Smith spent \$ 1.1 million on a computerized study of the condition of the system's facilities. This study, he said, would lay the groundwork for a five-year schedule of repairs and major construction.

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Smith circulated the computer study privately to school board members, then discarded it, former aides say.

Three years later, parents at Peabody Elementary School in Capitol Hill asked McAfee where their school stood on his repair list. McAfee hedged, then acknowledged that no list existed. The Post reported the exchange at the time.

In November 1995, McAfee promised a school board committee that "an assessment will be done and work will be prioritized" for repairs, committee minutes show. It didn't happen.

McAfee blames systemwide chaos for leaving his promises stillborn. The District school system "was probably the worst system I'd ever seen. I couldn't ever get the money to make a five-year plan" for scheduling repairs.

His explanation failed to persuade former school employees, control board analysts and facilities experts who have reviewed his tenure.

McAfee said two former facilities employees with backgrounds in computer science made few attempts to rationalize a disordered repair system. And he submitted a \$ 211 million capital budget request to the D.C. Council in 1994 that listed no priorities or schedule; it was merely a printout of every school repair needed.

Mary Filardo, director of the 21st Century School Fund, an education consulting group that grew out of her efforts as a parent activist, spent much of 1995 working inside the facilities division on a master plan for the schools. She was frustrated at every turn. "They didn't want good information, and they didn't want plans," Filardo said. "It imposed a level of discipline that scared them."

McAfee left the school system for a job in the city's Housing Authority last February. He left the authority last month, at the request of the authority's receiver, David I. Gilmore.

A Decision to Build

Becton and chief operating officer Williams confront no thornier problem than how to dispose of 55 closed buildings and dozens more half-empty schools. And a chat with Lloyd Smith, executive director of the Marshall Heights Community Development Corp., reveals why so many D.C. residents distrust the intentions of school officials.

Not long ago, Smith looked at a vast and vacant school sprawled across a riverine hill in Anacostia and saw another block in the rebirth of his neighborhood.

Woodson Junior High School closed in 1993, but Smith convinced the University of the District of Columbia that a satellite campus should be opened there. A Metro stop sat across the street, a commercial strip just down the road.

The plan would "preserve a \$ 6 million school," Lloyd Smith recalled. "It wasn't rocket science."

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But in the year after Woodson closed, school officials ordered workers to rip out toilets and auditorium chairs for use at other schools. No one drained the pipes, which exploded and flooded that winter. UDC officials surveyed the mess and scrapped their plans.

Woodson sits vacant, its windows punched in, its playgrounds a graffiti memorial to dead gang members. "You'd have to pay me \$ 6 million to take that building now," Smith said.

Woodson stands as a monument to a three-decade-old decision to embark on ambitious construction. The school board's decision seemed sensible at the time and took root in a National Capital Planning Commission study in 1967 that predicted enrollment would increase by 30,000 students to 185,000 by 1985.

But demographics made a mockery of the board's plans. Enrollment plummeted from 170,000 in 1970 to fewer than 80,000 today, leaving the District with 2 million more square feet of space than it had in 1970. And officials made one questionable decision after another about the sites. From 1991 to 1996, for example, officials pumped \$ 2.45 million in repairs into 19 schools -- and then closed the schools.

At Armstrong School, which housed a now-defunct adult-education program, officials spent \$ 1.3 million from 1991 to 1993, most of it on electrical modernization. At Buchanan Elementary School, officials spent \$ 478,000 to replace boilers -- and closed the school the next year.

Vacant schools present another problem.

In 1982, the school board and Mayor Marion Barry agreed that they would lease or sell closed schools and use the ensuing income to fund capital repairs.

In 1993, then-D.C. Auditor Otis H. Troupe examined 43 leases written by school officials and dismissed the vast majority as giveaways. From 1990 to 1992, the school system collected \$ 1.3 million from leases on 43 buildings, Troupe found.

Troupe discovered that school officials violated the leasing program by spending most of the rental income on office supplies and personnel services -- and not on school repairs.

"It was self-dealing, self-serving behavior at its worst," Troupe said recently.

School officials fared little better in their attempts to sell schools. The school board and Barry have sold two of 22 schools closed since 1989. And the board claimed the most valuable building, Franklin School at 13th and K streets NW, as its proposed headquarters.

School officials place the value of Franklin at \$ 5 million to \$ 8 million. They estimate that the sale of three or four other vacant schools might reap \$ 15 million more.

Williams helped oversee the closings of military bases as a general with the Army Corps of Engineers. He has inspected 43 schools in his first 37 days on the job, and he views his civilian task as no less difficult or necessary than

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base closings.

"I want to make a decision based just on the facts," Williams said. "We're going to have a closure policy for schools and a revenue and reuse policy, and they'll go forward at the same time." And he vows to reexamine the plans for Franklin.

"The truth of the matter," Williams said, "is that where to put the school board is not my highest priority."

'A Power Struggle'

Reform of the system has long presented its own problems. For years, school officials treated even the most modest, parent-driven attempts to repair and build better schools with suspicion and hostility.

Thus, few parents knew what to make of Williams's visit last month to Oyster Elementary School, a decrepit school in upscale Woodley Park. He hobnobbed with parents and the school's well-regarded principal and hailed their innovative plan to allow a private developer to erect a high-rise building on the Oyster site at Calvert and 29th streets NW. In return, the developer would build a \$ 5 million school in the new building or alongside it.

The parents even obtained grants so their project might serve as a model for public-private partnerships in Washington.

By itself, Williams's visit, and his subsequent, supportive letter to bidders, might seem unexceptional. But not in Washington.

"School officials have always said they loved the idea of finding private money," said Filardo, who founded the 21st Century School Fund as a spinoff of her efforts as a parent activist at Oyster. "But what's always been lacking is any operational commitment to move from saying, 'It's a good idea,' to doing it."

Before this year, D.C. school officials seemed willing to watch the project fail.

School officials let the specifications sit on their desks for months. They demanded the bilingual school install costly science labs -- a feature rejected by the parents. And when the school board approved the plan, officials waited nine months before requesting bids.

"It was a power struggle," Filardo says. "They [school officials] wanted to control it. . . . What they didn't understand was that they could kill this through bureaucratic inertia."

Filardo says similar partnerships could generate \$ 30 million to \$ 40 million in private money for new school construction in the District, helping parents to accept the closure of antiquated schools.

Such a program seems tailor-made for Williams and Becton, who speak often of public-private partnerships as the schools' salvation. "You have to demonstrate you can manage and innovate before you can put your hand out," Williams said. "But everyone in this town knows you need money."

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Such words fall lightly on Filardo's ears. She enjoys the rare expression of support. But she's not ready to proclaim a new millennium, not yet. Too many have promised reform, and too few have delivered.

She notes that Becton and Williams have taken, of late, to demanding large infusions of cash as a precursor to reform -- justifiable demands but a difficult argument in the current political climate.

"Right now, Williams and Becton get credibility by being new," Filardo said. "But it's not that easy. They have to show they can walk through fire."

GRAPHIC: Photo, dudley m. brooks; Photo, bill o'leary; Photo, Aris Economopoulos for TWP; Chart, The Washington Post, A STATE OF DISREPAIR D.C. public school buildings and infrastructure are falling apart at a much faster rate than the national average. Percentage of schools with inadequate features D.C. National Average Exterior walls, windows, etc. 72 27 Roofs 67 27 Heating, ventilation and AC 66 36 Plumbing 65 30 Lighting 53 25 Safety codes 51 19 Electrical power 50 26 SOURCES: GAO Reports -- School Facilities: Profiles of School Conditions by State; Condition of America's Schools About the Series Called out of retirement, Julius W. Becton Jr. is three months into his new job as chief executive and superintendent of District schools. With nearly carte blanche powers to fix a public school bureaucracy that was given straight F's late last year by the D.C. financial control board, Becton faces a host of challenges that The Washington Post is detailing this week. Sunday: A mountain of wasted money. Yesterday: A bureaucracy rife with cronyism. * Today: A crumbling physical plant. Tomorrow: A special education system that doesn't deliver. Thursday: A child struggles to learn to read. James Walton, the building manager for Wheatley Elementary School, has his hands full keeping the school's aging boiler system running. Maintenance engineer Martin Proctor faults poor drainage for making the roof at Marie Reed Learning Center "a \$400,000 birdbath." Only six years old, the roof is starting to leak. During a tour of Lafayette Elementary School, D.C. Council member Kathy Patterson (D-Ward 3), right, talks with Kate Hill, of the Home and School Association, about the boiler system. Kingsman Elementary School in Northeast Washington was closed in 1993, then was van

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HEADLINE: Students Caught in a Cycle of Classroom Failures

BYLINE: Valerie Strauss; Sari Horwitz, Washington Post Staff Writers

BODY:

Hal Coates, a rangy 14-year-old with cropped hair and coal-black eyes, opened a workbook to study two-syllable words. Asked to pick them out of a sentence, he spotted "mittens" and "jacket" but missed "before" and "seven." Ninth-graders should have known them, but Hal is years behind in vocabulary and comprehension.

Learning to read has long been a crucible for Hal, who entered third grade comprehending like a late first-grader. His reading test scores last fall, when he entered ninth grade, were on a third-grade level.

Ask a handful of his teachers why he was promoted year after year, and they say they did their best. "Maybe," said his third-grade teacher, Margie L. Brown, "there's nothing you can pinpoint as the reason. . . . He just fell through the cracks."

But the system's cracks are deep and wide. Tens of thousands of children trek through the D.C. school system without ever mastering reading and comprehension skills. Standardized test scores, which show that 70 percent of 11th-graders test below grade level, are among the worst of any U.S. city.

Hal may have been rescued; he is in a special reading program operated by Sylvan Learning Systems Inc. at his school, the Patricia Roberts Harris Education Center in Southeast Washington. But other students are trapped in a cycle in which they fall behind early and never catch up.

Breaking that cycle and reestablishing academic integrity in a system where at least 40 percent of students drop out or leave is a preeminent task facing the school system's new managers.

"It is absolutely essential," said D.C. Council member Kevin P. Chavous (D-Ward 7), the new chairman of the council's Education Committee. "There is a real correlation between the kids who can't read and then the resulting problems in truancy and dropout rates, gang activity and eventually even Lorton [Correctional Complex]. Eighty percent of the people in Lorton are illiterate."

The new D.C. school chief executive and superintendent, Julius W. Becton Jr., has said he ultimately will be judged on whether he can transform classrooms.

"It's intolerable to have a school system perceived to be on a Third World standard," Becton said. But he acknowledged that it will be the next century before classroom changes are significant enough to raise test scores.

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Interviews with Hal, his mother and his teachers as far back as elementary school, as well as with dozens of other students and educators, reveal how difficult a challenge lies ahead.

Indeed, many problems are beyond the reach of educators. The breakdown of families plays a role, as do violence and drug use. Breakfasts of potato chips and lunches of candy bars have weakened young minds and bodies. In some neighborhoods, academic success is shunned.

But the D.C. school system has contributed to its own failures, many educators in the system concede. "You have to rate it on the outcome," said James R. Daugherty, head of personnel at D.C. schools for three years until he was fired in November by then-Superintendent Franklin L. Smith, "and the outcome is not to the standard we want."

A Problem Begins Early

Ask Hal how he fell so far behind, and he says he didn't, that his teachers are wrong. "I just didn't feel good that day I took the test" last fall, he said.

Ask his mother what happened, and she says she doesn't exactly know. "I always thought he did okay," Inga Coates said.

Hal's reading problems began early, according to Brown, his third-grade teacher at Anacostia's Wilkinson Elementary School, which has classes up to the third grade.

When Hal arrived in Brown's class, he was not attentive, hung out with troublemakers and read on the level of a late first-grader, Brown recalled. Hal doesn't like to talk about it now, but Brown said he knew he didn't read well and sat in the back of class quietly to avoid being called on -- and then laughed at.

Third grade is a pivotal year for a child's development, educators say, when youngsters make a big leap toward operating independently.

Hal's classroom at Wilkinson was in a vast open area that holds about a dozen classrooms separated by cardboard dividers. The school is one of more than three dozen in the city built several decades ago as an experiment that many educators now say was a mistake, in part because of noise.

Recognizing that Hal needed help concentrating on his studies, Brown said, she sought out Hal's mother.

Coates quickly injected herself into Hal's education, reading to him and making sure he did his homework, she said.

Coates, who dropped out of Anacostia Senior High School more than 15 years ago, is now, at 32, working on her general equivalency diploma, or GED.

With it, she hopes to get a job and raise her income beyond the government assistance she receives to help support Hal and his older sister. Like 60 percent of the students in D.C. public schools, they're eligible for free lunches, considered an indicator of poverty.

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Brown said she worked with Hal by stressing phonics, employing reading resource teachers and persuading him to make different friends. By the end of third grade, she said, Hal was reading on the level of someone just entering that grade. But instead of keeping him in the class for another year, Brown promoted him.

"When I feel that child has done the best they can, keeping them back is more of a negative motive," she said. "They will be a discipline problem," and "it makes them feel they haven't done [accomplished] anything."

Promoting children who have not succeeded in their current grade has been a longtime practice in D.C. and other public schools.

"With a lot of students, if they are not a serious problem, you give them the benefit of the doubt and you give them a D so they can go on," said Otis Reynolds, Hal's eighth-grade English teacher.

The D.C. Board of Education passed a resolution in the late 1980s barring "social promotion," but several teachers said the practice is still alive informally. It is formally in place in at least 50 schools that have a "continuous progress" program for grades 1 through 3.

Under the program, students are promoted -- no matter how they have progressed -- and teachers must gear studies to the level at which they find the youngsters. Some teachers complain that the practice increases their workload impossibly; others say it is a smart approach because children develop skills at different stages and ultimately catch up.

Brown said that when she recalls Hal's time in elementary school, she believes he should have repeated first grade. But that is no longer an option at her school, which now has the continuous progress track.

That approach is one of many experiments D.C. schools tried in recent years to raise test scores. The experiments include emphasizing self-esteem, in which teachers do not correct grammatical and other mistakes to encourage writing; thematic learning, in which instruction is related to students' everyday lives; and whole-language learning, which diminishes phonics and concentrates on literature.

Test scores during this decade have worsened.

Since 1991, there has been a net decline in reading skills as measured on scores on the standardized Comprehensive Test of Basic Skills, given each spring to students in third and sixth and ninth through 11th grades.

What makes the plunge even more alarming is that many teachers -- hoping to raise test scores -- give students an advance look at the test before the official testing day, according to Dale Kenney, a teacher in the D.C. public schools for 28 years until she retired last year, and to several other teachers and school officials, who asked not to be identified.

Another, more rigorous standardized test, the National Assessment of Education Progress, given every two years to students in different grades, reveals similar results. The D.C. average was lower than that of any school system across the nation.

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The consequences of slowed early learning follow students, showing up with them at the University of the District of Columbia and in the military, for example. In the late 1970s at UDC, it took one year of remediation on average to bring D.C. public school students up to speed; today, the average is about two years, according to sources at UDC and in the city government. Likewise, a majority of D.C. public school graduates who took the U.S. Armed Forces Qualification Test -- a vocational aptitude exam -- got a failing grade in 1994, the most recent results available.

"It's so much worse than people think or could even begin to imagine," said Dennis Goodman, a former substitute teacher who directs a tutoring program in D.C. schools.

Abundance of Obstacles

Though Brown said Hal was not reading on grade level when he entered fourth grade, his teacher for that year, Noreta Gwynn, said she believed that he was.

Hal had moved to Moten Elementary School (which has grades 4 through 6) in Southeast Washington, near where he lives with his mother. It is a tough neighborhood, his mother said, and she worries about whether the violence will catch up to her boy.

Inside the schools, violence has caught up to teachers. In the District, teachers are subjected to levels of violence at twice the national average, according to a 1995 report by the quasi-governmental National Education Goals Panel.

Gwynn remembers Hal as "a sweet child" who gave her no trouble and made average grades. Academically, he was on target, she said, and she did nothing out of the ordinary to help him improve his reading. Gwynn also recalled how supportive his mother was.

Not every student is as lucky in that regard. With nearly 60 percent of District families headed by a single parent, according to statistics from the nonprofit Annie E. Casey Foundation, it is becoming more typical for parents to be too busy working -- or simply uninterested -- to be involved in schoolwork, numerous teachers said.

Atop that problem, at more than a dozen elementary schools there no longer is a trained librarian or a library. At middle and high schools, they are required for accreditation, but some elementary school principals decided they cannot afford them.

That happened this year at Adams Elementary School in Northwest Washington, where the librarian lost her job and the library was closed. "The library was just starved," said Kathleen Wills, an Adams activist. "We had something like 200 books in it, and they were so beat up, you could open the books and see smashed-up roaches in them." The school opened a family literacy center for adult education instead.

Beyond a lack of resources, there are growing concerns that some District teachers do not perform at a basic level, according to former personnel director Daugherty and others. Although many teachers perform miracles every day, others have either insufficient training or motivation.

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That is why school officials have begun a program at 23 schools to retrain teachers in more effective and modern instructional methods, primarily for reading, and then monitor them. "They don't like it, but they are doing it," said a high-ranking school official. Hal's current school is one of those involved in the program.

A fall survey by the D.C. financial control board of nearly 300 classes found that 32 percent of teachers do not have the certification the D.C. system demands they have within a year of their hiring. Though certification does not guarantee that a teacher is more effective, Washington Teachers' Union President Barbara Bullock said that in some cases in the District, it is a valid measure.

"We have teachers not certified to teach math, social studies and English, but they are. It's awful," she said, accusing school officials of laying off experienced, certified teachers last year to hire less expensive, untrained teachers.

Daugherty denied there was an effort to force out certified teachers. But he acknowledged that the system often takes uncertified ones.

"Why do we hire those people?" he asked. "Because we can't get fully certified people. . . . I mean, when they read in the papers every day that the system is failing, who wants to go to a failing system?"

Yet most teachers receive high ratings from their superiors. The last scores made public, in 1992, show that seven of 4,516 teachers were marked unsatisfactory. The rest were rated satisfactory, very good or outstanding. Several principals said nothing has changed since then. A key reason, they said, is the time-consuming process required under the teachers union contract before a principal can deliver an unsatisfactory rating.

Bullock said she is not a fan of the complicated evaluation but wants fairness. "A lot of these evaluations are a lot of window dressing for principals to use at their own discretion," she said.

Daugherty said that of the estimated 5,200 teachers in the system for the last few years, approximately 400 must be replaced each year because of retirements and other reasons. Principals sometimes must accept as replacements teachers already in the system who may have lost their positions at other schools.

Sometimes, though, recruiting from the outside can be done. For example, Patricia McCrimmon, principal at Neval Thomas Elementary School in Northeast Washington, said she found a few teachers this year "through the grace of God." One, she said, was a friend of a friend's daughter.

Ask Chavous about teachers, and he talks about principals. "A school is only as good as its principals," he said, adding that he wants to improve the city's principal corps by instituting a training program.

When Daugherty entered the system in 1993, he said, there were 35 acting principals, meaning they were in those positions without any formal selection process. Becton's new assistants are reviewing the status of acting principals.

Going Through the Grades

Donna West was Hal's sixth-grade teacher, and she said he was "a very good student," though better at math than reading. "I had to push him a bit" to improve his reading, but she said she thought he was on grade level.

West said she never thought about retaining Hal -- and in fact, she said, has not held back any student for several years.

When Hal was in her class, she said, sixth-graders were divided into two reading groups, and he was at the top of the lower group. His biggest problem -- like most students who have trouble reading -- was comprehension.

Hal moved to seventh grade at Douglass Junior High School in Anacostia, where his English teacher, Winfred Lynch, said he doesn't remember him. "I've had so many kids."

During this decade, teachers had been responsible for a steady number of children. But in the current school year, the number went up an average of two students in each elementary and junior high class, to 27, and up four students in senior high classrooms, to 29.

"Quite a few of my seventh-graders are behind," said Lynch, adding that he tries to get them to read as much as they can. "But you can't bring them up to seventh-grade level in one year."

Lynch tests incoming students by, among other things, showing them a paragraph with incomplete sentences on the same page as a list of the omitted words. The challenge is to insert the words properly. Some students can't do it, and some write so badly "you can barely understand" them, Lynch said. Infrequently, Lynch said, he will force a student to repeat the grade. Hal was not one.

When Hal left Lynch's class, he went to Patricia Roberts Harris for eighth grade last year, and that is when his mother said she noticed his grades dropping. The decline was so steep that after making the football team, he was kicked off.

"I don't think his teachers were helping him improve," his mother said. "Last year, he just skated through." Now, she wishes he had been held back last year -- and in years past.

Coates said she considered calling an organization such as Big Brothers to find a mentor for him, but she did not. "I think he has low self-esteem," she said. "He really tries hard to do his best, but sometimes he won't ask a lot of questions. I'm working on him to speak up a lot. The teachers can't read his mind."

Otis Reynolds, Hal's eighth-grade English teacher, said he could not recall what Hal's reading level was then, but he was sure it was lower than it should have been. What he remembers most about Hal, he said, was that he was an average student who was not disruptive. Reynolds said it did not occur to him to hold Hal back. Hal said he did all right in eighth grade, earning a C in history, a D-plus in math and a C in English.

The Washington Post, February 20, 1997

Making Progress

When Hal reached ninth grade in the fall, his counselor and teachers realized he was behind in reading. High school teachers say it is extremely difficult for them to teach basic reading because they haven't been trained in those fundamental skills.

To help Hal progress, he was placed in the Sylvan Reading Program, introduced into the District in 1994 by Smith, the former D.C. school superintendent.

The program is now at four middle schools, four high schools and an elementary school, helping 1,500 students at a cost of \$ 2 million a year for the next two years. Sylvan officials guarantee that they will raise test scores by two percentile points after 64 hours of instruction or give free added help to a child. At Patricia Roberts Harris, 150 of the school's 1,000 students attend -- with hundreds more eligible based on overall academic performance and low reading scores, Sylvan officials said.

The program operated by the private company groups three or four children with one teacher for several hours a week and has frequent tests for comprehension, story analysis, vocabulary and other skills.

When students make errors, they are immediately challenged to fix them, said Kevin Green, who worked as registrar for a D.C. public high school before leaving the public system and becoming education director at Harris's Sylvan program. Students who perform well are given tokens, which they can use to buy items at a store in the classroom. They get no homework -- "We give enough work here," teacher Derrick Eaglin said.

When Hal entered the Sylvan class, he took the California Achievement Test and scored on a third-grade level. "Some things I knew, some things I forgot," Hal said.

Working one day with Green, Hal said he felt he was learning. He said he is doing better in school this year, too, earning B's and a couple of C's, and he got back on the football team.

Hal comes to class regularly, although, he said, "sometimes you are tired and don't feel like coming. . . . Growing up is a little bit hard sometimes."

But Green said Hal is trying to learn -- perhaps to go to college one day, Hal said. His teachers said they believe he can continue to progress if he keeps coming to class.

Hal proved that one day, as he divided words into syllables. After making errors on an exercise about two-syllable words, he studied them and tried again. This time, he properly divided "seven" and "before," along with eight other words.

As Green handed back his test with a "100 percent" on it, the taciturn Hal smiled, ever so slightly.

At 14, Hal now reads at a fifth-grade level.

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HEADLINE: BASIC TRAINING; 'Children First!' is the rallying cry in General Becton's campaign to remake the D.C. schools. But there are times when the system he inherited won't allow it

BYLINE: Peter Perl; Debbi Wilgoren

BODY:

The concept seemed simple and, for the D.C. public schools, unprecedented: Workers should be able to account for their time on the job. From now on, all 2,000 custodians, security guards, building engineers and cafeteria employees would have to report what they did. Every week, in writing, on a basic one-page form.

After former U.S. Army Gen. Julius W. Becton Jr. took command of the city's schools last November, he vowed to get rid of those workers who had "retired in place." By February one of his deputies, former U.S. Army Gen. Charles E. Williams, had come up with the Daily Accountability and Performance Report.

As they did every Friday, Williams's key staffers assembled at precisely 9:45 a.m. in a ninth-floor conference room in school headquarters for their progress report on efforts to rebuild the system's decrepit infrastructure and ineffectual bureaucracy.

Williams, as chief operating officer, had encouraged each of his divisions to adopt mottoes to build esprit de corps and to reinforce Becton's overarching theme for remaking the District schools: "Children First!" As the squad leaders -- including four newly hired career Army officers -- reported to Williams, they began this way:

"Good morning, sir. Our motto in security is: Security is everybody's business . . ."

"Morning, sir. My motto is to prepare facilities to put children first . . ."

"Good morning . . . Our motto in administrative services is: A total commitment to keeping the children first."

Betty Wiggins, the chief of food service, looked down at the motto she'd typed out: "Working action plans will allow us to put children first." But she spontaneously bagged it for something snappier. "Our motto is: Feeding the future by putting children first." General Williams, as most people address him, smiled.

He is a short, compact, intense man of 58 with a background in engineering. He piloted a helicopter in Vietnam, rose through the ranks to regional command of the Corps of Engineers and, after retiring from the military, ran the \$ 4

billion New York City School Construction Authority. At this late-February meeting, he was particularly eager to hear about the first weeks of Daily Accountability.

Everyone agreed that it was a good idea. Wiggins, though, reported that she was having her managers fill out the forms rather than her nearly 600 workers, as intended. Williams looked at her quizzically.

"I have folks who cannot read," she said. ". . . I have mentally retarded people and people who just can't read and write."

Williams recoiled slightly. "We have people who can't read?"

"Yes, sir."

"How do they know if they are putting salt or pepper in something?"

Wiggins frowned and shook her head.

"We also have the same situation with custodial people and engineering," said Harold Johnson, chief of maintenance and facilities. "They cannot read, and they have problems writing."

"They cannot read?" Williams looked stunned.

"Yes, sir," Wiggins and Johnson answered. Others at the table nodded.

Williams spoke firmly. "I have as big a heart as anyone, but we are not running a training factory here . . . I have to have the names, and we have to do something."

Wiggins explained that she had as many as 17 retarded people on the payroll, including some "who sit and don't do anything."

"Betty," Williams said, "that was a government dump, and we can't operate a program that way anymore."

Williams clearly was shaken, but characteristically positive. "This shows the value of the accountability report," he declared. "This is good news. This is how an accountability system works."

Afterward, his managers would estimate that one-tenth to one-quarter of the support staff was illiterate. They would adapt the new system to account for this.

Only later would Williams have a chance to reflect on the fact that most of these functionally illiterate adults were a product of the school system he and Becton had pledged to fix.

The takeover of the District of Columbia public schools was a dramatic act -- a coup of sorts.

Six months ago, the D.C. financial control board declared a "state of emergency" in the schools, fired Superintendent Franklin L. Smith and stripped the elected Board of Education of virtually all its powers. In their place,

the control board installed a chief executive officer and a nine-member transitional board of trustees.

Just like that, the control board shattered a power structure that had been failing for years -- a system in which administrators had diverted money from schools to a bloated central office, principals had been pressured to hire cronies and relatives of school board members and other city officials, and teachers had faced no more accountability than the students to whom they had given unearned promotions.

Rebuilding such a system would take time: For each of the headline-making displacements and replacements, there would have to be countless incremental changes in the way the schools operated, changes that added up to nothing less than a cultural revolution. For that mission, the control board chose Becton.

He is a man suited to emergencies: Career Army, combat veteran of three wars, Becton at 70 is a calm yet restless man who has retired and unretired three times. In the 1980s, the three-star general left the military after 36 years, only to take over the scandal-racked Federal Emergency Management Agency. After a solid tenure at FEMA, he retired again -- until he was asked to take charge of foundering Prairie View A&M University in Texas, his alma mater, which was suffering many of the failures the District's schools now face. After five years, he was widely credited with improving the school's academic and financial status.

Becton, the son of a janitor who never made it past third grade, attended top public schools along Philadelphia's Main Line because his family lived in an apartment building his father cleaned. He sent all five of his own children to District public schools when he was stationed here in the 1960s. And, as he told a Black History Month assembly at a middle school in February:

"I have ridden in the back of that bus, and I have sat at that segregated lunch counter, and I have traveled many miles with my family looking to buy gas and to use the restroom . . . and I was taught that if we got that education, you can never lose it. Let me say that again: If we got that education, you can never lose it."

As soon as he took the job, Becton issued his pledge to put "Children First!" He also began to discover just how complicated that would be:

The school system's aging inventory of more than 200 buildings needed as much as \$ 2 billion worth of overdue repairs and had nearly 9,000 backlogged work orders. The personnel department could not even locate all of its 10,000 or so employees, some of whom were nonexistent or dead. The finance system had kept two sets of books, hid a growing deficit, secretly shifted funds among accounts and left at least \$ 6 million worth of bills unpaid.

Thirty-five "acting" principals held on to their jobs without ever having gone through the legally required competitive selection process. An estimated 32 percent of teachers were uncertified in their subjects. Teachers were held to such low standards that only 16 among some 4,500 were rated unsatisfactory last year.

About 70 percent of high school juniors tested below grade level. The dropout rate was 40 percent, by some estimates. Standardized test scores were among

the worst of U.S. cities -- and declining. And the longer students stayed in District schools, the further their scores lagged.

From his 12th-floor command post in a downtown headquarters off Pennsylvania Avenue, Becton set out to remake the system.

He imposed a new corporate structure, modeled in part on the 1995 Chicago school takeover, with chief officers for academics, operations, finances and human resources. A militaristic chain of command took effect. More than 40 administrators -- and more than 140 other employees -- were removed. Conversations were peppered with new acronyms -- indeed, a whole new language that bespoke discipline, organization and unswerving dedication to children. Becton was putting in 12-hour days that included frequent and sometimes stormy public appearances.

In his first six months, Becton says, he was pleasantly surprised to find more good people in the system than its reputation suggested. "All they need is a little Leadership 101," he says.

The system, however, kept throwing up other surprises as well -- diversions from Becton's initial assault. Fire code violations sparked a new round of court-ordered school closings. Stabbings and fights erupted at one high school, then another, and at a junior high. Teachers walked out at Anacostia High to protest a colleague's arrest after a confrontation with a student. At an elementary school in Southeast, nine unsupervised fourth-graders were involved in a sexual episode, and a teacher was arrested on charges that he had made sexual advances to a 14-year-old student. On top of those crises, many students and parents greeted with anger and suspicion Becton's plans to close up to 16 schools, including some of the city's best.

Becton cautions that he is a manager, not an educator, and that educational reform takes years. The handful of American cities that have had takeovers or consolidations of school systems in recent years -- Cleveland, Chicago, Newark, Jersey City -- may have improved their administrative systems, but they are still awaiting demonstrable academic progress. Despite these and other efforts at education reform, there is no national consensus on what works.

In Washington, the promise of reform has raised expectations. Some people are seemingly frantic to stop the decline. Others -- supporters of a democratically controlled school system -- are angered by the takeover and by the mostly closed-door proceedings of the emergency trustees. But even some residents who backed the takeover are losing faith.

Their reaction suggests one of the most pressing complications underlying this revolution: Its leading general is a creature of the control board, which is a creation of Congress. Becton's powers are sweeping, and he answers to no elected officials. He has pledged to hand a new school system back to the elected school board and a new superintendent by June 30, 2000.

"If they don't succeed, I don't know where we go next," says Mary Levy, a longtime school-activist lawyer. "We have tried democracy, and now it is dictatorship. If dictatorship doesn't work, then what?"

The heckler was waiting.

"I am optimistic. Optimistic because the D.C. community is interested in schools," Becton declared in a robust baritone that filled the auditorium where 175 members of the Chevy Chase Citizens Association had crowded. When he preaches about schools, Becton has a commanding, bottomless voice, a voice like the Lord's in a biblical movie. He slices the air with his large hands for emphasis.

"Our employees are beginning to respond," he said. He had recently canceled a wasteful \$ 14 million janitorial management contract, entered into an improved food service arrangement through the Department of Defense, and, that very day, hired a new director of special education and talked with federal officials about restoring a \$ 17 million science grant terminated a year ago because of the school system's incompetence.

Becton was just beginning to beseech the good citizens to volunteer as helpers and mentors when the heckler shrieked: "Fix the boiler!"

Becton appeared startled, particularly because the jeer came from a proper-looking gray-haired man in the second row. Becton continued to outline the demand for tutors, computer assistance and countless other needs at schools across the city, including nearby Lafayette Elementary.

"And they need a boiler that works, too!" the old man yelled.

"Okay! We'll talk about it!" Becton shouted, his face hawk-like. But he refused to change the subject just yet -- to give in to what his team would call an "ankle-biter," which is their term for the naysayers, the citizens who have been burned by the system's failures and will not yet hazard any confidence in its fifth superintendent in 15 years.

He stressed to the overwhelmingly white Ward 3 crowd that he was committed to improving schools citywide, so that Rock Creek Park would no longer represent a "barrier" to quality between east and west. All children, he said, quoting the author Graham Greene, encounter "a moment in childhood when a door opens" to learning, and the system must be ready to serve all equally.

A mother from Woodrow Wilson High School stood to say that the PTA recently had laid out \$ 10,000 to pay four teachers who were inexplicably not getting paychecks and \$ 5,000 to pay for the school's photocopying. Near tears, she sought Becton's assurance that teaching staff would not be cut. "I don't want sweet talk," she said. "I want details."

Becton conceded that school payroll and finances were a mess and vowed that they would be fixed, with more resources going to classrooms. He noted that the superintendent's staff already had been cut by 40 percent. But to solve fundamental problems would take money, he said. "We need relief."

"That's why you're here!" the old man shouted. "To give us relief."

Becton assured them that academic experts were working to revise curricula, draft new guidelines for teacher and principal evaluations, and tighten standards to eliminate social promotions and graduations.

"How long will all this take?" someone asked. "Are we talking five years? Ten years?"

"No! No!" Becton answered. "I am 70. I am not going to be around here five years. I hope to see changes in things you can feel and touch. I don't know when we will see changes in test scores."

The heckler had had it. "General!" he thundered. "Will you go personally and inspect the boiler? I want to know! Will you come out there?"

"No, I will not! No!" Becton thundered back. "But I know who will go! Another general, who works for me . . . and if Chuck Williams says the boiler will be fixed, it will be fixed."

There was a murmur in the crowd at his mention of "another general." True, Becton had recruited no fewer than six career military officers for his staff, but now he sought to reassure his audience: "Please don't be fretful because we have military people working for us . . . There are only two prerequisites for my team -- unwavering commitment and ability."

Becton drew applause at several points, the loudest when a woman stood and said: "I just want to thank you, because we know you didn't have to take this job."

At the end, a crowd pressed in on Becton, as usually happens at his public appearances. Many offered encouragement; many others wanted something. Could he help them? Would he visit? How could their school get a substitute? He pointed out several of his assistants in the audience. He could not do all these things himself. He told them he relied on the chain of command.

The system's 20 top educators sat around a rectangular table to plot the future for principals, teachers and 79,000 students. Even the nonmilitary wing of the new school hierarchy -- no career soldiers here -- at times talked like an army under siege. They were anticipating fierce attacks if they actually changed the rules.

"The beating will be a vicious one. Systemic change cannot happen tomorrow," warned Mildred Musgrove, a longtime principal Becton appointed as the CAO, or chief academic officer.

Musgrove was presiding at a daylong retreat at the Sumner School in Northwest, where officials from her office were drafting new goals and strategies. The overall aim, they agreed, was to help all children "to become literate, productive and responsible citizens." To achieve that, the schools would have to raise academic performance, daily attendance, standardized test scores and the graduation rate -- while reducing the dropout rate, the level of violence and the deterioration of buildings and programs.

But achieving some of these goals would be painful, Musgrove said, because it would mean denying students promotions and graduation unless they met standards and, ultimately, firing those teachers and principals who could not perform.

"We have some of the best-looking policies around. It's all written down," Musgrove said. "Now we are saying we are going to enforce it." She predicted, for instance, that 50 percent of third-graders might not meet national standards on new, more demanding standardized tests. "We will take a beating," she repeated.

Musgrove, who has been working in the D.C. system for 27 years, is among a pool of candidates from which Becton is expected to select a permanent chief academic officer, who would become Becton's likely successor as superintendent. A precise, diligent woman who favors bright colors, she wore three rings on one hand and two on the other, along with a gold lapel pin that spelled "Children First" -- a piece of jewelry she had acquired five years ago, long before Becton's arrival.

The educators -- almost all holdovers from the Smith administration -- broke into groups to draft specific targets and dates for changes in curriculum, testing and evaluation of faculty.

"Remember, it has to be in 7-Eleven language," said Maurice Sykes, the deputy CAO, "so the people in the 7-Eleven understand what we are talking about."

The discussions stretched through midafternoon, when, with 90 minutes left, Becton arrived and quietly took a seat. Work groups were joking and bantering, and some people didn't even notice him at first. The session was considerably longer than Becton's no-nonsense meetings, and a few eyes began to close in the late afternoon, including the general's.

Musgrove asked Becton to speak, and he thanked everyone warmly for their efforts. He called on them to help change the basic culture of the schools, particularly by helping principals resist outside interference and devote themselves to excellence. School insiders, like these 20, knew very well that principals for decades had been asked to hire political cronies, overlook incompetence, ignore school boundaries and forgive even serious misbehavior by some students.

"I am concerned about principals who are forced to deal with an emergency control board, the elected school board, the city council," Becton said. "We got people thinking, 'Becton and company are going to go away in the year 2000, and I've got to please these political people.'"

These principals are "stuck between a rock and a hard place," the general said. "I don't want to put them in jeopardy, but I want to help the system . . . and we are going to make it work."

He departed then, and left it to the education people to figure out exactly how.

"General Becton said teachers are going to get a pay raise, and principals, too," Melvin Blackwell told his boss. "But nobody talks about us."

Blackwell, chief custodian at the Marie Reed Learning Center in Adams-Morgan, was complaining to George T. Coleman that he had not had a single raise in his \$ 14 hourly pay for eight years. "And they wonder about morale! . . . That is not good for morale. Custodian has to do cleaning, maintenance, toilets, floors. I don't want a \$ 10 raise. I want 50 cents! They don't care about morale. People need a raise!"

"It ain't going to happen," said Coleman, a serious, muscular man who has been a school building engineer since 1970 and supervises 126 people in 22 buildings.

"It is not fair," said Blackwell, who, at age 50, had been working for the schools since 1968. School officials were saying they'd be placing more demands on custodians. A pay raise should go with it.

"I know," Coleman replied, "but it just ain't going to happen."

"You are losing good people."

"That's the way life is." Coleman shrugged.

"I am putting in my resignation!" Blackwell declared.

"I respect that," Coleman said. "That's your right."

The two men were waiting to escort their boss, Harold Johnson, around the Marie Reed building on a Saturday morning. The longer they waited, the angrier Blackwell got.

Finally, Johnson arrived in casual clothes and a baseball cap. He is an earnest, bespectacled man of 30 who has been working in construction since he graduated from Coolidge High School and the University of the District of Columbia. Johnson speaks of the achievements of his boss, Gen. Williams, in awed tones. As Williams's chief of facilities and maintenance, he oversees repairs of fire code violations, school certification inspections and the nearly 9,000 backlogged work orders.

"Mr. Johnson," Blackwell said the moment Johnson entered. "I am putting in my retirement papers on Monday."

Without hesitation, without question, Johnson replied: "Okay, good."

Done.

"Every day we are getting rid of people. I am signing dismissal orders every day," Johnson said afterward, his face betraying no emotion. "I am going to enforce policy. There is no time. We are in an emergency situation, and if you can't do the job, take an early out."

Johnson said he wished Blackwell well. He estimated that nearly half his custodial work force of 900 was not qualified to do some of the work required. Virtually all were classified at a Grade 3 level -- which pays \$ 11 an hour and specifies not only cleaning, but also minor repairs such as doorknobs, light fixtures, tiling and small carpentry jobs. But, he said, only half could perform Grade 3 tasks. The rest could do only basic cleaning and should be classified as Grade 2, at \$ 8 an hour.

He said he planned to reclassify jobs based on workers' actual skills, and to require performance. "Why should we have tax dollars pay for this learning curve?"

Shortly, Johnson and his deputy, Sam Sakati, a newly hired construction engineer, visited Browne Junior High in Northeast, where the school system's lone in-house roofing crew was repairing a flat tar roof. The seven-man crew had finished only two jobs in the last two months, and there were 125 other roof repairs overdue.

The Washington Post, May 11, 1997

Johnson leaned out an upstairs window and yelled to the crew over the noise of machinery. "What job do you have next?"

"Don't know," shouted the senior worker, a gray-haired man.

"You don't know?" Johnson yelled.

"No."

Johnson was furious. The previous roofing supervisor had been dismissed, and the current one, who was not present and also was not a roofer, wasn't keeping to any schedule. "This is unacceptable," Johnson muttered.

He called over the senior roofer, who identified himself as Mr. Coleman, and said, "Mr. Coleman, we have 120 roofing jobs. I need you to look at the work orders and get it done. Mr. Coleman, we are just not going to have this kind of dysfunctional apparatus." Johnson turned to a co-worker of Coleman's and asked whether he thought the man would make a good crew boss. The guy said yes.

"Mr. Coleman, what pay grade are you?" Johnson asked. Coleman said he was Grade 10, Step 5. Johnson told him that as of that moment, "you will be supervising . . . We will take care of the paperwork on Monday." A battlefield promotion.

Herbert Tillery waved his arms and shouted into the wind as he leapt from his car to run up the steps of Anacostia High School. There stood special education teacher Selvyn Banner, gazing at the bright sky and looking unconcerned.

"You've got students coming out the windows!" boomed Tillery. He used to command the Fort Leavenworth military prison; now, he is Williams's chief deputy, in charge of security.

"So what?" asked Banner. He glanced at the west wing of the red brick building, where more than a dozen students were slipping out a first-floor window, chancing an eight-foot drop, and racing for the freedom of Good Hope Road nearby.

Banner had joined 40 other Anacostia teachers -- two-thirds of the staff -- in refusing to work on a clear, cold Wednesday morning. They were protesting the arrest a day earlier of a colleague on an assault charge after a scuffle with a longtime problem student. Now most of the teachers and union reps were inside, huddled with the principal and administrators from downtown to discuss their grievances. Banner was taking a break.

Gen. Becton had stopped by briefly. Tillery, a native Washingtonian who graduated from Theodore Roosevelt High in 1966, had joined the meeting for more than an hour.

Tillery was on his way back downtown when he noticed the students, who had tired of waiting in the auditorium and cafeteria while the adults argued in another room. By the time he crossed the cement plaza in front of the school and reached Banner, the teenagers were out of sight.

"What's your name?" demanded Tillery, standing only a few inches from the teacher but talking loudly enough for a cluster of nearby reporters to hear.

"Who are you?" the teacher replied.

"I'm Herbert Tillery. I'm the deputy COO. I work for General Becton. Now, what's your name?"

Banner was unimpressed. "I'm an ET-15," he said, giving the civil service code that identifies him as a classroom teacher.

He turned and walked back through the metal detectors at the school's entrance. "I'm an ET-15."

"You've got to learn these little things that will help you survive," said Helena Jones, assistant superintendent. She was sitting as tall as any of the men at the table as she chaired a meeting of her middle school principals. "I call it a survival kit."

Know everyone who works in your building -- and make sure they're all qualified and officially assigned there. Order textbooks on time. Learn the union contract -- and let your teachers know that you have. Put money aside for emergency supplies. Declare hall duty everyone's duty -- librarians, guidance counselors and teachers alike.

"Those people who don't want to work for kids? What we need to do is work -- and work very hard -- to get them fired," said Jones, an award-winning former principal who was promoted last December as part of Becton's first shake-up of senior staff.

Her words bounced off the pale-green walls of what used to be the gym at Logan School, closed 19 years ago for lack of students and turned into an administration building. Around the table, nine middle school principals paid close attention. Jones had been their colleague. Now, she was their boss. Wearing a purple dress with bold jewelry that exuded energy as well as authority, Jones drilled them on what they must do to keep their jobs.

Becton has made clear that he plans to weed out poor principals before the next school year through a new evaluation process. This reshuffling will be a major thrust of the takeover because a strong principal, more than any other single ingredient, is vital to the creation of a good school. Principals who survive the cut will be expected to remove poor teachers from their schools during the coming academic year.

As principal of Roper Middle School, Jones, 52, created success in spite of the school system. She took over classes when teachers were sick, brought cleaning supplies from home or borrowed them from a neighboring church, and begged businesses to donate computers and mentors for her mostly impoverished students. Last month, she was chosen by the Reader's Digest Association as one of 10 "American Heroes in Education" from more than 700 nominees.

Her new job is to help Becton transform the bureaucracy so it will assist principals -- but still hold them accountable. "They are not going to put up with nonsense," Jones said of the new management. "In terms of your budget, you have to stay on top of it. Because if you don't stay on top of it, they will."

Jones introduced her assistants, school veterans Ed Moseley and Ursula Cossel, as secret weapons: Moseley as a troubleshooter who can walk any piece

of paper through the maze of downtown headquarters and Cossel as a former Washington Teachers' Union activist, weaned on the grievance process. Jones encouraged the principals to consult Cossel on dealing with recalcitrant teachers, and to call Moseley any time they get the runaround downtown.

Some of the principals appeared hesitant, especially when Jones told them they had to start evaluating teachers honestly -- even if they never had before. Most teachers are accustomed to years of top ratings, one principal said. They will fight any change in their assessments.

"Yesterday has absolutely nothing to do with today. It's a brand-new day," Jones said.

"That idea still has not sunk in with a lot of people," said Tyrone Hopkins, principal of the Thurgood Marshall Educational Center in Northeast.

Jones was smiling. "I think it will."

This job is Jones's first in the school hierarchy, although she has been offered at least three others in her 30-year career. In the past, she didn't believe the bureaucracy could help children. Now, because of Becton, she does.

She said she believes it because of the way the general said "Children First!" at his initial meeting with principals. By now, it had become a cliché. But as she sat last November in the auditorium of the Rabaut building, another closed school now used for office space, Jones heard it as a clarion call.

"It was said with such sincerity. And I knew how difficult it was going to be, in a school system where children didn't always come first," she said. "And by my believing that he meant it, I wanted to help him. To help him to put children first."

Gen. Williams loves surprises. Every Tuesday and every Thursday, he visits three District schools unannounced to see what shape the buildings are in.

On a visit to Wilson High in Northwest, the general was unhappy to see piles of trash and unraked leaves, McDonald's debris, obscene graffiti and cigarette butts. "The grounds are not policed," he said to Suzanne Conrad, his issues manager, who took detailed notes as she trailed him.

Every problem the general encounters results in a "tasker," written that day, ordering someone to do something. On some matters, Williams sends out "Buc slips" (a variation on "the buck stops here"), which demand a more detailed reaction and a response. When the COO wants to know his total staffing, he orders a "personnel scrub," and when he wants to know who was responsible for what, he has a "complete accountability scrub." Determining the success of an operation requires an "AAR," or after-action review. His nonmilitary staffers often have to find an Army veteran to translate Williams's lingo.

The COO particularly enjoys walking up to employees, asking their names, and asking them to describe their jobs. He expects crisp answers. Touring Wilson High, Williams confronted security guard Ricky Kelly.

"Do you know who I am?" the COO asked Kelly. This was not a difficult question because Williams was wearing a burgundy warmup jacket that said

"General Williams" in white stitching on his chest.

"Mr. Williams," said Kelly, a 12-year school veteran.

"You know who I am?"

"You're my boss."

"Right."

Williams asked, "Have you noticed anything changed?"

Kelly, unsure what he meant, answered hesitantly: "I lost a thousand and fifty hours of sick leave." This happened when security was taken over by a private company a year ago. But it was the wrong answer.

"No," Williams said. "In terms of the recent changes in school management. Have you noticed anything changed?"

"No," Kelly said.

Williams sighed and took a different tack.

"If there was a fight down the hall, what would you do?"

"I would respond to it," said Kelly. Williams frowned and stared hard at him, seeking more.

"I would respond," Kelly repeated slowly, ". . . and radio for help."

"Okay!" Williams smiled, clapped him on the shoulder and said, "We are trying to change the image of the schools. And you are fundamental."

"Front line of defense," Kelly said, smiling.

"Front line of defense," said Williams.

Williams's staff has been unhappy with the \$ 6 million annual security contract it inherited with MVM Inc. of McLean, a company that had never done school security. Williams and Tillery want the security staff of more than 200 to be better trained and more active. MVM recently placed in charge of D.C. school security a retired Army major who, it so happened, used to work under Gen. Williams. The COO smiled coyly in recounting this personnel move, but said he nonetheless had "problems" that he intended to have MVM rectify or lose the contract. Security and maintenance were the key topics for Williams a few days later, when he lectured more than 100 principals for 40 minutes. "There is nothing here I have seen that we cannot fix," Williams told the principals. "Nothing. Nothing. Nothing!"

He told them he had encountered far larger and deeper problems supervising school reconstruction in New York City. Williams was generally given high marks for his three-year stint there, but he did not tell the principals that he left the job with a year remaining on his contract because of political and financial disputes involving the school board, city officials and state legislators.

The District principals, veterans of many speeches from many new school administrators, did not applaud Williams when he was introduced. Nor did they applaud when he finished. Some murmured and even snickered when Williams told them how all support staff would be filling out Daily Accountability forms.

In a question-and-answer session, several principals told Williams they opposed his taking control of support staff; historically each principal has been the complete boss of the building. But Williams was steadfast: "Maintenance people will have to be supervised by maintenance people."

"Change is never overnight," he said. "But I will tell you right now, and not sugarcoat it: We are going to have a grip on facilities management. We are going to have a grip on security personnel. Period. Period. Period!"

Some principals began to applaud.

"You have tried to manage your school, your facilities and your security. And that is too much," Williams said. "Let me look you in the eye and tell you: The system is broken. We know how to fix it. I have supervised thousands of people, and let me tell you, you don't have any problem."

More principals had begun to applaud, and now the applause was getting loud.

"Unfortunately -- and some of you were witnesses -- there was a fight this morning on the first floor." Cardozo High School Principal Reginald Ballard was addressing an assembly of nearly 1,000 people packing the auditorium. "And during that fight, one student stabbed another student."

Gasps went up from the audience -- and laughter in one section, prompting a stern warning from Ballard. He recounted what had happened, explained that it would reflect poorly on the school and appealed for mature behavior from the young men and women. Then he asked if there were any questions.

"How did we let someone into school with a weapon?" asked one student. Hundreds applauded.

"Why don't we have more security?" another asked. More applause.

"Why does it take something bad to happen to get more security?" asked another.

"That is a legitimate question," Ballard said. "And I can't answer it."

This time, there were boos.

Standing in the back of the auditorium were two men who were supposed to be able to answer those questions: Ron McLeod, a retired Army officer who is chief of school operations, and Ralph Neal, a popular longtime principal at Eastern High, recently promoted to assistant superintendent for high schools.

But neither had any answers that morning.

McLeod, who is 60 and usually upbeat, looked around the auditorium and said to Neal: "Look at these kids. They are just kids. Just babies. See these thin faces? They're just kids . . . They need a little love."

Neal shook his head. "A lot has changed in the last few years. Kids are changing. They are raising themselves."

"My mother went to this school" around 1930, McLeod reminisced. It is a very different place now -- with knives and metal detectors, and with signs marking the main staircase in four languages: Down. Bajada. Xuong. Descente.

Several weeks later, McLeod and Neal were at Becton's staff meeting when District police brought in their traveling exhibit of weapons confiscated from schools. There were 38 knives, ranging from kitchenware up to sword size; brass knuckles; three handguns and a rifle. The police officer showing the hardware to Becton's staff said all of it had been recovered this year, and it was only a sampling of the full haul.

"You've got to be kidding," said Becton. "Should we display this?"

"It would be counterproductive," said Tillery, the former prison warden, "because some students would want bigger weapons when they see this."

Tillery, Williams and McLeod outlined to Becton a security plan, part of which involved training all school personnel, teaching and support staff, to take a stronger role in making schools safe.

In the 12th-floor meeting room, they had also set up a new metal detector, which beeped as each staffer entered. Williams's people said the schools' current detectors often malfunctioned, largely because they were bought with no service contract and were poorly maintained. The machines at Cardozo, for example, were useless because they had been cannibalized for parts. The administrators proposed buying 80 new ones for about \$ 200,000.

"This is one of the metal detectors we want to put in schools," McLeod told Becton.

"No," Williams interrupted. "This is one of the metal detectors we will put in schools."

Lewis Norman stood amid a sort of archaeological record of decay, right in the Central File Room on the seventh floor of school headquarters.

Scattered about the 40-by-10-foot room were 35 cardboard boxes -- on the floor, on tables, chairs and ledges -- all filled with piles of paper dating back years. Some boxes were hand-labeled "RIF" and "EARLY OUT." Some bore no label at all.

Thousands more pages were piled into two-foot-tall stacks -- 14 in all -- spread across a large central table. These white and pink sheets were personnel actions -- each page represented a hire, a layoff, a demotion, a suspension, a transfer, a firing, an illness or a death -- and they had never been properly filed.

"They could not even do the filing!" Norman says, the pitch of his voice rising. "It is filing. It's filing. It's just filing." The schools' new chief human resources officer came from D.C. government to the schools last year -- initially on a temporary basis -- after Smith fired most of his personnel staff. Norman inherited a mess the likes of which he hadn't seen in 28 years in

personnel.

He gestured around the room, which is the central repository for the entire system's personnel records. "And this, this has been straightened up," he says. A few months ago, "it looked like a TV movie where somebody has vandalized an office."

This chaos was largely why the school system had become a laughingstock. The files were so poorly kept, officials acknowledge, that many employees who appealed a firing would likely win because management kept such bad records.

After several months' work, school officials had completed a systemwide "personnel scrub" in which hundreds of managers hand-checked computer printouts to establish a tentatively accurate employee count of 10,449 full-time-equivalent positions.

Norman reported this historic finding at a staff meeting, but said he would need 10 days to verify it. The personnel system was still a shambles, he said, would have to be automated, and would need new forms before it could pinpoint who was working where, and in which jobs.

"Do you understand what he's talking about?" Becton whispered to Williams, who shook his head no. Nonetheless, when Norman finished, Becton declared, "Outstanding presentation," and everyone applauded.

Later, Becton says that what was outstanding was that Norman had made a commitment to produce an accurate employee count. "Nobody else has ever done that."

At the Division of Finance and Budget, there were rows of empty desks and old computers gathering dust. This was progress.

Abdusalam Omer, who leads the division, had a three-month head start on the revolution: The financial control board installed him before it took over the schools, in an attempt to wrest control of the system's accounting from Franklin Smith. Omer's revelations of missing money and unauthorized transfers helped set the stage for the superintendent's ouster.

After Becton arrived, Omer remained -- and soon fired 11 top managers and mid-level employees, concluding that they lacked the skills or the desire to fix a half-billion-dollar budget that had been corrupted and mismanaged for years. Since then, he has dismissed or forced into retirement 19 others, for the same reason.

In place of the departed are lots of vacancies and 13 new hires, among them Maureen Griffin, 24, a Connecticut College economics graduate. Since November, she'd been spending her working hours in a cramped, sun-warmed office surrounded by someone else's files, building a sophisticated spreadsheet on a modern Compaq PC that looks out of place amid the older hardware nearby.

Her new spreadsheet digests each school's population, taking into account different grade levels, student disabilities and language needs. Then it spits out exactly how each school should be staffed. By June, it's supposed to evolve into the system's first-ever school-based budget -- a concise explanation of how much money each school needs to pay teachers, buy books and supplies, mop the

floors and serve lunch.

"My plan is to start from scratch. And Maureen's model is the beginning of it," says Omer. The chief financial officer is a slight, often nervous-looking man who emigrated from Somalia 25 years ago, at age 18, and eventually earned a doctorate in public administration and taught American government at the University of Tennessee. Before the control board sought him out, he had served as a budget analyst in Prince William County and in the District.

He speaks proudly of luring five "defectors," including Griffin, from private firms that had been hired to audit and reform city budgeting. The newcomers are better trained and more highly skilled than the people they replaced, and Omer is not shy about suggesting that other school administrative offices, such as personnel and procurement, will have to make similar changes for the takeover to succeed.

New computers have been installed in Omer's division, and linked so that workers can share information. An automated invoice-tracking system was created, along with direct deposit for employee paychecks. For 15 years, the system had issued hundreds of handwritten paychecks each month to employees who weren't listed on payrolls. This practice, which Omer calls "a setup for fraud," left at least \$ 250,000 unaccounted for. "This is accepting defeat from the top, saying that we cannot manage our personnel," he says. "I'm going to shut it down. Forever."

On April 1, he did.

But even at Finance and Budget, the revolution was far from complete. There were still problems with accounts payable, delays in receiving federal aid for poor schoolchildren and myriad unanswered questions -- such as why 624 former employees were receiving early-out retirement checks, even though records show only 553 people signed up. The school-based staffing spreadsheet, although unprecedented, cannot identify the many schools that are short of teachers, because the old personnel computer and its data are too outdated to pinpoint who works where.

Omer believes the information flow will improve with the installation of two massive new computer systems, which will be tried on the school system this summer and eventually introduced citywide. But new glitches are inevitable.

Recently, a computer consultant asked Omer why the school system volunteered as the guinea pig in both projects.

"We want to be first because we have a very expensive commodity to deal with," he answered. "We're here to raise children. We will endure the pain. Because, anyway, we are in pain. We are in the Dark Ages, so the sooner we can come out and view the galaxy, the better."

Ultimately, the success or failure of the school takeover will depend on what happens at the front lines -- in the classrooms. On a spring morning, Maurice Sykes, the deputy chief academic officer, made an unannounced visit to Myrtilla Miner Elementary in Northeast to check on its progress.

Last year, the school system had classified Miner as one of the city's 10 most troubled elementary schools, a "targeted assistance school" in need of

special attention because of low student performance. Miner has 434 students, 26 teachers and 24 aides and support staff. But it also has some 300 volunteers, including some of the faculty. Tutors come at 7:15 a.m. and 3 p.m. to offer kids extra help. Miner also has outside sponsors, such as Pepco and the federal Bureau of Land Management, whose employees provide time, money, equipment and encouragement.

Miner has shown only slight improvement in test scores so far. But no one has identified any clear way to get faster results, and so Miner represents the kind of community effort that Becton envisions duplicating throughout the city -- if experience shows that it will help children learn.

The building Sykes walked into was clean, warm and brightly decorated. It was an inviting place, the kind Becton has in mind when he reminisces, "When I was a kid, school was beautiful." Miner's principal, Angela Tilghman, grew up in the neighborhood, still lives there and puts much of herself into her school.

Sykes, a burly, bearded man of 50, has been an educator since the late 1960s, and he has studied various curricula and teaching methods. As he popped in and out of a dozen classrooms, he talked to children, read with them, sang with them, listened to them explain books they were reading, and he watched their teachers teaching.

In one class, a sign high on the wall urged students to be on their best behavior. Beneath that sign was chaos. The class was about to say the Pledge of Allegiance, but three kids were wrestling with the American flag. The teacher yelled for them to stop; only one did. Other kids were laughing, and a few were shouting at each other. One was drawing. A couple were looking at books, others just milling around. The teacher yelled again for the wrestlers to stop, and then looked helplessly toward Sykes, who said nothing but sighed as he left the room.

A few minutes later, Sykes walked into another classroom. It was calmer, quieter, yet busier. Nineteen kids were working in groups. Four boys were copying down vocabulary words off a "word wall," looking them up in the dictionary and writing out definitions. Three girls were writing down facts they learned from reading a story called *The Mysterious Girl in the Garden*. A child wearing headphones was listening to a book on tape. Several students typed at futuristic wooden consoles in which computers with angled monitors were mounted underneath tables with Plexiglas tops. Two youngsters were competing on a program called "Word Volcano" -- and when one of them scored by filling in the correct word, he cried "Yes!" and pumped his fist in the air as if he'd sunk the winning basket.

Sykes browsed around the room, asked a girl to tell him about her story, admired a child's antiviolence poster, and helped a boy look up the word "flippant." It was only after all this that Sykes learned that this was a special education class.

Presiding was Linda David, 33, an 11-year teaching veteran, product of Prince George's County public schools and Hampton University. She is lively and serious, stern yet soft. Her learning-disabled students are 10 to 13 years old, but most read at or below third-grade level.

Yet Sykes noted that they were using vocabulary words around fifth- or sixth-grade level. "And they are more fluent on those computers than I am," David said, smiling.

David, whose parents are both teachers, said her emphasis on reading and on varied group activities required a lot of repetition, juggling and discipline. "I can see growth," she told Sykes.

Leaving the room, Sykes said: "That woman has 19 kids who are special ed and you would not know it. Whatever disabilities they are, doesn't mean they can't learn . . . She has high expectations for these kids. They have reading ability and they are not afraid to talk. Boys this age are rebellious or withdrawn. Hers are not . . . But our practices across the city are uneven."

Indeed, the practices within Miner are uneven, which Sykes later discussed with Tilghman and Patricia Harris, a 17-year teaching veteran assigned to Miner as a mentor.

Harris and Tilghman told him that the teacher whose class was chaotic had already been evaluated and warned about poor performance. The teacher was getting special counseling, including free time to visit other schools to observe high-functioning teachers. This teacher was also participating in a peer-review process, used at targeted schools, in which groups of colleagues periodically sit in on classes and then offer suggestions on techniques that work.

Tilghman had fired three teachers and encouraged the departure of half a dozen more in her five years running Miner. She and Harris told Sykes they were trying extra counseling to put this teacher on track quickly. Otherwise, they all agreed, the teacher would be gone.

But David is staying -- and whatever else is uncertain about education reform, it's clear that the school system's future depends in part on how many teachers like her can be recruited to the District, and kept there. "My husband asks me why I don't teach at another school," David said. "And I say, 'Because they need me.' I get a lot of rewards. I get a lot of rewards teaching these children."

Peter Perl is a Magazine staff writer. Debbi Wilgoren covers the District schools for The Post.

GRAPHIC: Photo, brian smale; Photo, guion wyler, Maintenance chief Harold Johnson, right, and deputy Sam Sakati faced 9,000 backlogged work orders. Lewis Norman, left, and Abdusalam Omer made fundamental reforms in the personnel and finance departments. Linda David, at the head of her class at Miner Elementary school. Gen. Charles Williams, making one of his inspection tours. Board of Education: Part of the police exhibit of confiscated weapons. Herbert Tillery, ex-prison warden and current security chief.

LANGUAGE: ENGLISH

LOAD-DATE: May 11, 1997

79TH STORY of Level 1 printed in FULL format.

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April 12, 1997, Saturday, Final Edition

SECTION: EDITORIAL; Pg. A22

LENGTH: 321 words

HEADLINE: Giving Schools a Hand Today

BODY:

THIS IS A day that should make a difference in at least 43 D.C. schools. Everyone is invited to pitch in and spruce up some of the most tired buildings and grounds in the city. After successful ventures in the past two years -- which drew 5,000 volunteers to more than 50 schools and raised \$ 119,000 for college and trade-school scholarships -- the organizers of "Hands On D.C." hope to do even better today. Corporate sponsors have a lavish spread prepared for the gatherings: about 720 gallons of paint in various colors, 740 rolls of masking tape, more than 10 tons of hardwood mulch, about 6,500 garbage bags and brooms, shovels and rakes galore.

Volunteers -- students, parents, teachers, businesspeople, neighbors and anybody in the region who wants to help -- will find specific projects listed. A sampling: At Adams Elementary, the painting of a mural at the entryway, the stenciling of a map of the United States on a paved playground and the replacement of some flooring inside; at Eastern High, the painting of classrooms and stairways and landscaping outside. At Cardozo High, painting of the entire interior. At Duke Ellington School of the Arts, painting and landscaping to top off repairs made when it was closed on a fire-code finding.

Some volunteers are collecting pledges for the hours they will work and others may make contributions, with every penny going to scholarships administered by three groups: College Bound, Funds for the Community's Future and the Children's Defense Fund's Beat the Odds program. The young men and women who have organized this all-volunteer effort will begin the activities with a rally with D.C. school Chief Executive Julius Becton Jr. at 9 a.m. at the west front of the Capitol (rain site, the Department of Transportation courtyard at 6th, 7th, D and E Streets SW.). Rain or shine, the organizers guarantee much to do. They can be reached at 202-667-5808.

LANGUAGE: ENGLISH

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Copyright 1997 The Washington Post
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April 05, 1997, Saturday, Final Edition

SECTION: A SECTION; Pg. A07

LENGTH: 646 words

HEADLINE: Public-Private Partnership to Get D.C. Schools Online

BYLINE: Todd Beamon, Washington Post Staff Writer

BODY:

Vice President Gore yesterday announced a \$ 1 million dollar effort by private industry, volunteers and the federal government to connect the District's public schools to the Internet and said the Clinton administration will donate 1,000 surplus computers to help each city school set up a technology laboratory by the end of next year.

The public-private partnership arrangement will provide the equipment and software for the computer labs and also train some D.C. teachers so they can provide classroom computer instruction for students.

"Let's bring the PC to D.C.," Gore said to cheers at Turner Elementary School in Southeast Washington, where he unveiled the computer campaign. "We need to make sure we give kids the skills they need to succeed in the high-tech work force."

Besides the government's surplus computers, other equipment is being donated by such companies as America Online Inc. and AT&T Corp. Sprint International Inc. and Bay Networks Inc. have pledged software for the computers, and training will be provided by Microsoft Corp. and ETC, a unit of Tele-Communications Inc., the cable TV giant.

In addition, Philadelphia-based Bell Atlantic Corp., which provides telephone service to the District, has promised to donate 150 high-speed laptop computers to school principals, and Philips Electronics North America Corp., a U.S. unit of the Dutch electronics manufacturer Philips Electronics NV, is providing large-screen television monitors for its WebTV Internet service.

The Communications Workers of America and Tech Corps-DC have pledged to provide volunteers to help wire schools and classrooms.

About 40 of the District's 157 schools, including Turner, were wired for the Internet in October.

The surplus federal computers will come from several agencies, including Defense, Treasury, Energy and NASA. Schools won't pay monthly access fees to the Internet because the D.C. school system already has its own access to the Internet.

One teacher in each D.C. school will receive free training in how to use Internet technology in the classroom.

Corporate contributions to the computer project are worth an estimated \$ 800,000, but federal officials said the overall campaign will top \$ 1 million once the surplus computers, volunteer time and donations of cable and other materials are added in. About 220,000 feet of cable will be needed to wire the D.C. schools.

The campaign officially kicks off April 19 -- "NetDay," the nationwide volunteer effort to help schools nationwide get wired to the Internet.

On hand for Gore's announcement yesterday were D.C. school Chief Executive Julius W. Becton Jr., Del. Eleanor Holmes Norton (D-D.C.) and Assistant Commerce Secretary Clarence L. Irving Jr.

"These materials will be able to take you to places where you've never been before," Becton said. "You can learn government in London, the arts in France and economics in Tokyo. Education is a great equalizer."

In touting the computer project, Gore took note of Turner's demographics. The school, which has a computer lab and additional computers in its library, is in the city's Parklands community and is surrounded by such public housing developments as Stanton Dwellings and Frederick Douglass Dwellings.

"Not only are you building a school at Alabama and Stanton, but you're building a school at the center of the world -- connected to an entire universe of knowledge," Gore said.

Corporate executives said the effort will help make students in the financially troubled schools more competitive.

Two Turner sixth-graders, Isaac Guevara, 11, and Carlos Coleman, 12, showed Gore how they could link up to the White House's Web site.

"I got nervous and I thought I would mess up," Carlos said, explaining why he let Isaac operate the mouse in front of Gore. "He's good at this, so I did the explaining."

GRAPHIC: Photo

LANGUAGE: ENGLISH

LOAD-DATE: April 05, 1997

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Rescue Plan
5/2/97

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5TH STORY of Level 1 printed in FULL format.

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The Washington Times

May 2, 1997, Friday, Final Edition

SECTION: Part A; COMMENTARY; OP-ED; Pg. A23

LENGTH: 994 words

HEADLINE: Mr. Clinton's sleight of hand in D.C.

BYLINE: Jonetta Rose Barras; THE WASHINGTON TIMES

BODY:

Talk about chutzpah. After watching as the nation's capital sank into a financial and management morass, building false hopes for small business owners along Georgia Avenue NW, and charging rents for overnight stays at the White House without paying local hotel taxes, President Clinton earlier this year offered a plan he says will improve the quality of life and government in the District. It took him four years to notice the plight of the city in which he lives. But he and his crew of District recyclables - Ben Johnson, Carol Thompson-Cole, and Frank Raines, whose contributions to the District during previous administrations of Mayor Marion Barry are highly over-rated - want to rush local elected officials into signing an agreement to support their "rescue plan," which is less than generous and severely flawed.

Senior Clinton administration officials reportedly told The Washington Post that the president may abandon his proposal, if local leaders refuse to sign a Memorandum of Understanding (MOU), which snatches from the city a \$660 million annual payment, steals over \$2 billion in assets from the District's retirement fund, gives priority to repairing "federal" roads and bridges while those in the neighborhoods go to pot, permits a panel dominated by presidential appointees to seize control of any private or public land for its own "economic development" use, changes local sentencing laws, dumps more than \$1 billion into renovating a crumbling prison in Virginia, and forces the city to pay 30 percent of Medicaid costs while some cities pay as little as 12 percent.

D.C. Delegate Eleanor Holmes Norton and Rep. Tom Davis, the Virginia Republican who chairs the House subcommittee on the District, have urged local officials to sign the agreement, saying the long-term benefits merit approval. Maybe Mrs. Norton and Mr. Davis weren't around when the District believed the previous group of feds and signed onto a Home Rule governance structure, resulting in a monster far worse than any created by Frankenstein.

Already, the Clinton administration has demonstrated it can't be trusted: A month ago, federal officials parachuted into the city, standing before television cameras, proclaiming their concern and interest for District school children. Hillary Clinton and her husband were captured on tape reading to elementary students, touring dilapidated buildings. They promised to help rebuild city schools. But officials who work for Mr. Clinton, who professes to

be Mr. Education, flatly denied a request by the D.C. Financial Responsibility and Management Assistance Authority to provide supplemental funding to repair fire code violations at District schools. The president's word seems to have a short-lived blue-book value.

Messrs. Clinton and Raines would have residents believe they have tried to work with District officials by making adjustments to their original offer and that city leaders, once again, are responding quickly and appropriately. But, according to draft copies of the MOU obtained by this writer, the president hasn't made any major changes in the plan since it was first introduced. If he were looking to have a real partnership with the District, Mr. Clinton would:

- * Offer a small federal payment - say at least 50 percent of what the city currently receives.

- * Lower the percentage of Medicaid costs paid locally from 50 percent, which is what some states pay, to between 20 and 12 percent -similar to what cities pay; the District, after all, is a city.

- * Take only 40 percent of the pension fund assets; the city shouldn't be held hostage by the feds, nor should the District help finance a federally created pension liability.

- * Reconfigure membership on the economic development corporation so that local officials appoint four of the nine and none of the appointees are ex-officio, as currently proposed.

- * Permit local officials to retain authority to operate Lorton and thus continue local sentencing laws.

- * And reduce federal taxes for local residents and businesses.

Mr. Raines and other Clinton administration officials tout the plan as offering the District \$3.9 billion in total program benefits over five years; a net gain of about \$800 million. But the Office of the Chief Financial Officer continues to note that the city will gain only \$49 million of additional funds in fiscal 1998; by 2001 the net gain is only \$140,382, according to documents presented last week at a congressional hearing by Jalal Greene, then deputy CFO for Budget and Planning. By comparison, a 2 percent tax on the \$19 billion of income earned by people who work in the District but live outside its borders could yield more than \$300 million each year.

In addition, closer examination of the moves by Mr. Clinton and his high-priced fleece artists reveals a masterful sleight of hand that uses the city's own funds to pay for the White House plan. Follow me here: If the city forgoes its federal payment of \$600 million for the next five years that totals about \$3.3 billion. And if it turns over \$2.2 billion in assets from its pension fund, as has been proposed, the feds will have \$5.5 billion from the city. Essentially, OMB is taking with its right hand the city's federal payment and with its left hand giving it back to the District under the guise of a gift. A little of the stash stays in the federal government's pocket. Not bad for a half day's work.

In 1994, Rep. James Walsh, then head of the House appropriations

The Washington Times, May 2, 1997

subcommittee on the District, offered a similar proposal. He wanted to hold the federal payment in escrow and then identify how the city could spend those funds; Democrats voted against him. I may have had my problems with the New York Republican, but at least he was infinitely more honest about his proposal than Mr. Clinton and his OMB boys.

Jonetta Rose Barras' column for The Washington Times appears on Friday.

LANGUAGE: ENGLISH

LOAD-DATE: May 2, 1997

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Adds Up to a Tangled Process

By David A. Vise
Washington Post Staff Writer

The situation, if anything, is more labyrinthine than that.

authority over the capital city's spending, will begin months of intense fiscal oversight that will result in a seemingly endless series of hearings and votes in the House and the Senate, all before President Clinton gets the chance to sign the city's budget into law—or veto the measure—before the new fiscal year begins Oct. 1.

"I know of no other city in the United States that has such a cockamamie budget process," said control board Vice Chairman Stephen D. Harlan. "It is mandated by the doggone law that created us."

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DISTRICT, From B1

Williams said a congressionally created flow chart describing the budget cycle, replete with a complex array of circles, arrows and dotted lines, looks like one of those "Freon diagrams you see when you go to Hechinger to repair your refrigerator."

The D.C. public schools requested a 1998 budget of \$523 million. Despite control board admonitions to the mayor and the council to fully fund education, in each version of the budget that emerged from the mayor's office, school funding shrank—from \$477 million to \$456.1 million to \$446.3 million. When the council weighed in, the school appropriations were pegged first at \$462.2 million and then at \$461.2 million, more than Barry's final proposal but less than the control board's target.

And even yesterday, as the control board huddled in private with city officials, the school funding issue remained unresolved. The board had planned to reveal its final budget proposal today. But that was delayed by a day after council members objected to spending cuts the board planned in order to give millions more dollars to the schools.

Instead of creating an entirely new budget system that recognized the changing power dynamics, Congress merely inserted the control

In theory, such a system would prepare the mayor and council members to make responsible financial decisions on their own, sometime in the next century, after the control board was no longer in existence. In practice, city officials say, Congress created an elongated process that drains attention and resources from more important matters and leaves the budget bouncing back and forth like a ping-pong ball between elected officials and the board.

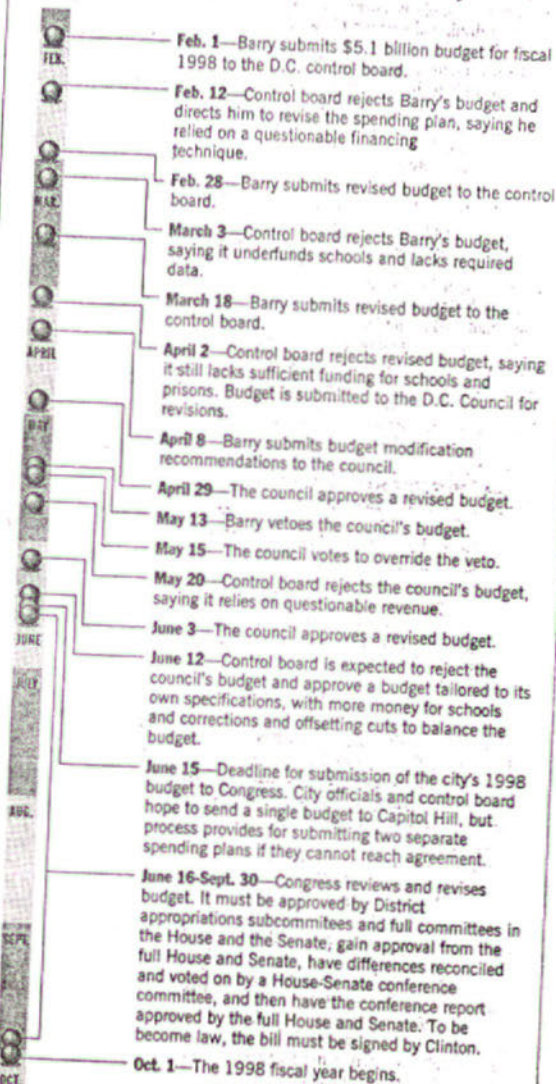
Barry (D) says Congress also made the process needlessly adversarial. Under the law, the control board must reject the entire budget submitted by the mayor or the council if the board objects to any piece of it. But what goes around comes around—Congress has shown no reluctance to overrule the control board either.

Reaching consensus in a political environment remains difficult. Yesterday, Barry and D.C. Council members met with control board officials in an attempt to reach agreement on the final details of a balanced budget to be submitted to Congress next week. Their goal is to send a single budget to Congress. Out of respect for home rule, the process permits the city's elected officials to send a plan separate from the control board's if they so choose, but it is unlikely to receive much attention on Capitol Hill.

"As you can imagine," Brimmer said, "there is no way to satisfy everybody."

A BYZANTINE BUDGET PROCESS

The D.C. financial control board will send Congress a 1998 budget for the District next week that is the product of six months of wrangling between the board, the mayor and the D.C. Council. Next, two congressional subcommittees, two full committees and both houses of Congress must weigh in before the budget is ready for President Clinton's signature. Here is a synopsis of events that have taken place since the budget was first submitted by Mayor Marion Barry in February.



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deny or reduce the income tax benefits that families that also receive the earned income tax credit, a kind of hamburger helper amount to supplement low wages. As the legislation is now drawn, about 5 percent of the children in the country won't get the new credit because their families are too rich, and 40 percent won't get it because their families are too poor. So much for need.

The president's education tax proposals were likewise transformed in part. He would let most taxpayers deduct up to \$10,000 a year in college tuition

part for postsecondary education, but the law would also allow the Republicans. The blurring helped him win a political victory, but at significant substantive cost. He now complains about that cost around the margin. We hope he wins, but once again he has created his own agenda. Most of the ground that matters has already been yielded. This is the trim.

Mr. Archer's Plan for the District

HOUSE WAYS and Means Committee Chairman Bill Archer's tax incentive plan for the District has encountered a chorus of carping from city officials who predict that the measure won't stem the middle-class exodus to the suburbs. Perhaps to their surprise, Rep. Archer agrees. "The single biggest thing that the District of Columbia needs to do," he told a press conference at the bill's unveiling, "is to create an environment that is healthy for people to live and to work and to educate their children. . . . There are no changes in the tax code that are going to be enough to accomplish that."

Rep. Archer's appraisal was both candid and realistic. The District's tax code isn't the chief reason more than 50,000 residents have fled the city in the 1990s alone. A host of problems—including poor schools, crime, broken city services and abysmal local leadership—are responsible. The District's survival will depend less on tax cuts than on a wide variety of policies and actions that directly address those ills. Fixing the school system, imposing financial accountability and management reforms in the government, improving public safety and adopting the president's plan to take over some burdensome state-level responsibilities and costs will go a long way toward creating a stable and livable city.

Tax cuts, whether they benefit the majority of residents or are focused on the city's poorest neighborhoods, aren't going to provide the city with a sustainable revenue base. Yet to dismiss the GOP tax-break proposals out of hand may be shortsighted and self-defeating too.

Businesses are leaving town, and the city is having trouble attracting new firms. Much the same applies to middle-income residents. Rep. Archer believes tax relief could become a magnet for residents and businesses in certain economically depressed areas of the city such as Anacostia, Mount Pleasant and Chinatown. Whether tax breaks would keep and attract new residents or spur investment and job creation in the District's struggling areas is an open and untested question in this city. At \$325 million in tax relief spread out over five years and targeted on about 80,000 of the city's 554,000 residents, it's an expensive gesture, if not gamble.

Control board chairman Andrew Brimmer believes the plan's economic impact would be "slight." House Speaker Newt Gingrich, on the other hand, reportedly views the D.C. tax package as a "demonstration project that Republican free-market solutions are the best way to solve the problems of our nation's inner cities." It's an experiment worth watching.

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