

Mr. DODD submitted an amendment intended to be proposed by him to the bill, S. 2057, *supra*; as follows:

At the end of subtitle D of title VI, add the following:

**SEC. 634. REDUCTION IN BACKLOG OF UNPAID RETIRED PAY.**

(a) REQUIREMENT.—The Secretary of the Army shall take such actions as are necessary to achieve, by December 31, 1998, a significant reduction in the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(b) REPORT.—Not later than January 31, 1999, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (a).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

(c) FUNDING.—Of the amount authorized to be appropriated under section 421, \$1,700,000 shall be available for carrying out this section.

**AUTHORITY FOR COMMITTEES TO MEET**

COMMITTEE ON ARMED SERVICES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, June 23, 1998, at 9:30 a.m. in open session, to consider the nominations of General Richard B. Myers, USAF, to be commander-in-chief, United States Space Command; Vice Admiral Richard W. Mies, USN, to be commander-in-chief, United States Strategic Command; and Lieutenant General Charles T. Robertson, Jr., USAF, to be commander-in-chief, United States Transportation Command and Commander, Air Mobility Command.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 23, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to consider the issue of independence of Puerto Rico.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 23, 1998, at 2:30 p.m. to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized

to meet during the session of the Senate on Tuesday, June 23, 1998 at 9:30 a.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on: "S. 2148, Religious Liberty Protection Act of 1998."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Tuesday, June 23, 9:30 a.m., Hearing Room (SD-406), on the Administration's 1998 Water Resources Development Act, S. 2131; fiscal year 1999 budget request for the Army Corps of Engineers; and related matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

**ADDITIONAL STATEMENTS**

**ILO DECLARATION ON CORE LABOR STANDARDS**

• Mr. MOYNIHAN. Mr. President, I rise to report to the Senate that on June 18, 1998 in Geneva, at the conclusion of the 86th International Labor Conference, the International Labor Organization adopted by an overwhelming margin an important new "Declaration on Fundamental Principles and Rights at Work." The vote was 273 in favor of the new Declaration, zero opposed, with 43 abstentions. The adoption of this measure is a singular achievement and holds great promise for advancing core labor standards in the international community.

Our distinguished Secretary of Labor, the Honorable Alexis M. Herman, deserves much credit, as does Andrew Samet, her able Deputy Under Secretary for International Labor Affairs. Over the last three weeks, Secretary Herman energetically pursued this agreement throughout difficult and long negotiating sessions, and in critical corridor side-bars. Ultimately, she succeeded.

Secretary Herman has characterized the new Declaration and its follow-up mechanism as "a big step forward for the ILO and its members as we enter the 21st Century." In the statement that she issued on June 18, 1998, upon the adoption of the new Declaration, she said:

With the passage of this declaration, the ILO underlined and clarified the importance of the fundamental rights of workers in an era of economic globalization. It firmly demonstrates that we can and will move forward in an effort to see trade and labor concerns as mutually supportive—not mutually exclusive.

Another of the United States' Delegates to the International Labor Conference, AFL-CIO President John J. Sweeney, called the Declaration "an historic breakthrough that dramatically underscores the importance of

basic rights for workers in the global economy." And to emphasize the tripartite nature of the ILO, it should be noted for the record that the U.S. Council for International Business, which is the United States' employer representative to the ILO, was a principal supporter of this new initiative, and has been from the beginning. The Council's President, Abraham Katz, called the new Declaration "a major achievement for the ILO."

In essence, the ILO has bumbled together, in a single declaration, four sets of fundamental rights—the core labor standards embodying the broad principles that are essential to membership in the ILO. Having declared that those rights are fundamental, the document then provides for a monitoring system—a "follow-up" mechanism, to use the ILO's term—to determine how countries are complying with these elemental worker rights.

The four sets of fundamental rights are: (1) Freedom of association and the effective recognition of the right to collective bargaining; (2) the elimination of all forms of forced or compulsory labor; (3) the effective abolition of child labor; and (4) the elimination of discrimination in respect of employment and occupation.

These rights flow directly from three sources. First, from the ILO Constitution itself, which was drafted by a commission headed by Samuel Gompers of the American Federation of Labor and became, in 1919, part XIII of the Treaty of Versailles. Second, from the immensely important Declaration of Philadelphia, which reaffirmed, at the height of World War II, the fundamental principles of the ILO, including freedom of expression and association and the importance of equal opportunity and economic security. Adopted in 1944, the Declaration of Philadelphia was formally annexed to the ILO Constitution two years later. And, not least, these four groups of core labor standards flow from the seven ILO conventions that are recognized as Core Human Rights Conventions.

These seven conventions are not the highly technical agreements that make up the vast majority of the ILO's 181 conventions. Rather, they directly address the rights of working people.

They are:

No. 29—the Forced Labor Convention of 1930;

No. 87—the Freedom of Association and Protection of the Right to Organize Convention, 1948;

No. 98—the Right to Organize and Collective Bargaining Convention, 1949;

No. 100—the Equal Remuneration Convention of 1951;

No. 105—the Abolition of Forced Labor Convention, 1957;

No. 111—the Discrimination in Employment and Occupation Convention of 1958; and

No. 138—the Minimum Age Convention of 1973.

They are extraordinary conventions. The Social Summit in Copenhagen in

1995 identified six of these ILO conventions as essential to ensuring human rights in the workplace: Nos. 29, 87, 98, 100, 105, and 111. The United Nations High Commissioner for Human Rights has classified them as "International Human Rights Conventions." The Governing Body of the ILO subsequently added to the list of core conventions Convention No. 138, the minimum age convention, in recognition of the importance of matters relating to child labor. These conventions embody the broad principles that are basic to membership in the ILO.

But what makes this year's Declaration so significant, Mr. President, is its second component—the monitoring mechanism, the element that will, if implemented properly, ensure that something will come of all this. For example, the follow-up mechanism will take a look at how China is doing on prison labor, how Pakistan is doing on child labor, how the United States performs with respect to freedom of association. Yes, we will be examined, too.

I spoke to the Senate at some length about this matter during our debate last Fall on the fast track legislation. Indeed, the fast track bill that the Finance Committee reported to the floor contained an explicit endorsement—which was included in the Administration's draft proposal at this Senator's suggestion—of the ILO's efforts in this regard. That section of the Committee's bill, S. 1269, reads as follows:

It is the policy of the United States to reinforce the trade agreements process by—promoting respect for worker's rights by—(ii) seeking to establish in the International Labor Organization . . . a mechanism for the systematic examination of, and reporting on, the extent to which ILO members promote and enforce the freedom of association, the right to organize and bargain collectively, a prohibition on the use of forced labor, a prohibition on exploitative child labor, and a prohibition on discrimination in employment. . . .

In January of this year, I traveled to Geneva to discuss this new initiative with ILO Director General Michel Hansenne and his deputies. I did so because I believe that this new Declaration has great potential. Its monitoring mechanism could evolve into an effective tool for upgrading global compliance with these core labor standards. I have argued that the monitoring system ought to include inspections, an idea that could gain acceptance over time.

The ILO is the only League of Nations organization that has survived into the era of the United Nations. It arose at a time when the idea of sending inspectors into a country to see whether that country was keeping an agreement would have been thought much too radical. That all changed in the aftermath of World War II, with the creation of the International Atomic Energy Agency in 1957.

With the IAEA, inspections have become established practice over a range of international concerns and international organizations, including the

ILO. Although not explicitly provided for in the ILO Constitution, several "inspection" mechanisms have in fact evolved in the organization since the early 1960's. Two are of particular note. ILO Commissions of Inquiry, which investigate members' compliance with ratified conventions in accordance with Article 26 of the ILO Constitution, have conducted on-site investigations since 1961. And the special procedures established under the ILO for examining matters relating to freedom to association have, since 1965, included on-site inspections. Thus it would seem reasonable to suggest that such inspections might eventually be an effective means of reviewing countries' compliance with core labor standards. With this Declaration and its follow-up mechanism, we have a very good beginning.

In fact, this new Declaration and its follow-up mechanism might just be the key to getting our international trade policy back on track. Last November, the trade policy that has guided this country for the past 64 years—since the Reciprocal Trade Agreements Act of 1934—was called sharply into question when the Congress considered the reauthorization of the so-called "fast track" negotiating authority for trade agreements. After a promising start in the Senate, where two procedural votes demonstrated strong support for the measure (68 votes in favor, including a solid majority on both sides of the aisle), the effort foundered in the House when it became clear that there were not enough votes to pass it.

One of the central issues that surfaced during that debate was whether trade agreements should include provisions—in effect, statutory requirements—concerning labor and the environment.

At first, this might sound like a good idea. Upon reflection, however, it simply will not work. Developing countries will not accept the proposition that they must reduce their tariff and non-tariff barriers (discriminatory product standards, import licensing requirements, and the like) and, at the same time, willingly adopt stricter environmental and labor standards. Their reaction is understandable: they view such proposals as putting them at a double disadvantage—lowering their protection against foreign goods and at the same time increasing their production costs, thus eroding their competitive advantages.

The ILO has a role to play here. Indeed, it was created in 1919 for the express purpose of providing an avenue for governments that wanted to do something to improve labor standards, but were reluctant to do so unilaterally because they feared it would put them at a competitive disadvantage in world commerce.

For 79 years, the ILO has sought to address these matters. Certainly both President Roosevelt and his Secretary of Labor, Frances Perkins, understood well the connection between the ILO

and our trade policies, having launched both the Reciprocal Trade Agreements program and the United States' membership in the ILO—two parallel but distinct measures—in the same year, 1934.

The ILO is the one League of Nations organization that we were least likely ever to join, and the only one we did. Even so, the United States has never been an active ratifier of international labor conventions. Of the 181 ILO conventions agreed thus far, the United States has ratified only 12. Indeed, until 1988, the United States had only ratified 7 conventions—6 maritime and one technical—the seventh convention having been ratified in 1953. Then an interval of more than 35 years with no action on the subject.

In 1988, however, a new era commenced: the United States began to ratify substantive labor conventions. Altogether, the United States has approved five ILO conventions since 1988:

Convention No. 144, the 1976, convention on Tripartite Consultation on International Labor Standards, which approved by the Senate on February 1, 1998; Convention No. 147, the Merchant Shipping Convention on Minimum Standards, adopted in 1976, and approved by the Senate February 1, 1988; Convention No. 160 on Labor Statistics, adopted by the ILO in 1985 and approved by the United States Senate on February 20, 1990; Convention No. 105, the Abolition of Forced Labor Convention of 1957, which the Senate approved on May 14, 1991; and Convention No. 150 on Labor Administration, adopted by the ILO in 1978, and approved by the Senate on October 6, 1994.

I was the floor manager for four of these. In all five conventions, we lost the votes of only two Senators on the floor: both on Convention No. 144 regarding tripartite consultation. The other four conventions passed unanimously. Most notable was the Senate's ratification in 1991, by a vote of 97-0, of the first of the "core" human rights conventions—Convention No. 105 on the Abolition of Forced Labor (1957), an area where the ILO has made vital contributions.

As the President announced May 18th, in his historic address to the World Trade Organization at the commemoration of the 50th anniversary of the General Agreement on Tariffs and Trade, he has now transmitted to the Senate for ratification a second "core" convention—Convention No. 111, the Discrimination in Employment and Occupation Convention of 1958, which calls for a national policy to eliminate discrimination in access to employment, training and working conditions.

It may be that there is new life in the ILO, that we have entered a period in which we can look to the ILO for leadership as the United States and our trading partners reap the rewards—and adjust to the challenges—of globalization. In the area of worker rights, the ILO ought to be the place to do it. To remind the Senate, the World

Trade Organization, at the conclusion of its first ministerial meeting in Singapore in December 1996, reaffirmed that the ILO was the "competent body" to set and deal with internationally recognized core labor standards. The Director-General of the WTO, Renato Ruggiero, with whom I discussed the ILO initiative at length in January, has lent his strong support. As Ambassador Ruggiero put it in a speech in Bonn on December 9, 1997, the WTO's members agreed at Singapore that "the ILO was the relevant body where the issue of labor standards should be addressed." He noted:

The fact that the ILO is now making important strides in these areas demonstrates, not only that consensus on the most difficult issues is possible, but that consensus is absolutely critical to real and lasting progress. Supporting the current efforts in the ILO toward reaching a declaration on Fundamental Workers Rights is the best way of demonstrating that the real objective is to promote labor standards and not to seek protectionist measures.

It is possible, Mr. President, that this new Declaration on Fundamental Principles and Rights at Work, together with its monitoring provisions, will give new energy to the ILO at a time when new energy and direction are sorely needed to guide us out of the muddle in which we find ourselves with respect to trade.

I offer my great congratulations to Secretary Herman, to John J. Sweeney, President of the AFL-CIO, and to Abraham Katz, President of the U.S. Council for International Business for this singular achievement, and I ask that the full text of the declaration and its follow-up mechanism, as well as the text of Secretary Herman's statement, be printed in the RECORD.

The material follows:

INTERNATIONAL LABOUR CONFERENCE—86TH  
SESSION GENEVA, JUNE 1998

ILO DECLARATION ON FUNDAMENTAL PRINCIPLES  
AND RIGHTS AT WORK

Whereas the ILO was founded in the conviction that social justice is essential to universal and lasting peace;

Whereas economic growth is essential but not sufficient to ensure equity, social progress and the eradication of poverty, confirming the need for the ILO to promote strong policies, justice and democratic institutions;

Whereas the ILO should, now more than ever, draw upon all its standard-setting, technical cooperation and research resources in all its areas of competence, in particular employment, vocational training and working conditions, to ensure that, in the context of a global strategy for economic and social development, economic and social policies are mutually reinforcing components in order to create broad-based sustainable development;

Whereas the ILO should give special attention to the problems of persons with special social needs, particularly the unemployed and migrant workers, and mobilize and encourage international, regional and national efforts aimed at resolving their problems, and promote effective policies aimed at job creation;

Whereas, in seeking to maintain the link between social progress and economic growth, the guarantee of fundamental prin-

ciples and rights at work is of particular significance in that it enables the persons concerned to claim freely and on the basis of equality of opportunity their fair share of the wealth which they have helped to generate, and to achieve fully their human potential;

Whereas the ILO is the constitutionally mandated international organization and the competent body to set and deal with international labour standards, and enjoys universal support and acknowledgement in promoting fundamental rights at work as the expression of its constitutional principles;

Whereas it is urgent, in a situation of growing economic interdependence, to reaffirm the immutable nature of the fundamental principles and rights embodied in the Constitution of the Organization and to promote their universal application;

The International Labour Conference,  
1. Recalls: (a) that in freely joining the ILO, all Members have endorsed the principles and rights set out in its Constitution and in the Declaration of Philadelphia, and have undertaken to work towards attaining the overall objectives of the Organization to the best of their resources and fully in line with their specific circumstances; (b) that these principles and rights have been expressed and developed in the form of specific rights and obligations in Conventions recognized as fundamental both inside and outside the Organization.

2. Declares that all Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization, to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions, namely: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) the elimination of discrimination in respect of employment and occupation.

3. Recognizes the obligation on the Organization to assist its Members in response to their established and expressed needs, in order to attain these objectives by making full use of its constitutional, operational and budgetary resources, including by the mobilization of external resources and support, as well as by encouraging other international organizations with which the ILO has established relations, pursuant to article 12 of its Constitution, to support these efforts: (a) by offering technical cooperation and advisory services to promote the ratification and implementation of the fundamental Conventions; (b) by assisting those Members not yet in a position to ratify some or all of these Conventions in their efforts to respect, to promote and to realize the principles concerning fundamental rights which are the subject of those Conventions; and (c) by helping the Members in their efforts to create a climate for economic and social development.

4. Decides that, to give full effect to this Declaration, a promotional follow-up, which is meaningful and effective, shall be implemented in accordance with the measures specified in the annex hereto, which shall be considered as an integral part of this Declaration.

5. Stresses that labour standards should not be used for protectionist trade purposes, and that nothing in this Declaration and its follow-up shall be invoked or otherwise used for such purposes; in addition, the comparative advantage of any country should in no way be called into question by this Declaration and its follow-up.

ANNEX

FOLLOW-UP TO THE DECLARATION

I. OVERALL PURPOSE

1. The aim of the follow-up described below is to encourage the efforts made by the Members of the Organization to promote the fundamental principles and rights enshrined in the Constitution of the ILO and the Declaration of Philadelphia and reaffirmed in this Declaration.

2. In line with this objective, which is of a strictly promotional nature, this follow-up will allow the identification of areas in which the assistance of the Organization through its technical cooperation activities may prove useful to its Members to help them implement these fundamental principles and rights. It is not a substitute for the established supervisory mechanisms, nor shall it impede their functioning; consequently, specific situations within the purview of those mechanisms shall not be examined or re-examined within the framework of this follow-up.

3. The two aspects of this follow-up, described below, are based on existing procedures: the annual follow-up concerning non-ratified fundamental Conventions will entail merely some adaptation of the present modalities of application of article 19, paragraph 5(e) of the Constitution; and the global report will serve to obtain the best results from the procedures carried out pursuant to the Constitution.

II. ANNUAL FOLLOW-UP CONCERNING NON-RATIFIED FUNDAMENTAL CONVENTIONS

A. Purpose and scope

1. The purpose is to provide an opportunity to review each year, by means of simplified procedures to replace the four-year review introduced by the Governing Body in 1995, the efforts made in accordance with the Declaration by Members which have not yet ratified all the fundamental Conventions.

2. The follow-up will cover each year the four areas of fundamental principles and rights specified in the Declaration.

B. Modalities

1. The follow-up will be based on reports requested from Members under article 19, paragraph 5(e) of the Constitution. The report forms will be drawn up so as to obtain information from governments which have not ratified one or more of the fundamental Conventions, on any changes which may have taken place in their law and practice, taking due account of article 23 of the Constitution and established practice.

2. These reports, as compiled by the Office, will be reviewed by the Governing Body.

3. With a view to presenting an introduction to the reports thus compiled, drawing attention to any aspects which might call for a more in-depth discussion, the Office may call upon a group of experts appointed for this purpose by the Governing Body.

4. Adjustments to the Governing Body's existing procedures should be examined to allow Members which are not represented on the Governing Body to provide, in the most appropriate way, clarifications which might prove necessary or useful during Governing Body discussions to supplement the information contained in their reports.

III. GLOBAL REPORT

A. Purpose and scope

1. The purpose of this report is to provide a dynamic global picture relating to each category of fundamental principles and rights noted during the preceding four-year period, and to serve as a basis for assessing the effectiveness of the assistance provided by the Organization, and for determining priorities for the following period, in the form of action plans for technical cooperation designed in particular to mobilize the internal

and external resources necessary to carry them out.

2. The report will cover, each year, one of the four categories of fundamental principles and rights in turn.

#### B. Modalities

1. The report will be drawn up under the responsibility of the Director-General on the basis of official information, or information gathered and assessed in accordance with established procedures. In the case of States which have not ratified the fundamental Conventions, it will be based in particular on the findings of the aforementioned annual follow-up. In the case of Members which have ratified the Conventions concerned, the report will be based in particular on reports as dealt with pursuant to article 22 of the Constitution.

2. This report will be submitted to the Conference for tripartite discussion as a report of the Director-General. The Conference may deal with this report separately from reports under article 12 of its Standing Orders, and may discuss it during a sitting devoted entirely to this report, or in any other appropriate way. It will then be for the Governing Body, at an early session, to draw conclusions from this discussion concerning the priorities and plans of action for technical cooperation to be implemented for the following four-year period.

#### IV. IT IS UNDERSTOOD THAT:

1. Proposals shall be made for amendments to the Standing Orders of the Governing Body and the Conference which are required to implement the preceding provisions.

2. The Conference shall, in due course, review the operation of this follow-up in the light of the experience acquired to assess whether it has adequately fulfilled the overall purpose articulated in Part I.

The foregoing is the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up duly adopted by the General Conference of the International Labour Organization during its Eighty-sixth Session which was held at Geneva and declared closed the 18 June 1998.

IN FAITH WHEREOF we have appended our signatures this nineteenth day of June 1998.

The President of the Conference,  
*The Director-General of the  
International Labour Office.*

"This is a big step forward for the ILO and its members as we enter the 21st Century. With the passage of this Declaration, the ILO has underlined and clarified the importance of the fundamental rights of workers in an era of economic globalization. It firmly demonstrates that we can and will move forward in an effort to see trade and labor concerns as mutually supportive—not mutually exclusive.

As we have said and as President Clinton stated in his speech to the World Trade Organization on May 18, we must continue to forge a working relationship between the ILO and the WTO. We continue to see it as vitally important to a strengthened trading system that we advance the effort to protect basic workers rights. That remains our policy and our commitment.

This Declaration and its follow-up procedure furthers our abilities to pursue these objectives. Nothing in this Declaration restricts our ability to advance together the liberalization of international trade and the protection of basic worker rights. As the ILO has stated, the Declaration does not impose any restrictions in this regard on members.

It is also clear, with this recommitment to core values, that the ILO members have accepted the need to be accountable. And with this action, there will now be a process with-

in the ILO to demonstrate that accountability.

I was honored to be a part of this historic ILO meeting and to work with my colleagues to adopt this crucial Declaration that outlines a vision for the next century for this organization. Clearly we proved in these weeks in Geneva, that a consensus can be reached among governments and between employer and worker groups.

There were long and difficult negotiations over this Declaration, but I was always confident about the outcome because, from the beginning, there was a consensus among us, a shared objective and an historical obligation to do what we have done."•

#### UNSHACKLE LEADERS OF AMERICA'S EDUCATION

• Mr. COVERDELL. Mr. President, the results of the 1998 Stanford 9 tests—better known as the SAT's—are now available. Overall, the results are dismal. No matter what improvements may be noted here and there, the bottom-line numbers reveal a failing education system that shortchanges the students and parents who rely upon it.

In each of the four categories of performance—below basic, basic, proficient, and advanced, the story is the same. As a group, the kids fall farther behind as they progress through the system. That's the case with regard to both math skills and reading.

That disturbing news is all the more reason for those of us who are committed to structural reform of this country's schools to redouble our efforts, especially in providing education alternatives for low-income families.

In the process, we should not overlook the need for sound management in our schools. Indeed, managerial reforms, implemented on the State and local level, will be crucial to the success of education reform. That is the point made by Donald Bedell, Chairman of the Bedell Group and a long-time consultant in management and organizational structure for major corporations.

Mr. Bedell has outlined his thinking along those lines in a brief paper that exhorts Congress to "unshackle leaders of American education." His insights are on target, and I ask that they be printed in the RECORD.

The material follows:

#### UNSHACKLE LEADERS OF AMERICA'S EDUCATION

The never-ending and often contentious national debate over the future course of public education disguises the negative impact excessive administrative control exerts on student academic achievement. How?

It concentrates on finding "solutions" in Washington and in state capitols, year after year after year, for each of the endless number of individual school functions that yearn for assistance. Yet, bureaucracies in all four management levels unnecessarily complicate and slow decision-making, cause costs to rise, burden classroom teachers with intolerable administrative burdens, and share responsibility for student academic scores that have stayed flat for a generation. The overhang of irresponsible mandates continues to plague efficient management efforts.

A detailed study of Indianapolis public schools budgets (IPS) by the Friedman Founda-

tion, for example, indicated that annual cost per student was \$9,886, (double the U.S. average), school enrollment between 1990 and 1996 dropped from 52,000 to 43,000, while administrative costs rose from \$370 to \$500 per pupil and little more than 30% of its budget paid for teacher salaries. Its student scholastic record, compared to state, national and IPS results, an average of 10% below the national average, 25% below the state results and 35% below the Catholic school average in Indianapolis.

It seems clear that The Friedman Foundation, and Mayor Goldsmith, believe that the IPS current condition demands a thorough management restructuring including reduction of administrative overhead, including additional voucher programs and turning over several dozen non-education support services to private sector contractors. On any professional cost-benefit analysis, development of effective managers and leaders wins by an overwhelming margin.

Meanwhile, attention of many leaders has been diverted from focusing on laying the foundation, and nurturing it, for more efficient school organization structures at all four levels—each state, local school boards, district superintendents and school principals. They are the management "balance wheel" function that must be charged with primary responsibility for improved education—not Congress, not the Education Secretary, not the President.

Those four entities alone bear the total responsibility to deliver an improving body of high school graduates—not curriculum experts, not standards experts, not teacher selection experts, not police surveillance of students. On the quality of public school leadership and management, as in the business community, rests the future of public schools, in the words of the Educational Research Service as early as 1992.

Unfortunately, organization and management matters are still viewed by some as an overpowering, fearsome, inscrutable, unchanging and monolithic structure manipulated by unknown backroom shadowy characters. Nonetheless this command and control management culture survived world wide for 100 years! Initiated by the King of Prussia in the 1880s, it has served America's military and business organizations well through wars, depressions, industrial revolutions and bloody foreign revolutions. It got the job done and brought a successful conclusion to World War II that left America at the top of the heap in international economic and political affairs.

But, beginning in the 1960s, the emergence of the most stunning and enormous revolutions in the volume and depth of all scientific inquiry, improved product manufacturing, expanded global trade and investment, and vast communications demands, swamped business operations. It forced business management to devise new operational procedures that adjusted to this new reality. It demanded a new flexibility to manage the data, and, to provide opportunities for individuals to increase their contributions to a more productive society.

Organization structure became organic and specific to each institution and its purpose. In business historian Alfred Chandler's words, "Structure follows strategy. But it must be flexible to allow for changes. Organization design and structure require thinking, analysis and a systemic approach. The new organization paradigm turns a monumental relic of the past into a living current organism."

What are the dynamics of such new flexible structures? Maximize personal and financial resources. In Peter Drucker's words, leaders can't allow organization structure to remain static, or "just evolve. The only things that