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### Institute of Politics

# REPORT

THE INSTITUTE OF POLITICS PROVIDES A SETTING FOR ELECTED OFFICIALS FROM ALL LEVELS OF GOVERNMENT TO ACCESS UNIVERSITY RESOURCES OF RESEARCH AND EXPERTISE AND EXAMINE ISSUES IN A COLLEGIAL ENVIRONMENT.

# Institute Holds Foreign Direct Investment Conference

Panelists discuss cultural differences

in management style and present the

latest findings on how international

investors choose US locations.

"In Germany managers praise by criticizing less. In the US managers criticize by praising less," says Rolf Dangers, board chairman of National Draeger, a CEO panelist at the Institute of Politics seminar, "Regional Implications of Foreign Direct Investment for Public Policy." This was one example of differences in management style, cited humorously by Dangers, which can lead to misperceptions when a foreign firm invests in an American facility.

The September 20 seminar was cosponsored by Penn's Southwest Association, KPMG Peat Marwick, and the University of Pittsburgh's Graduate School of Public and International Affairs (GSPIA), Center for International Studies (UCIS), and International Business Center.

Dangers made his remarks during a panel discussion that included another CEO, Herbert Goller, president of Ardex, Inc. The session was moderated by Burkart Holzner, director of UCIS. Raymond R. Christman, president, Technology Development and Education Corp., and former secretary of commerce, Commonwealth of Pennsylvania, gave a local response.

Christman stated that foreigndirect investments generally take one of three forms—

- new startups, with a foreign firm such as IKEA establishing a local branch;
- acquisitions, in which a foreign concern acquires a local firm (or one division of a local firm);
- real estate acquisitions such as the acquisition of Rockefeller Center by the Mitsubishi Company.

Dangers and Goller touched on a variety of subjects including local labor-management relationTop Four Countries Investing In Western Pennsylvania

Germany

Germany

Germany

Germany

Japan

Japan

Sweden

ships, tax incentives and disincentives, importance of education for a high-quality workforce and for expatriate families, and the help provided by intermediary organizations such as Penn's Southwest.

This session was followed by a presentation by KPMG Peat Marwick partner Carl Wiker, Wiker summarized a study comparing Western Pennsylvania with eight other regions located within a 500 mile radius of Pittsburgh: Georgia, Massachusetts, Maryland, North Carolina, Ohio, South Carolina, Virginia, and Washington, DC. The regions within this radius constitute more than 50 percent of the US population, more than 53 percent of the disposable income, and are responsible for 51 percent of total US retail sales. The survey included 2,121 companies.

Wiker's presentation covered five topics:

- Representation by country and type of operation, highlighting which countries and what kinds of activities take place in these regions
- employment
- site-selection factors
- · method of establishment
- type of investment—a joint venture, acquisition, or new, startup operation
- other issues of concern.

#### REPRESENTATION BY COUNTRY

The top four countries investing in Western Pennsylvania are Germany, the United Kingdom, Canada, and Japan. In the remainder of the regions the order is the United Kingdom, Germany, and Japan, with France a distant fourth.

continued on page 3

# CALENDAR

NOVEMBER: MEDIA, COMMUNICA-TIONS AND PUBLIC AFFAIRS

A session of open discussion among elected officials and decision-makers from the local media including Representative Ron Cowell, Councilman Jake Milliones, Madelyn Ross, managing editor, *Pittshurgh Press*, Joe Rovitto, news director, WTAE-TV, and Stacey Smith, news anchor, KDKA-TV, is being held

November 7 at the University Club. A previous program, held in July, was well received. (Please see related articles.)

DECEMBER: INSTITUTE OF POLITICS ISSUES

The first of a series of occasional papers prepared by Clarke Thomas, senior editor, *Pittsburgh Post-Gazette*, will be

released. This paper will address state mandated services.

JANUARY: TRANSPORTA-TION

In early January, the Institute of Politics will host a seminar on regional transportation issues, featuring panels of experts and elected officials.

#### EDUCATION

Tentatively scheduled for January 24, 1992, this workshop will feature local and national speakers and will focus on the issue of educational William Cooley of the University of Pittsburgh Learning Research and Development Center, recognized expert, will be among the speakers. (Please see related article on seminar, held

#### **SPRING 1992**

Seminars for early 1992 will focus on health-care issues, educational financing, and tax policy.

The Institute welcomes suggestions, questions, or reactions to proposed programs. Please call Lauren Cull-Norford at the Institute office, 624-1837.

# Health Care: Famine in the Midst of Plenty

Thirty-four million Americans are currently

without health insurance. At least one million

of these Americans are Pennsylvanians.

On June 14 the Institute of Politics and the Health Policy Institute sponsored a conference, "Famine In the Midst of Plenty: Health Care for the Uninsured in South-

western Pennsylvania, " examining the current health-care crisis in reference to local need.

The day-long program opened

with a welcome by Thomas Detre, MD, president, University of Pittsburgh Medical Center, who reflected that the current health-care system "deserves an unbiased examination." For example, the US spends .24 percent of its health-care dollar on insurance overhead. Canada, in contrast spends .11 percent, resulting in a savings of \$66.9 billion.

In the first session, Margaret A. Potter, JD, associate director, Health Policy Institute, summarized the HPI's report, Health Care for the Medically Indigent in Southwestern Pennsylvania, issued in 1987. The report consisted of three parts: a demographic profile of the uninsured in Pennsylvania, an analysis of the major unmet health-care needs of the uninsured in southwestern Pennsylvania, and a description of the amount and distribution of uncompensated care.

Statewide, 8.6 percent of Pennsylvanians have no health insurance. The rate is higher-10.9 percent-in the 11 counties of Southwestern Pennsylvania. One-third of the uninsured are children in low-income households; another one-third are adults under age 35. Most uninsured have incomes below or slightly above the federal poverty line, but 20 percent have incomes exceeding 200 percent of the federal poverty line. More than half of uninsured adults have jobs. African-Americans are twice as likely as likely to be uninsured as whites. In a survey of uninsured individuals in Allegheny County, 51 percent had been uninsured longer than a year, and 25 percent reported having a chronic illness.

When asked to give the primary reason for being uninsured, 50 percent of persons interviewed said they were not eligible for health benefits with their present jobs. Another 27 percent gave unemployment as the reason. When asked "What effect has lack of insurance had on you and your family?" 31 percent of the respondents indicated stress, worry, and a curtailment of activities—for example, children playing sports.

The report concluded with the following recommendations:

1) Those who can afford heath insurance should, as a social responsibility, purchase it.
2) For those who can't afford it a govern-

mental method of subsidization should be established to ensure universal coverage.

This session was followed by two that examined the problems of the uninsured in getting care, and the problems of the health-care institutions providing care. The first session was moderated by Councilman Jim Ferlo and featured Wilford Payne, director of Primary Care Health Services at Alma Illery Center. Payne described the difficulties confronted by Alma Illery, a community-health center, in maintaining programming in difficult financial times and in reaching its service population. He stated that to reach the patients who need service the service must be sensitive to the patient. "In analyzing infant mortality, does anyone look at how the women who re-

> ceive the service get it? How a young black girl is treated when she first goes in for treatment will determine her attitude toward treat-

ment." Many black males, he added, fall out of the health-care system between ages 8 and 65 except for major illness.

HEALTH CARE FOR

THE UNINSURED

IN SOUTHWESTERN

PENNSYLVANIA

The second session featured Jack Robinette, president, Hospital Council of Western Pennsylvania, and was moderated by State Representative Thomas Murphy, chair, insurance committee, Pennsylvania House of Representatives. Robinette described the difficulties imposed on hospitals by the increase in the number of uninsured patients.

At lunch participants continued the discussion. Discussion leaders included Ian Rawson, senior vice president, Allegheny General Hospital; George Bernier, MD, dean, School of Medicine, University of Pittsburgh; Dan Brooks, MD, trustee, Allegheny County Medical Society; George Grode, senior vice president, corporate affairs, Pennsylvania Blue Shield; John McGrady, corporate vice president, Blue Cross of Western Pennsylvania; and Charles Pruitt, president and CEO, Presbyterian Senior Care System.

An afternoon workshop considering the problems of paying for health care featured Judith Lave, professor of health economics, University of Pittsburgh, and was moderated by Frank Pistella, chair, labor relations committee, Pennsylvania House of Representatives. Stuart H. Altman, chair, Prospective Payment Assessment Commission, and interim president, Brandeis University, gave a presentation on state initiatives. (Please see related article.)

Dr. Lave outlined lack of health-care coverage as not just a problem of poverty but one of people moving in and out of the work force. Small firms don't offer health insurance because of both cost and the risk of premiums increasing when someone becomes ill. In Pennsylvania certain services are mandated, Lave pointed out, which also increases the cost of average coverage. Any questions of increasing coverage nationally will also force questions of cost: "How willing," she asked, "are we to face the question of rationing care?"

The event concluded with a panel of public officials, including Congressman William Coyne, Commissioner Frank Mascara, and State Senator John Peterson, moderated by Beaufort B. Longest, Jr. ¶

# Watergate Cost: Loss of National Health Insurance

An expert predicts that national health insur-

ance could become a reality as early as 1996.



The United States almost had national health insurance in 1974, according to Stuart Altman, interim president of Brandeis University, chair of the congressionally legislated Prospective Payment

Assessment Commission responsible for overseeing the Medicare DRG Hospital Payment System, and a speaker at the Institute of Politics symposium on health care, "Famine in the Midst of Plenty, Health Care for the Uninsured in Southwestern Pennsylvania."

"The key players—Congress, the American Medical Association—were all behind it. There was presidential leadership," he told his Pittsburgh audience at the June 14 symposium. "Then two tragic events intervened—the impeachment of President Nixon and Wilbur Mills losing the chairmanship of the ways and means committee. And it all went away."

Dr. Altman has worked with the Congressional ways and means committee since 1971. From 1971 through 1976 he served as deputy assistant secretary for planning/evaluation/health at the Department of Health, Education, and Welfare. In 1974, he recalls, there was a real possibility of enactment of a national health insurance program.

Today he again sees the possibility of

national health insurance on the horizon, perhaps as early as 1996.

Pressure is building in the business community, he explains, because the cost of private insurance—largely borne by business—has accelerated. "Health care has been the only growth industry during the current recession."

Because rates paid by government health insurance are fixed, the cost of private health insurance (Blue Cross/Blue Shield and other private insurers) is affected by the amount of 'free care' hospitals provide, care that is not reimbursed by any source or that is reimbursed at a level below the cost of providing the service. Private health-insurance providers pass the cost on to consumers. Those that can, pay the increased rates. And those that can't, drop insurance, joining the pool of the uninsured. That pool, which drives the cost of private insurance up, has been growing.

A national program really requires presidential leadership, Altman says. Since the failure of the Catastrophic Health Care Bill, Congressional leadership will not be sufficient. "Some people think that President Bush won't make it a campaign issue in the next presidential election, but he may be willing to deal with the issue in a second term."

By that time health care may have become a dominant issue on the national agenda. Some two-thirds of health-care dollars are private dollars. Private insurers are paying from 25 to 40 percent more than they were a few years ago. At the same time (while the rest of the economy has slowed) hospital costs are growing as fast as at the beginning of the decade. The cost of health care has become a significant component in the cost of doing business.

While a climate for extension of coverage may develop, the continuing federal deficit may compromise funding. So any enactment of national health insurance

will require a cost-containment package.

According to Altman, any cost-containment package is sure to be controversial. Income may be lost not primarily to physicians but to professionals in the service areas that have developed to support the health-care system—various kinds of technicians and health-care administrators. Possibilities to make the transition more palatable could include a staggered phase-in to minimize the impact on current salaries.

Any cost-containment effort will probably result in a decrease in the intensity of services, such as the number of tests administered during the diagnostic process, but not necessarily in a reduction in technology development. Altman comments that medical technology (CAT scanners, MRI units) has a world market and much technology comes from abroad. The CAT-scan was developed in Britain, the MRI in Europe. So the possibility of a loss of revenue to pharmaceutical and medical technology companies, which could act as a disincentive to future research, should not be an issue in the development of cost containment.

Altman aided in the development of the Massachusetts state health plan and he points to it as an example of why state plans have difficulty. "It fell apart," he said, "because it rested on a fragile tax base. Businesses began fleeing to New Hampshire. State plans allow doctors to flee." If they don't like the situation they move across the state line. "That's why a partnership is needed between the state and federal governments."

Health care is not often a prominent issue on a national agenda, Altman reflects, but in the 1980s several national governments, including Canada and Australia, have fallen on their handling of the issue. Britain may also rise or fall on its handling of health care. By the mid-1990s health care may well be 'the' issue for American government also.

#### (Foreign Investment, continued from cover)

Most of the companies participating in the study are small. In Western Pennsylvania, 84 percent had less than \$35 million in sales.

#### TYPE OF OPERATION

In Western Pennsylvania, 50 percent of foreign investment is in manufacturing, producing 72 percent of the jobs; 30 percent is in sales and distribution, and 20 percent in service companies. As a whole the nine regions had 41 percent in manufacturing, 36 percent in sales and distribution, and 22 percent in service.

#### EMPLOYMENT

The participating companies provided 311,704 jobs in the nine regions covered in the study. In Western Pennsylvania the top four employers are British, 53 percent; German, 26 percent; Japanese, 8 percent; and Swedish, 4 percent. Only 3 percent of the jobs created were filled by foreign nationals. In the regional analysis 26 percent of the jobs provided were with British firms, 17 percent with Canadian companies, 14 percent with Japanese companies, and 10 percent with German firms.

#### SITE-SELECTION FACTORS

When considering where to locate US operations, proximity to key industry and market suppliers and access to air and water transportation were the most important factors for companies in the nine regions. In Western Pennsylvania, proximity was also the key reason, but transportation ranked after acquisition or joint venture opportunity.

#### METHOD OF ESTABLISHMENT

In Western Pennsylvania 58 percent of foreign companies are new startups, with 35 percent acquisition and 7 percent joint ventures. In contrast in the nine regions startups are 71 percent of the total, with acquisitions 25 percent and joint ventures only 4 percent.

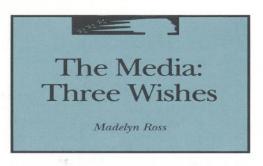
#### ISSUES OF CONCERN

Executives participating in the survey were asked what issues were of national, local, and personal concern to them. Nationally they listed national economic policies and exchange rates and the value of the dollar, as the top two concerns. Local concerns included labor availability and quality and

state and local taxes. In Western Pennsylvania taxes were the second biggest local concern. Most management expressed no personal concerns. (Copies of the study are available from the Institute of Politics. Please call Lauren Cull-Norford at 624-1837.)

The afternoon program consisted of four workshops: Education and the Labor Force, chaired by Representative Ronald Cowell and Dr. Joseph Dominic of the Pittsburgh Foundation/Heinz Endowment; Social Infrastructure, chaired by Dr. David Hanson, Duquesne University, and Marion Hook, Pittsburgh Council for International Visitors; Government Relations, chaired by K. Leroy Irvis, former majority leader, Pennsylvania House of Representatives, and Raymond Christman, and Transportation and Physical Infrastructure, chaired by Jack Robin, chairman, Port Authority of Allegheny County, and Joseph Hohman, director, Department of Development, Allegheny County.

Dr. Martin Staniland of GSPIA facilitated a wrap-up session in which moderators presented feedback from their sessions. A reception concluded the day.



At the Institute of Politics July 12 seminar, "Media, Communications, and Public Affairs," Madelyn Ross of the Pittsburgh Press told elected public officials why the media watch their every move. The following are excerpts from her remarks.

#### WISH NUMBER ONE

I wish that politicians would understand this: Members of the press believe that most politicians are decent, intelligent people: We believe that, second only to

journalists, you are the most overworked, underpaid, and unappreciated working stiffs around. We believe that most of you are in the politics business because you want to do good for the people you represent and not because your law practice is floundering; we believe that you are more altruistic than you are power-loving; and we believe that we can't trust one single word you say.

Why is that? Well, first we don't trust one single word that anyone says. We don't trust Mother Teresa; we don't trust bishops or popes; we don't trust Gen. Schwartzkopf, college presidents, or presidents of the United States. There's a rule in journalism: If your mother says she loves you,

check it out. So, we'll ask you questions and you may give us answers, but we won't believe them until we've checked-every way we know how. Nothing personal, that's our job.

The second reason is something personal. We don't trust what you say because some of you lie to us. You lie to us about important matters and completely inconsequential matters. In fact, lying is integrated into the American political ethic. After you've won an election, how many of you have ever been asked by a reporter if you have your eye on a higher office? How many have said "I'm going to do the best I can in this office: I haven't had time to

Our politics writer, Dennis Roddy, says: "That scares me. That scares me because they're either lying or they're telling the truth."

But I think you're lying.

even think about a higher office?"

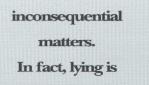
Political lying is so pervasive that I've heard this argument made in an editorial board meeting at the Pittsburgh Press. Shortly after the gubernatorial election, one of the members of the editorial board railed because Governor Casev seemed not to be straight with the electorate about the state of the state's economy. Another member rose to the governor's defense, saying: "You couldn't expect him to tell the truth; he was facing an election. This was not said with sarcasm or regret. It was stated as if everyone should know that it simply could not be any other way.

Here's another way in which lying has become part of the political culture. All grown-ups know that politics is the art of compromise-that day in and day out politicians "settle" for a position either because they compromised in the face of intelligent debate or because of something whispered in their ear by a lobbyist. Yet few politicians will admit either. Compromise has become a dirty word. More and more politicians pretend they are purists on the issues, unwilling to bend at any cost. A

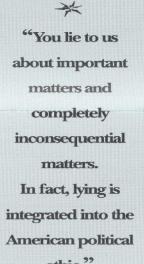
> blatant falsehood-thank God, since most atrocities have been committed in the name of purity.

> And there remains a politician's conspiracy of silence on lobbyists. We all know they're out there, sometimes even authoring legislation. This powerful floating machine works its magic, shielded from the public by you, because politicians won't tell who is persuading whom to do what by what means.

> In short, I wish politicians would stop lying.



ethic."



#### WISH NUMBER TWO

I wish that politicians and others in public life would remember the true role of the press in a democracy. I know if I asked how many

here believe in freedom of the press, all your hands would go up. But if I asked if the press should check your personal tax records or call you at 3 a.m. to inquire why you stayed free at a businessman's condominium in Florida, or wait outside your office when you wouldn't come to the phone so that we could ask you about an addition error on your campaign expense records, or want to attend a meeting where you would be discussing some very sensitive issue, some of you might waver.

But freedom of the press was eventually built into the Constitution precisely because the founding fathers knew that unfettered power leads to unfettered abuse. And that politicians, if left to their own devices, would quickly snuff out the pressbecause it would get in their way.

And so the press has been given the freedom-and the responsibility-to get



The Institute of Politics and the Department of Communication brought together elected officials and decisionmakers from the local media to discuss the media's relationship to public officials. The program, "Media, Communications, and Public Affairs," was organized and moderated by Ted Windt, Department of Communication.

The panel included Dan Cohen, Pittsburgh City Council, Robert Pitts, mayor of Wilkinsburg, Madelyn Ross, managing editor, Pittsburgh Press, Joe Rovitto, news director, WTAE-TV, Stacey Smith, news anchor, KDKA-TV. Panelists from both the media and

in your way, to force you to explain, to compel you to account, to cover you not only in your Grant Street or Capitol offices but anywhere you carry and use your power. We are supposed to give voice to the powerless so that they can deal with your enormous and eminently corruptible power. We may never be able to level the playing field but we try like hell to keep it from flipping over on itself.

Journalists don't talk much about that awesome responsibility because it isn't chic. It's more chic to say, "we're in business to make money, just like any other business." That, of course, is as much a lie as you not ever thinking of higher office. The press is a business, but it's not just any business. It's a business with a role in the democracy we all say we love and a responsibility far beyond making money. Reporters and editors really believe that and that's why they'll watch your every move with unrelenting vigor. In short, I wish you wouldn't get so agitated over the media. Remember: that rustle in the bushes is just democracy in action.



## NICATIONS, AND RS: A DEBATE

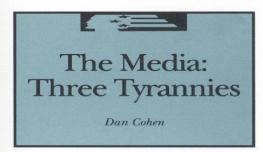
politics gave short presentations of their 'wishes' for one other. (Please see excerpts from the remarks of Madelyn Ross, The Media: Three Wishes, and Dan Cohen, The Media: Three Tyrannies.)

The panel was followed by roundtable sessions chaired by members of the media. The panelists were joined by Clarke Thomas, senior editor, *Pitts*burgh Post-Gazette, and P.J. Maloney, KQV-Radio. The discussion continued during lunch.

A second program on media, communications, and public affairs was scheduled for November 7.

#### WISH NUMBER THREE

I wish we could spend as much time together closed up in a room when we're on the record as we're doing now when we're off. ¶



When Ted Windt called and asked me to be a panelist I was initially reluctant. But when he told me that the topic was to compose a "wish list" of what the media could do to make my job as an elected official easier and more effective, I couldn't resist. Allow me to speak of them as "The Three Tyrannies".

#### THE FIRST TYRANNY

The Tyranny of the Sound Bite—or the Ink Bite, for those of you in the print media.

Reporters rarely quote public officials in more than 10 to 15 words, on even the most complex issues.

I submit that this tyranny of the sound bite forces public officials to use pet phrases rather than full sentences, abbreviated thoughts rather than complete ideas. And that, ultimately, impedes our ability to to discuss issues in a serious and substantive way.

It is very difficult to develop an idea or prepare a proposal when we know that it will just be reduced to a sound bite. And the irony is that members of

the media often turn around and criticize public officials for being superficial!

#### THE SECOND TYRANNY

Tyranny of Sensationalism-This tyranny goes to the question of what the media decides to cover-what it deems to be news and what is not. In my experience, I have found it particularly frustrating that Council business is often not covered by the media unless there is acrimony and dissension. Fortunately, we have a new City Council now which is more cooperative than some previous Councils. To our credit some say we are a more boring Council. I estimate that 95 percent of our deliberations are calm and rational. The media just doesn't seem to turn out, though, unless Council members are throwing rhetorical chairs at each other.

The public then believes that that is what all City Council proceedings are like. Then editorialists pontificate about Council being a circus and we wonder why the public becomes cynical about local government!

The media most likely will respond to this complaint by saying that dissension and controversy are what the public is interested in, but I challenge that assumption. When I am out talking to people in my district, I am rarely asked about my personal views of the mayor, for instance, or this or that Council member. People want me to talk about issues, like bringing the crime rate down and getting better quality housing. I think that people are interested in substance.

#### THE THIRD TYRANNY

"The media

just doesn't

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though, unless

Council members

are throwing

rhetorical chairs at

each other."

Tyranny of Tight Budgets—Because of tight media budgets, television executives have made the decision not to maintain extensive coverage of local government. The local stations do not assign full- or even part-time reporters to the City-County Building beat.

I am always amazed, however, at how many people watch City Council meetings on the cable government access channel. I am aware of how many people watch because of the volume of mail and phone calls I receive as well as by talking to people in my district. Both the sheer number of viewers and their diversity is astounding. I have found that Channel 17 "junkies" come from all backgrounds and all walks of life. They are tied together by a pervasive interest in observing government in action and in participating, albeit indirectly, in public-policy decisions

as they are being made.

The phenomenon of C-Span further attests to the fact that the public is interested in routine governmental proceedings. Millions of people nationwide tune into C-Span each day to watch unedited, continuous footage of Congressional floor debates, committee meetings, and hearings. While C-SPAN's corporate office can look at ratings, elected officials themselves have seen the tangible results of C-SPAN coverage. The amount of mail coming into the offices of House and Senate members has skyrocketed since the advent of C-SPAN. In short, I urge the network television stations to reconsider their priorities and think seriously about providing more extensive coverage of government proceedings. Evidently, people do find government in action "sexy" enough to watch.

The wish list I would submit to the media is simple. End, or at least mitigate, the three tyrannies. But I certainly agree with the journalists here that politicians also have to make changes. As public officials, we have to become more accessible to the media and more accountable to the people. We also have to realize that we give up a good deal of our privacy for the privilege of serving in public office. We must remember, though, that we are all in this together. Let's acknowledge that, since we do need each other, we must work together to raise the level of public discourse and better inform the public about important issues. We owe them and ourselves no less.

# Sometimes, You See the Things You Write About Improve

#### AN INTERVIEW WITH MADELYN ROSS



A daily newspaper has a responsibility to "reflect and direct the community values, to relay information which will raise the level of moral outrage in the community," says Madelyn Ross, managing editor of the *Pittsburgh Press*.

Ross has been with the the Pittsburgh Press since 1972 and managing editor since 1983. She was a speaker at the Institute of Politics

seminar, "Communications, Media, and Public Affairs," held in July. In a later interview she commented on newsgathering in the 1990s and the role of a newspaper in the development and evaluation of public policy and the work of public officials.

In evaluating an elected official's character, she comments, a daily metropolitan newspaper shares the basic values of the community. Elected officials are evaluated on honesty, on integrity, on whether they lie, cheat, and steal," but there is "nothing secret or magic" in the judgment of the media. The media evaluate elected officials on "all the things they act on in a political way, and in all the ways they use their power."

Journalism in 1991 is different, Ross says. In 1991 daily newspapers, in addition to breaking news day to day, have become more and more involved in projects that analyze systems. Electronic media "can tell you what happened in the last two hours, but we tell you what it means," she comments.

"Systems analyses" often develop from daily stories. For example, two typical stories, one on the rise in the number of organ transplants and the second on the number of Saudi Arabians renting an entire floor of a local hotel while waiting for organ transplants, led to an investigation of abuses in the transplant system, and a Pulitzer Prize for the *Press*.

Another system story on drug and alcohol problems in the airlines developed from a tip that a pilot, high on cocaine, was being treated in the emergency room at Mercy Hospital following an accident and left because he had to fly. This story also earned the *Press* a Pulitzer.

These stories, she comments, are more complex, more demanding, require more time to research and a tremendous amount of resources.

Journalists today are more sophisticated and better educated, have better skills are less naive and more aggressive than ever. No issue is too complicated to be explored by the press, "if attention is focused on it." But, she comments, "you can't understand anything without access to information."

Cost-cutting is also, nationally, part of journalism in 1991. Although the recession has not had an impact on the costs of newsgathering for the *Press*, Ross says, "You are always working within restraints." Cost-cutting, however, could force layoffs, which would reduce the number of people to cover the same amount of news. It could force cuts in the travel budget so that you can't follow a story out of town. But, "Ten times the budget wouldn't be enough."

"Sometimes," Maddy Ross reflects, "we can see something we write about improve. That's why you go into journalism. Otherwise," she says with a laugh, "why not become a lawyer and make money."

# What Makes A Public Official Effective?

#### AN INTERVIEW WITH DAN COHEN



"Public officials should take the lead in identifying important issues and trying to solve them—driving the media, instead of the other way around," comments City Councilman Dan Cohen. "They are least effective when following the media rather than taking the lead on issues."

Cohen, whose district covers the East End of Pittsburgh, served as a

panelist at the July 12 Institute of Politics seminar, "Media, Communications, and Public Affairs." Later, in an interview, he commented on the role of public officials and the media in the making of public policy.

What makes a public official effective? To Cohen, an effective public official is one who "makes a difference by accomplishing things in his or her community." In this the media are an essential component —acting as a conduit for public officials to inform their constituents of issues. The media are sometimes better able than a public official to investigate issues.

"Because the media gives more attention to sensationalist issues there is a temptation for public officials not to become involved in more mundane, albeit fundamental issues," Cohen continued.

"I also think that the media needs to give more intellectual credit to their audience. People do care about fundamental issues like riverfront development, city finances, and good management issues. On the other hand, public officials shouldn't be pandering to the media's interest in sensationalism and should be taking on substantive issues. If we did that," he asserted, "the media would have no choice but to cover it."

Among a plethora of issues, an elected official must choose those on which he can have an impact. "There is limited time, limited resources, and so many important issues," Cohen reflected. "I have to calculate what issues are most important for my constituents and on what issues I can make a difference. Many problems I, as a city councilman, can't solve."

In those cases the role of an elected official changes from that of legislator to advocate with other branches and levels of government. Cohen, for example, has lobbied for changes in the criminal code that would create mandatory sentencing for car theft, a big problem in his district.

Cohen feels that the creation of the district system has increased accountability of City Council. "Now every resident of the city has some one to call that is accountable to him or her," Cohen commented. "The danger is in becoming parochial. I must attend to the needs of my district, but never forget that I have an equal, if not higher, responsibility to the city as a whole. For example, 'currently there is an issue with the response time in Police Zone Five, which covers part of my district. While I am fighting for additional police for Zone Five I have to be careful to maintain proper coverage in the rest of the city."

The district system has had unexpected benefits. Cohen feels that City Council is, perhaps, more cooperative than in the past. "The contentiousness on City Council is reduced," he commented, "because councilmen are no longer competing with each other for the same office."

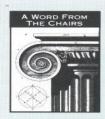
# THE INSTITUTE OF POLITICS: AN IDEA EXCHANGE FOR ELECTED OFFICIALS

When the idea for the Institute of Politics was first proposed in May 1985, few realized that what we were proposing was creating an organization for which there were no exact precedents. As we saw it, the Institute could best contribute to helping our region through its ongoing economic and social transition by focusing its efforts in two areas:

First, the Institute should provide an ongoing forum in which local decision-makers who must deal with the region's transition can come together to discuss proposed solutions to problems and to learn more about the causes of our problems.

Second, the Institute should provide top quality analysis of important problems in the region. The Institute's analytical projects should be clearly focused on specific problems and the results of each project should be directly useful to government officials.

By taking on these two primary activities, we believed that the Institute could make an excellent contribution to the region. Years later the unique and distinctive mission of the Institute has been defined. We have sought



to define it in a manner that would assure as much cooperation as possible, yet at the same time fill a void that we felt was present. The planning period has been completed. This period included the resolution of a broad range of issues: how to set the agenda, how to define objectives; how to work with other groups that share similar goals; and how to best serve elected officials.

The staff of the Institute of Politics has met with and solicited the opinions of many people who have worked closely with us. We have been told that the most valuable services we could render to the elected community would be an understanding and a cultivation of a list of important issues—the major components, their interrelationships, and their alternative futures.

We will continue to meet with elected and appointed officials in Southwestern Pennsylvania. Through these discussions with many knowledgeable individuals in the business, academic, and political worlds will continue to evolve a shared understanding of the purpose and direction of the Institute of Politics. Toward this end, we will continue the route of seeking advice, consultation, and cooperation from all of our regional groups.

We have been impressed by the cooperative spirit and good working relationship that has grown from the Institute's first few programs. We hope federal, state, and local elected officials, academia, and the business community will join us in support and enthusiasm for the Institute.

The Institute of Politics will draw all of these interests together for the betterment of the region. We would like to applaud the University of Pittsburgh for this new and most exciting project.

Ronald R. Cowell

Co-chair, Board of Fellows, Institute of Politics

William J. Coyne, M.C.

Co-chair, Board of Fellows, Institute of Politics

# Institute of Politics Issues

In December the Institute of Politics will issue the first of a series of occasional papers on public-policy concerns. Under the general series title, ISSUES, these pa-

pers will be written by Clarke Thomas, retired senior editor, *Pittsburgh Post-Gazette*, and will assess and provide background for current public-policy debates. ISSUES

will be distributed using the Institute of Politics mailing list. If you would like to receive a copy and are not on our list please call Lauren Cull-Norford at 624-1837.

# Choice: an education issue for legislators in many states

Educational choice is an issue of widespread interest in the current debate on quality in education. On October 18 the Institute of Politics and the School of Education held a seminar for 25 members of the state legislature on educational choice.

Members of the Institute of Politics educational advisory committee, chaired by Rep. Ron Cowell, chair of the Pennsylvania House education committee, and Joseph Dominic, education officer of the Pittsburgh Foundation/Heinz Endowments, developed the seminar.

The program featured national experts John Witte of the University of Wisconsin and the Robert M. LaFollette Institute of Public Affairs and Mary Ann Raywid of Hofstra University. Both have

published extensively on the issue and have conducted evaluations of choice programs.

Cowell began the seminar with an update on House Bill 1133, which would provide a dollar subsidy that families could direct to the school of their choice, public or private. Dean Kenneth Metz of the University of Pittsburgh School of Education and William Cooley of the Learning Research and Development Center introduced the speakers.

Although a number of states have legislation that allows 'choice' among schools within a school district and schools in other school districts, as yet the only 'voucher' program in operation is a small one in Milwaukee, which employs a needs test and so far has not involved sectarian schools.

Dr. Witte commented briefly on HB 1133 in light of his experience in evaluating the Milwaukee project. He stated that the Milwaukee project is not directly analogous to the current Pennsylvania bill, because it employs a means test and is restricted to private but non-sectarian schools.

Dr. Raywid outlined some of the current options for choice as among the following:

- INTRA-DISTRICT. This allows students to choose among schools within their district. This approach often includes 'magnet' schools, and is utilized in desegregation efforts.
- INTER-DISTRICT. This allows students to register at schools in school districts outside their own.

The program concluded with a discussion and lunch.

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