

NATIONAL HAMBURGER FESTIVAL Akron eats it up

Burger buffs get their fill of food and fun at downtown debut

If you go

Time: Noon to 7 p.m. today.
Place: Canal Park, downtown Akron.
Event cost: Adults, \$5; children 7 and younger, free.
Burger cost: Full burgers, \$4 each. Half-burgers, \$2.
Proceeds: Benefit Akron Children's Hospital.

By Rick Armon
Beacon Journal staff writer

Two years. That's how long Laura Nickoloff had been waiting for Saturday. It wasn't some significant wedding anniversary or anything special like that, though. It was, instead, the debut of the two-day National Hamburger Festival in downtown Akron - an event that marries ground beef lovers with some of the tastiest hamburger makers around. Some medical professionals also may say it conjoins clogs with arteries, considering the size and numbers of burgers that folks were downing. The festival was announced two years ago and was supposed to debut last year.

Please see **Burgers, A12**



Don Drenski celebrates his win over Shelby Armes (left) in a bobbing-for-burgers contest Saturday at the National Hamburger Festival in downtown Akron.

ED SUBA JR./Akron Beacon Journal

Battles rage on prior to pact

Israel, Hezbollah impose conditions on cease-fire slated to begin Monday

From Beacon Journal wire services

By air and by land, thousands of Israeli troops plunged deep inside southern Lebanon on Saturday and charged toward the Litani River battling Hezbollah fighters, even as the United Nations brokered a Monday morning cease-fire.

The scenario suggested a sticking point for how to impose terms of the truce after a month of escalating warfare.

Even as the warring parties seemed poised to accept a foreign force and the Lebanese Army to separate them, Israel said it would hold conquered ground until the international force relieved its soldiers.

Hezbollah's leader replied that he would accept the truce, too. But "as long as there are Israeli soldiers on our soil we will continue to fight them," said Sheik Hassan Nasrallah.

And combat was fierce as Israeli troops thrust into new battleground all the way to the Litani River, 18 miles north of the border. It appeared to be one last push to confront and weaken the Shiite fighters firing rockets into northern Israel, as well as a bid to draw the line where the international forces would take over.

At least 19 Israeli soldiers were killed, making Saturday Israel's deadliest day in the war. Israel Radio reported 100 troops wounded, which if confirmed would be the Jewish state's highest one-day injury toll of the fighting.

Please see **Mideast, A13**

Ohio since 1997

48th out of 50 states in overall economic growth

217 thousand jobs gone in goods-producing industries

6% job growth in the service-providing sector; half the national average

\$9.3 billion in annual wages lost in the goods-producing sector

Ohio No. 1 - in job losses

Experts and politicians cite various causes, tout ways to revive state's economy

By David Knox and Carl Chancellor
Beacon Journal staff writers

A decade ago, Ohio's battered rust-belt economy did something surprising: It showed signs of life.

After a generation of bleeding jobs from the auto, steel and rubber industries, employment in the manufacturing sector steadied by the early 1990s, then began growing.

Inside

- Candidates' economic recovery plans.
- Employment changes, 1997-2005.
- How Ohio performs in jobs and pay.
- Goods-, service-producing industries.

PAGE A8

unemployment rate ran lower than the national average for eight straight years.

Then the party ended.

Ohio's rejuvenated manufacturers, who had stripped down and learned to compete effectively with Japan, Korea, Germany and Mexico, stumbled before the new challenge from China, with its rock-bottom labor costs.

The effect on traditional industries was catastrophic: One in five manufacturing jobs in Ohio disappeared in the last five years - more than wiping out all the hard-fought gains of the 1990s.

The 217,000 jobs that vanished from all of Ohio's goods-producing industries between 1997 and last year - along with

Please see **Jobs, A8**

Ohio.com exclusive

Read the first installment of this occasional series, and view additional graphics.



DonAmeche Daniels searches job listings on the Internet at the OneStop job center at Goodwill Industries in Akron earlier this month.

MIKE CARDEW/Akron Beacon Journal

What the candidates are saying

REPUBLICAN

- Cut single rate income tax to 3.25 percent, eliminate the stand-alone estate tax, roll back state sales tax to 5 percent.
- Limit government spending, with the Tax and Expenditure Limitation legislation that fixes growth in government spending at 3.5 percent.
- Lease the Ohio Turnpike for an estimated \$4 billion to \$6 billion, to invest in state economic development.



Kenneth Blackwell

DEMOCRAT

- Expand state assistance to help start, save and grow Ohio businesses, including job training and unified budgeting for state economic development.
- Create jobs and energy independence for Ohio by investing in alternative fuels and clean energy technology.
- Offer state-supported college savings accounts to keep Ohioans from leaving the state for college, and to provide state assistance for college.



Ted Strickland

Key points of resolution

- "Full cessation" of fighting.
- Once fighting ends, the U.N. force in south Lebanon would be expanded from 2,000 to 15,000 troops to help coordinate the deployment of 15,000 Lebanese troops and the withdrawal of Israeli forces.
- Eventual disarmament of all armed groups in Lebanon and respect by both parties for the Blue Line, the U.N.-demarcated border separating Israel and Lebanon.
- Lebanon's government is to maintain the only armed force in the country - no more weapons for Hezbollah militias.
- Quick financial and humanitarian assistance to the Lebanese people from the international community.

Other news

- Barberton practices in case of flu pandemic. **B1**
- Cavs being cautious in negotiations with Gooden. **C1**
- Office-furniture retailer puts hub in Romig Road area. **D1**
- Delano Massey says music latest scapegoat for teen sex. **E1**



Area school districts in hot seat to make changes

Falling short forces them to seek state OK of steps to improve

By Stephanie Warsmith and Katie Byard
Beacon Journal staff writers

The Canton City school district hopes to spend about \$500,000 on a new reading curriculum.

Alliance has turned an elementary school into a kindergarten-only building.

Barberton will begin a new math series in the coming school year.

The districts hope these steps will be enough to satisfy a state mandate that they make changes because they again failed to achieve "adequate yearly progress," a tough federal standard for student achievement.

What's inside

- Cost of missing "adequate yearly progress." **A6**
- State report-card guide. **A6**
- Helpful terms. **A6**
- Report cards at a glance. **A6**

Individual schools already have faced consequences for not making AYP, but this is the first year that districts have been in the hot seat.

The consequences for districts missing AYP four times include instituting a new curriculum, replacing key district personnel, appointing a receiver or trustee in place of the superintendent and school board, and withholding federal Title I funds.

The district consequences are the latest turn in Ohio's complex accountability system, which blends federal and state requirements and imposes penalties on schools and districts that don't make the grade.

The Ohio Department of Education is to release state-wide report-card results on Monday and district and school report cards on Tuesday.

Please see **Schools, A10**

Adequate yearly progress for 2005-2006

The federal No Child Left Behind law requires districts and schools to demonstrate adequate yearly progress - AYP - in reading and math among all students, as well as subgroups of students, such as minorities and disabled. Districts and schools face escalating penalties for failing to meet these goals. The goals didn't increase for the 2005-06 school year but will go up through 2013-14.

Subject	Grade and Test	AYP Goal* 2005-06
Mathematics	Third-grade Achievement	60.6%
Reading	Third-grade Achievement	71.2%
Reading	Fourth-grade Achievement	68.3%
Reading	Fifth-grade Achievement	68.3%
Mathematics	Seventh-grade Achievement	47.3%
Mathematics	Eighth-grade Achievement	47.5%
Reading	Eighth-grade Achievement	73.8%
Mathematics	Ohio Graduation Test **	60.0%
Reading	Ohio Graduation Test **	71.8%

*Percentage of students required to pass. **Tenth-grade exam required for graduation.

SOURCE: Ohio Department of Education

Akron Beacon Journal

Today's weather
82° High 62° Low

Index

- Dear Abby **E2**
- Books **E5**
- Business **D1**
- Classified **F1**
- Crossword **E2**
- Deaths **B6-9**
- Editorials **B3**
- David Giffels **B1**
- Horoscope **F10**
- Jumble **F10**
- Local News **B1**
- Lottery **A2**
- Movies **E6**
- Music **E4**
- People **A2**
- Premier **E1**
- Terry Pluto **C4**
- Sports **C1**
- Sudoku **E6**
- Travel **E8**
- Video **E2**
- Weddings **E7**

Search the classifieds
Ohio.com
<http://www.ohio.com>

Candidates detail economic recovery plans

The two candidates vying to be Ohio's governor have proposed different economic and education plans to get the state on the road to economic recovery:

Republican

J. Kenneth Blackwell

Lease the Ohio Turnpike/JOB Fund

Blackwell wants to enter into a long-term lease with a private company to run the Ohio Turnpike. He predicts that a 99-year lease would garner \$4 billion to \$6 billion for the state.

He would use that money to start the Jobs for Ohio Businesses (JOB) Fund, which would pay for programs in a variety of areas, including: developing alternative forms of energy and clean coal; creating a revolving loan fund; improving turnpike corridor development and transportation infrastructure; creating universal broadband access; funding college scholarships in the areas of science, engineering and technology; improving math and science education in grades kindergarten through 12; and providing worker training in technology.

Tax and Expenditure Limitation (TEL)

Blackwell was behind the push to place a TEL amendment before Ohio voters in November. Before that happened, however, the General Assembly moved to enact TEL legislation.

Blackwell maintains the TEL will rein in state spending, because it limits growth in state spending to either 3.5 percent, or the sum of the rate of inflation plus the rate of population growth – whichever is greater. Limiting the growth of government, he maintains, will create a better climate for business growth.

Cut taxes

Blackwell advocates converting Ohio's income-tax rate to a single-rate system with a target rate of 3.25 percent. He says the simplified system will encourage growth and will reduce taxes on capital gains, which are treated as regular income in Ohio.

He also advocates: eliminating the standalone estate tax; increasing the definition of residency for tax purposes from 120 days to 180 days or more; returning the state sales tax to 5 percent; and exempting energy

consumption from the Commercial Activity Tax.

Streamline the state regulatory process

Blackwell has called for lawmakers to make Ohio's regulatory process identical to federal standards, so as not to discourage job creation in the state with an overly burdensome system.

The 65 Cent Solution

Blackwell advocates the "65 Cent Solution," a proposal that would require every Ohio school district to spend at least 65 cents of each education dollar in the classroom. The plan would increase classroom spending by more than \$1.2 billion without an increase in taxes.

Expand the voucher program

Blackwell supports public, charter, alternative and home-schooling, and he wants to expand the voucher program. He says vouchers ensure that schools stay competitive and cost efficient.

Democrat

Ted Strickland

Job creation

Strickland is proposing a

multifaceted program for job creation, called Jobs Worthy of Ohioans. He wants to expand the way the state reaches out to help businesses, so that there is state assistance available to help start, grow, and save businesses.

The program calls for the establishment of the Governor's Business Council, to help government and business work together to support business; and the Governor's Ohio Jobs Strike Force, to connect businesses and workers in crisis with the help they need to rebound.

The plan has components for job training and infrastructure improvements. It calls for the redirecting of existing state tax dollars and money from the Third Frontier program to pay for its programs. It would require a single, unified budget for economic development, so there is a clear picture of where and how all state money for economic development is being spent.

As part of the plan, Strickland wants the state to help stabilize health-care costs, which he calls the single greatest barrier to business growth. He also advocates the

modernization of Ohio's enterprise zone and tax incentive strategies.

Investing in alternative fuels

Strickland has a 13-point strategy for creating jobs and energy independence by investing in clean energy technology.

The plan includes setting aside 30 percent of Ohio's tax exempt bonds to make \$250 million available per year for low interest capital for alternative energy projects. He contends that as many as 22,000 new jobs could be created in Ohio by investing in alternative energy.

The plan includes such points as: encouraging ethanol production in Ohio; supporting clean coal technologies; and using state development money to provide capital and training support to Ohio manufacturers who are making the transition to hybrid auto manufacturing, or entering a new market for renewable energy, such as wind or solar.

Broadband access

Strickland advocates investing in the state's broadband infrastructure to create a competitive economy in Ohio that will attract jobs. He would create the Ohio

NextGen Network to manage long-term oversight and planning of the state's network, which would focus on supporting higher education and research, spurring job growth and lowering state costs. He wants to bring broadband access to all of Ohio's 88 counties.

Early childhood education

Strickland has a plan to spend \$50 million a year to make early childhood education and child care a priority by establishing a state department to set programs for children from prenatal care to age 6. He has proposed using unspent federal Child Care Development Block Grant money to pay for the program.

College savings accounts

Under this proposal of Strickland's, when parents open a 529 college savings account for their child, the state would contribute \$500 to a parallel account, and would contribute \$100 every year thereafter until the child graduates from high school.

The state's contribution could be used for college or other training in Ohio. The goal of the plan is to keep students from leaving Ohio for other states where education is cheaper.



LEW STAMP/Akron Beacon Journal

Dana Moses works on the Cobalt production line at GM's Lordstown plant in June.

Jobs

New service jobs pay less than those lost

Continued from Page A1

their \$9.3 billion in average annual wages – were the biggest losses of any state in the nation. The state's 15.7 percent decline in total average annual wages also ranked Ohio dead last.

Job losses aren't the only measure of Ohio's economic woes.

The state's gross state product generated by its goods-producing industries – manufacturing, construction, farming, mining and other natural resources – fell by nearly \$9 billion from 1997 to 2004, again the biggest drop of any state.

The rest of the state's economy – the service-providing industries – did manage to grow, but well below the national average and not enough to keep up with Ohio's growing work force. About 50,000 Ohioans joined the ranks of the unemployed between 1997 and June of this year.

Worse yet, the new jobs paid considerably less than those lost. The average annual pay for goods-producing jobs was more than \$46,000 last year, compared to \$35,000 for service-sector workers.

No common solutions

Both major party candidates for governor – Republican J. Kenneth Blackwell and Democrat Ted Strickland – acknowledge Ohio's economy is ailing.

Where they radically disagree is on the cure.

"Our economy is failing our families," Strickland said in a speech to a gathering of Summit County Democrats. "Our educational system is shortchanging our children."

A cornerstone of Strickland's "Turnaround Ohio" revitalization plan is improving education, including proposals for universal preschool and upgrading kindergarten through grade 12 with new books, increased technology and better teacher training.

Strickland also wants to dramatically increase Ohio college and university enrollment by making higher education more affordable.

The state is lagging in post-secondary education. Only 23.3 percent of Ohioans have a bachelor's degree or more, compared to 27 percent for the nation overall, according to the Census Bureau.

Some Republicans also argue more and better schooling as a solution to the state's economic woes.

"Education is key," said Republican Lt. Gov. Bruce Johnson, who is also the state's development director. "The new jobs of tomorrow will require ad-

vance education and training. "A four-year degree won't be good enough. It is going to require a master's and higher."

Johnson, whose term of office ends in January, won't have to answer the tough question: Who will foot the bill for better schools and more affordable colleges?

Politicians in Ohio traditionally are reluctant to turn to the taxpayers.

College support lags

Ohio's support for higher education is among the lowest in the nation. The state ranks 40th of the 50 states in the amount of state support per pupil received by public colleges and universities, according to the Ohio Board of Regents.

As a result, the average tuition costs at a four-year, public university in Ohio are well above the national average – \$6,811 compared with \$5,132.

Strickland said he hopes to make college more affordable by subsidizing the "529 plan" college savings accounts with \$247.75 million he expects to garner "from efficiencies gained elsewhere in state government, such as Medicaid."

Wrestling that much money from the budget, especially from Medicaid, will be difficult – and politically dangerous – for a Democrat.

Ohio already has enacted changes in the past several budgets to reduce the rate of growth in Medicaid, which provides health care for 2 million poor Ohioans and traditionally has grown at rates double or triple that of inflation, said Tim Keen, director of the state Office of Budget and Management.

Cuts so far have reduced nursing home reimbursement rates, eliminated vision and partially reduced dental care coverage and tightened eligibility requirements by raising income requirements.

Is Strickland's plan realistic? "It's doable, but it depends on one's willingness to accept the policy choices that have to be

made," Keen said. Strickland is adamant no new taxes are needed.

Tax cut proposal

Blackwell goes further. He wants to slash taxes, including converting the state's progressive income tax to a single rate.

"The goal is to create a single-digit rate tax of 3.25 percent," said Blackwell, who was elected Ohio Secretary of State in 1998. He also would eliminate the state's estate tax and repeal the half-percent sales tax increase approved last year.

Blackwell, a disciple of conservative supply-side economics, argues that high taxes and labor costs are the root causes of Ohio's sluggish economic growth by making the state "extremely unattractive to capital investment."

Instead of tax dollars, Blackwell has proposed privatizing the Ohio Turnpike, which he estimated would yield \$6 billion earmarked "exclusively for job development."

Blackwell's stump-speech mantra that Ohio has the third highest tax burden of any state has drawn fire – and not just from Democrats.

Earlier this month, Republican Gov. Bob Taft said the Tax Foundation study that Blackwell cites to support his claim is "discredited."

"Last month, the Ohio Public Expenditure Council criticized the foundation's methodology and issued a report indicating that our tax burden is average – 21st among all states," Taft said in a letter criticizing the Beacon Journal for citing the study.

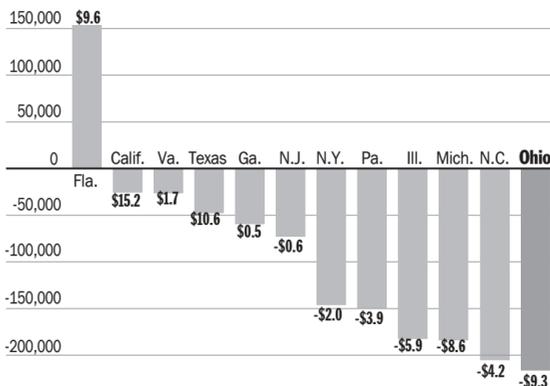
Blackwell's prescription for more jobs also is disputed.

"Oklahoma a decade ago was 40th among the 50 states in terms of job creation. Today it is No. 1," he said. "They attribute that to the fact that they drove down the cost of labor by becoming a right-to-work state, which is a simple way of saying that nobody should be forced into a union."

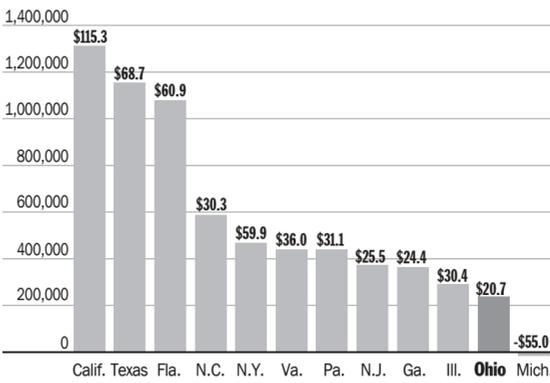
Critics note that Ohio – de-

Employment changes, 1997 to 2005

Ohio's goods-producing industries lost more than 217,000 jobs between 1997 and last year, the worst performance of any state in the nation. Shown below are the changes in employment for the dozen most populous states. Changes in total annual wages are shown at the end of the bars, in billions.



Employment gains in Ohio's service-sector industries narrowly offset the job losses among goods-producing industries, but the state's 6 percent growth rate was less than half the national average. Ohio's \$20.7 billion in additional annual pay between 1997 and 2005 was the second smallest increase among the nation's largest states.



Wage figures in billions, adjusted for inflation to 2005 dollars. SOURCE: U.S. Bureau of Economic Analysis Akron Beacon Journal

spite its economic problems – still has much higher median household and family incomes and lower poverty rates than Oklahoma.

Manufacturing's role

Giving up on Ohio's high-paying industrial jobs would be a mistake, according to Alan Tonelson, a researcher with the United States Business & Industry Council, a Washington-based advocacy group representing medium and small manufacturers.

"Manufacturing is the only sector that has had large-scale success in taking someone with average skills and schooling and providing them with a salary that will allow them to live middle-class lives," said Tonelson, who wrote the book, *Race to the Bottom: Why a Worldwide Worker Surplus and Uncontrolled Free Trade are Sinking American Living Standards*.

"Those jobs help support much of the economy."

The critical importance of manufacturing to Ohio is evident in the gross state product

figures. While Ohio has the seventh largest population in the nation, it's third in dollars generated by its goods-producing industries, beating out the more populous states of New York, Florida, Illinois and Pennsylvania.

But the ranks of manufacturing jobs continue to shrink.

The domestic auto industry is the bleeding edge of that trend.

Last December, Ford Motor Co. closed its van assembly plant in Lorain, where 1,600 people once worked.

General Motors this year offered buyouts to 35,000 of its United Auto Workers employees nationwide, including those at Ohio's Lordstown Assembly Plant, where compact Chevrolet Cobalts and Pontiac G5s are made.

Some 1,600 UAW members at Lordstown took buyouts – worth \$35,000 to \$140,000 – or about a third of the hourly work force.

As part of that cost cutting, GM ended its third shift at Lordstown this summer. The plant once churned out 1,300 cars daily. It now makes 1,000 a day.

New plants built by foreign auto makers, such as Honda's huge facility in Marysville, haven't made up for the job losses of the domestic manufacturers.

"The full effect of the Ford and GM cuts have not started to be felt yet," Tonelson said. "I think your state will be very hard hit by that, unfortunately."

The effect of NAFTA

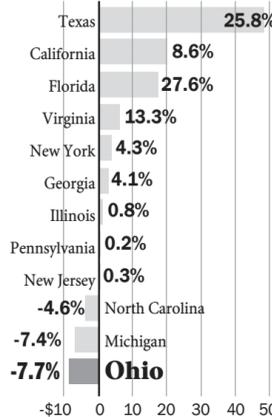
Tonelson blamed recent international trade agreements for much of the nation's hemorrhage of manufacturing jobs.

"Much of the loss of manufacturing production is due to trade policies," he said, arguing that trade agreements such as NAFTA were poorly negotiated and are full of loopholes that fail to create a level playing field for U.S. manufacturers.

"A major problem is that the

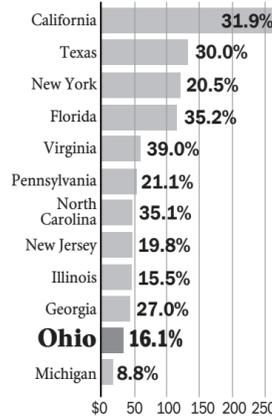
Goods-producing industries

Output of Ohio's manufacturing, construction, farming and other goods-producing industries fell by nearly 8 percent from 1997 to 2004. That translates into a nearly \$9 billion drop in the state's gross state product, ranking Ohio last among the 50 states. Shown below are the percent changes in gross state product for the dozen most populous states.



Service-providing industries

Ohio's service sector industries fared little better, growing only about 16 percent in output, compared to a national average of 25 percent, over the same seven years. Ohio's overall percentage change in gross state product ranked 48th among 50 states.



Amounts in billions, adjusted for inflation to 2004 dollars. Percent change at end of each bar. SOURCE: U.S. Bureau of Economic Analysis Akron Beacon Journal

U.S. has not responded to predatory practices, dumping and the abuse of intellectual property," he said.

Rep. Sherrod Brown (D-Avon) couldn't agree more.

"We must turn the tide on our nation's trade policies," said Brown, who is challenging incumbent Sen. Mike DeWine (R-Cedarville) for the state's Senate seat in November.

"U.S. trade policy should be crafted to ensure businesses in Ohio can compete globally, create good paying jobs right here at home and to promote new business growth."

DeWine, in contrast, argues that lowering international trade barriers expands markets for American export goods and creates jobs.

"The future of Ohio's economy is linked in large part to its ability to send products abroad," DeWine said. "One quarter of Ohio's manufacturing jobs depend on exports and 29 percent of all Ohio agricultural products are exported."

DeWine said he does favor penalizing foreign companies for illegal dumping, noting that more than \$315 million in fines have come back to Ohio companies since 2000.

Staff writers Jim Mackinnon and Dennis Willard contributed to this report.

David Knox can be reached at 330-996-3532 or dknox@thebeaconjournal.com

How Ohio performs in jobs and pay

Among the nation's dozen largest states, Ohio ranks last or next to last in percent change in employment in more than half of the major industry sectors.

Industry	Number of employees in 2005	Percent change since 1997	Rank among the nation's 12 most populous states	Average annual pay, 2005	Percent change since 1997*
Natural resources and mining (includes agriculture)	24,910	-9.7%	10	\$37,219	8.1%
Construction	239,771	3.0%	12	\$40,422	3.9%
Manufacturing	811,703	-21.4%	6	\$48,221	1.6%
Retail and wholesale trade, transportation and utilities	1,087,996	-2.8%	11	\$33,521	6.7%
Information	103,887	-8.7%	10	\$46,623	10.2%
Financial activities	301,262	8.5%	8	\$49,056	20.8%
Professional and business services	652,763	9.9%	11	\$44,208	15.6%
Education and health services	1,182,019	16.3%	8	\$35,956	5.7%
Leisure and hospitality	511,708	7.6%	12	\$13,473	4.8%
Other services and unclassified	171,255	-1.9%	12	\$23,471	6.6%
Public administration (local, state and federal)	221,377	1.7%	11	\$45,397	8.1%
Total:	5,308,651	0.5%		\$37,330	5.6%

SOURCE: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

* Adjusted for inflation

Akron Beacon Journal