

# Cities on a Hill

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## Heroes of Charity Shine at Social Entrepreneurship Awards

Four geniuses of philanthropy were honored at a festive dinner at the Princeton Club in New York City on October 19.

Receiving the fourth annual Social Entrepreneurship award were John Sage, of Bridges to Life; ReDonna Rodgers, of the Center for Teaching Entrepreneurship; Al Sikes, of the Reading Excellence & Discovery Foundation; and Jane Leu, of Upwardly Global.

The Award honors non-profit leaders who have found innovative, private sector-solutions to social problems. Acute crises in crime, education, and immigration were addressed with creative success by the 2004 honorees. *continued on page 3*



The winners from left to right: Al Sikes, Jane Leu, ReDonna Rodgers, John Sage

## Why Welfare-Reform Works: Lessons from the Wisconsin Experience

With renewal of the landmark 1996 federal welfare reform legislation being debated in Congress, the Manhattan Institute recently brought together a panel of experts to discuss the implications of Wisconsin's precedent-setting welfare reform.

Because state welfare-reform started with Wisconsin's federal waivers in the early 1990s, observers of all political persuasions agree that understanding Wisconsin's experience is crucial to all further efforts to move impoverished citizens into the mainstream economy.

The September 21 panel discussion featured three of the country's preeminent welfare experts. *New York Times* reporter Jason DeParle covered Wisconsin's welfare reform movement closely and is author of *American Dream: Three Women, Ten Kids, and a Nation's Drive to End Welfare*. New York University Professor Larry Mead is one of the nation's

top academic authorities on the theory and implementation of the Wisconsin model. Jason Turner was one of the architects of the Wisconsin program and was in charge of creating a similar program in New York City during Mayor Giuliani's administration. Gordon Berlin, president of MDRC, one of the nation's premier social science research firms, served as moderator.

Mr. DeParle opened the discussion by reviewing the mechanics of welfare reform and how it actually affected program participants. He argued that promoting access to work was a necessary but insufficient condition for reforming the underlying cultural problems of the "underclass." "It is important to continue to provide supports to women and children who have left welfare," he said, "to keep some sort of work-based safety net in place."

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## Heroes of Charity *continued from page 1*

- Overcome by grief after the murder of his sister, John Sage founded the Houston-centered Bridges to Life program in 1999, to “bridge” the divide between crime victims and offenders. The thirteen-week program rehabilitates prisoners in victim-offender group encounters, where criminals are confronted directly with the human costs of their crimes. The general prison recidivism rate after release ranges from thirty-five to forty percent, while Bridges to Life graduates have a recidivism rate of about eighteen percent, mostly for minor parole violations. Of the first 1,132 released Bridges to Life graduates, just fourteen, or less than two percent, have been re-arrested for violent crimes.

- To lead students away from a troubled culture of dependency and defeat, ReDonna Rodgers started the Center for Teaching Entrepreneurship (CTE) on Milwaukee’s impoverished East Side. CTE has taught disadvantaged secondary-school children the fundamentals of entrepreneurship, business and financial literacy needed to thrive in a modern economy.

- Inspired by the memory of his own mother helping him learn to read, former Federal Communications Chairman Alfred Sikes started the Reading Excellence and Discovery Foundation (READ). Through READ, struggling New York City elementary students are paired with trained teenage reading tutors in supervised settings. From thirty-seven students in ten schools in 1999, READ enrollment increased by 2004 to twenty schools and more than six hundred students. Ninety percent of the students tutored improved by at least half a grade level, and fifty-nine percent improved by a full grade level.

- Seeing that well-qualified, highly educated immigrants were being consigned to low-skilled jobs by programs that were supposed to help them, Jane Leu founded Upwardly Global, a San Francisco service that helps businesses understand the immigrant labor market and hire skilled immigrants. Upwardly Global has an extensive network of some seventy Bay-Area employers, and has helped place dozens of immigrant professionals in their fields of expertise.

The dinner was emceed by Howard Husock, director of the Manhattan Institute’s Social Entrepreneurship Initiative. Mr. Husock also serves as director of case studies at Harvard University’s Kennedy School of Government.

Keynote remarks were given by the renowned social entrepreneur George T. McDonald, founder and president of The Doe Fund, which helps the homeless rebuild their lives. About 1,700 homeless have completed the program, with 66 percent of graduates holding permanent jobs and in regular housing.

*From top: Nina Rosenwald (L) and ReDonna Rogers (R); Peter Salins (L) and Fred Siegel (R); Al Sikes with dinner attendees; Henry Olsen*

## Miami Mayor Manuel Diaz Receives Manhattan Institute's Urban Innovator Award



*Mayor Diaz addresses the crowd*

On October 26, the Center for Civic Innovation (CCI) at the Manhattan Institute honored Miami Mayor Manuel A. Diaz with its fifth annual Urban Innovator Award.

CCI recognized Mayor Diaz for his unswerving dedication to transforming Miami's government into a service-oriented organization, focused on improving quality of life and economic development citywide, rather than in just a handful of central business districts.

Before Mayor Diaz came on the scene, Miami was considered a city in decline. It was blighted by crime, hobbled by mismanagement, and saddled with a poor credit rating.

"Today crime is down and Miami is in the midst of a multi-billion dollar construction boom," CCI Executive Director Henry Olsen noted. "Much of the credit for Miami's renaissance belongs to Mayor Diaz and his determination to retool the city's faltering administration, using sound business principles and a strategic vision for the City's future."

After his November 2001 election, Mayor Diaz quickly developed a vision for Miami as an international city embodying diversity, economic opportunity and good government. To achieve his vision, Mayor Diaz, a former attorney and restaurateur, implemented a private-sector organizational structure throughout all city departments. This new system promoted effective goal setting and accountability through performance measures.

Just three short years after facing bankruptcy, Miami's bond rating soared from junk grade in 2001 to an A+ rating in 2004, the highest rating in the city's history. After its finances and management improved, Miami's private investment reached unprecedented levels. At least \$16.5 billion in development is underway.

"In part, I have to credit the Manhattan-Institute for inspiring many of the steps we took as a city to bring about these innovative changes," Mayor Diaz said in accepting the award. He added, "the other thing that helped was *The Entrepreneurial City*, one of the Institute's landmark publications. The book was kind of a Bible for my campaign that we referred to often for guidance and expertise."

Previous winners of Urban Innovator Award are Washington, D.C. Mayor Anthony Williams (2003); Baltimore Mayor Martin O'Malley (2002); Oakland Mayor Jerry Brown (2001); St. Paul Mayor Norm Coleman; and Chicago Mayor Richard M. Daley (2000).

### Why Welfare-Reform Works *continued from page 1*

Professor Larry Mead characterized the welfare reform program in Wisconsin as a triumph in social policy. "The policy in Wisconsin was basically right. The idea of requiring welfare recipients to work provides leverage over the problem," he reasoned. "The secret in Wisconsin was a high-minded political culture and a political process oriented to problem solving rather than partisanship."

Jason Turner concluded with a firsthand account of how Wisconsin welfare policy was formulated and passed into law. Initially, policymakers identified two key problems. "The first was that welfare didn't connect work to benefits. The second problem was that government is almost never in a position to make a radical change in a particular individual's life." Turner, however, saw these problems as an enormous opportunity.

"One doesn't usually get a chance to start with principles and come up anew with a plan. But that's exactly what happened in Wisconsin in this instance," he said. Welfare reform was conceived as a way for "parents, not the government, to take responsibility for their families."

All three panelists agreed that the next frontier in welfare reform would be reintegrating men back into families on public assistance. Mr. DeParle noted that this would not only improve family income, it would also provide a much needed psychological boost for struggling mothers and their children.

"The biggest surprise to me was just how much yearning there was among the kids and their mothers for the fathers," DeParle reflected. "I started to think more about the fatherhood agenda . . . So whether it's economic support or the family marriage promotion, there must be common ground for the Left and the Right to do something to bring the men back into the home."

## Civic Report: Higher Standards Make Better Students

Florida's policy requiring third-grade students to pass a statewide reading test has led to significant improvements for low-performing students, a new Civic Report shows.

The results were revealed in a December 2004 report, *An Evaluation of Florida's Program to End Social Promotion*, by Manhattan Institute Senior Fellow Jay P. Greene, Ph.D., and Research Associate Marcus A. Winters.

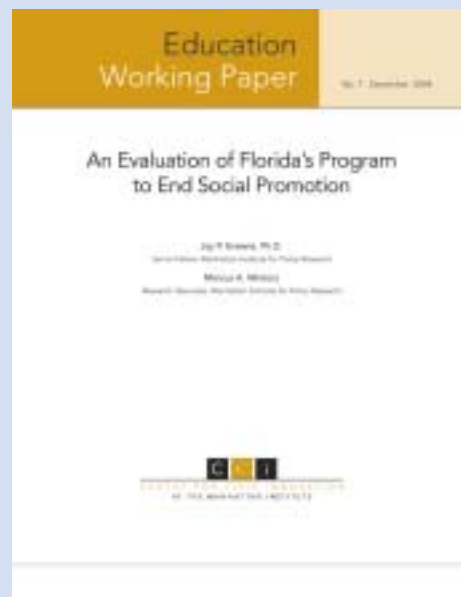
Florida's policy became effective in 2003, allowing a comparison between low performing students who were retained that year, and the previous cohort, which was not subject to testing requirements.

Greene and Winters found that low-performing Florida students who were actually retained made greater gains in both reading and math. The retained students improved 4.10 percentile points on the Florida Comprehensive Assessment Test or FCAT, which measures reading. They also jumped 9.98 percentile points on the FCAT, and 9.26 percentile points on the Stanford-9, which measure math.

Greene and Winters intend to follow the same two groups of students in future studies to evaluate the long term effects of social promotion and retention on student achievement.

Florida is among many large school systems to adopt standardized testing requirements intended to curb the practice known as "social promotion"—promoting students to the next grade level regardless of academic proficiency. Social promotion is banned in school systems encompassing thirty percent of all U.S. public school students.

Access this report at: [http://www.manhattan-institute.org/html/ewp\\_07.htm](http://www.manhattan-institute.org/html/ewp_07.htm)



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