

Now Hear This: It's the Education *Business*

SUDDENLY a few members of the New York City political crowd have begun to grouse.

It seems that Harold Levy, the schools chancellor, drives a nasty bargain when it comes to his take-home pay.

Until now many had rated him somewhere near Mother Teresa in the annals of public service and self-sacrifice.

Wasn't Levy willing after all to forgo the really huge bucks from his former bosses at Citigroup in favor of the nice little \$245,000 that the Board of Education will pay him annually?

Wasn't he willing to leave behind the hushed mahogany chambers of corporate America for the ground-in grunge of the school system's decrepit headquarters at 110 Livingston St., Brooklyn?

Wasn't he willing to trade the quiet treacheries of the private sector for the gaudy public floggings that inevitably await him in the political sphere?

Sure he was, but forget about that for now.

At the moment, eyebrows are shooting up all over town as Levy bargains for a monthly housing allowance of up to \$10,000 a month in addition to his \$245,000 annual chancellor's salary.

The sense of surprise is easy enough to fathom. Levy has a co-op on Manhattan's Riverside Drive and a place in Connecticut. At the same time, the system owns a swanky \$2.5 million chancellor's residence in Brooklyn Heights that Levy prefers to avoid and the board will probably lease or sell.

So why does this man need a housing stipend?

One answer is that the system put a roof over the heads of countless failed chancellors in the 1990s. Levy at least deserves what they deserved.

But people such as Board of Education member Jerry Cammarata of Staten Island simply don't buy it. He put it this way in a comment to a New York Times reporter: "The man does not need a housing allowance. It was created for individuals



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we were displacing and bringing to New York."

Well, look, I don't care who it was intended for. Personally, I'm relieved to see Levy haggling with the board over money. Public-spiritedness is nice, but the system does not need saints. What it needs are market-oriented pragmatists who can make urban public schools competitive once more. What it needs is a healthy shot of capitalism. A money hassle — minor though it may be — tells me that Levy is something more than a dilettante.

If you want his help — it'll cost you, pal.

New York's taxpayers won't be the only people gambling on his abilities. This time around the chancellor has no golden parachute. If he crashes and burns, he crashes and burns — and he's outta there. Game over. This will ensure that he doesn't lapse into a toxic pout on the public tab while he looks for another job. And it will give him a powerful incentive not to crash and burn.

Meanwhile, Levy needs to imbue the schools with the same tough-minded market discipline that he brings to his own contract negotiations.

Does the city need certified teachers? Of course. It is begging for them — and the reasons why are not mysterious. The starting salary is a miserly \$31,910. The average salary is just \$45,000. All the while, a newcomer to Nassau with a master's degree can earn \$45,268. A Suffolk teacher with 20 years of experience can earn \$81,086. The city must dramatically raise its teacher pay.

But it needs to drive a tough bargain in return.

Merit pay would be a fine start. If bad teachers get exactly the same pay as good teachers, where is the incentive to excel? The teacher unions would rather reward whole schools — not single teachers — for excellent results. But common sense says individual raises for teacher excellence are the best motivators for sustained brilliance.

Then there are vouchers. Mayor Rudolph Giuliani thinks they are a great way to motivate underperforming public schools to improve. Rudy Crew, Levy's predecessor, left in a huff over the very idea. The United Federation of Teachers hates the plan, which threatens its control. Levy has offered only a studied silence on the matter.

As for the people? Well, Hunter College did a poll of New York City residents a few months ago.

Among other things, it found that of all Queens residents who understood the concept, 77 percent backed the idea. Citywide, 87 percent of Hispanics endorsed the plan along with 83 percent of blacks.

The point is: Urban schools are no place for idle do-gooders. What the city needs are top teachers who make top pay and deliver a top education. And if they fail to perform as expected? The city shouldn't hesitate to help poor parents bail out for private or parochial schools. Key civic institutions cannot rely on the kindness of strangers.