

WORLD NEWS

Stephen Case will lead yet another "Internet Revolution"

by Leslie J. Nicholson
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The man at the center of the \$184 billion America Online-Time Warner megamerger is a boyish-looking 41-year-old who started his career marketing home perms for Procter & Gamble.

Stephen M. Case, known simply as Steve to millions of AOL subscribers, had already been credited with leading the popularization of the Internet. Now he will lead what many are saying is another Internet revolution: the melding of traditional and Internet-based media.

The AOL chief executive will be the chairman of the new AOL-Time Warner. He will focus on "technological developments and policy initiatives driving the global expansion of the interactive medium," according to a statement.

Time Warner's 60-year-old chairman and chief executive officer, Gerald M. Levin, will be the CEO. Time Warner President Richard Parsons and America Online President Bob Pittman will become co-chief operating officers.

Online industry analyst Gary H. Arlen said that with this deal, Case will become a "senior statesman" who provides a voice for the online industry, in much the same way CNN founder Ted Turner and Telecommunications Inc. chief John Malone did for the cable industry.

"It's still to be determined if Case is really going to be calling the shots at this merged company, but I'm certain he's going to have a great influence on its interactive directions," Arlen said.

Case is a man known for keeping his eye on a single goal: putting America Online at the center of the growth of the Internet. It was he who initiated discussions with Levin about a merger three months ago.

"Today's announcement is consistent with the strategy that Steve Case and Bob Pittman have had in place

nearly 15 years, said America Online's high profile is a difficult



Gerald Levin, left, chairman and CEO of Time Warner Inc., and Steve Case, chairman and CEO of America Online, give each other a high five after announcing the merger of Time Warner and AOL at a news conference Monday morning, January 10, 2000.

for a number of years," said Mark Winther, group vice president for worldwide telecommunications at International Data Corp., a research firm. "They have clearly pushed into this content area, and it's no surprise that they're buying Time Warner."

Winther called Case ambitious, aggressive and incredibly focused. "And he's nowhere near done," Winther said.

He said Case's sense of purpose helped AOL navigate the expansion from being an online service with more limited content to becoming an Internet service provider. It also helped AOL through the move to flat-rate pricing in 1996, a change that proved so popular that it caused bottlenecks and busy signals that infuriated AOL subscribers.

Case responded by delivering, within a year, on his promise to complete the fastest network construction project in history, Winther said.

Arlen, who has known Case for

personal challenge for the low-key Case. "He's a very introverted guy; very hard to get through," Arlen said. "But what a sharp mind."

Case's major strength, Arlen said, is his marketing emphasis. He is not a hands-on person, but he knows how to surround himself with the right people to handle the hands-on work, Arlen said.

Case comes from a family of achievers. He is the son of a corporate lawyer and a teacher. His brother, Daniel H. Case III, is the chairman and chief executive officer of the investment banking firm Chase, Hambrecht & Quist.

Steve Case was born in Honolulu in 1958. He earned his bachelor's degree in political science from Williams College in Williamstown, Mass., in 1980. While in college, he performed in two rock bands. He started his career promoting home-perm kits and hair conditioner towelettes for Procter & Gamble.

After a couple years of that, he worked briefly as a manager for Pizza Hut, where his job was to seek out new toppings.

In 1983, Case joined a startup company in Vienna, Va., called Control Video Corp. that developed video games for personal computers. Control Video remade itself into Quantum Computer Services. It began an online service called Q-link for Commodore 64 computers in 1985 and soon offered similar services for Apple II, Macintosh and IBM-compatible personal computers. The Apple II-Macintosh version of the service was called America Online.

In 1991, the entire company changed its name to America Online, and Case was named president and chief executive officer. The online service had slightly more than 156,000 subscribers. A year later, AOL went public. By 1994, after several acquisitions, Case had been named *Inc.* magazine's Entrepreneur of the Year.

"The critical move that Case took was to spend the money necessary to blanket the country with AOL disks," said Credit Suisse First Boston analyst James Marks. It was a gamble that paid off, Marks said.

AOL's famous "carpet bombing" campaign — in which the company gave away millions of AOL software disks through the mail or packaged with other companies' products — illustrates Case's determination to keep AOL's name in front of the public, said Arlen. "It reminded you of the brand of AOL," he said. "It was in-your-face advertising like nothing in the advertising world. Like nothing in the computer world."

For the most part, Case has avoided personal controversy. "The shock of all times for most of us was when he left his wife and married his PR person," Arlen said.

Relatives re-apply for asylum for boy

by Alfonso Chardy
and Andres Viglucci
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MIAMI — Armed with a Miami-Dade family court judge's controversial award of temporary custody, Elian Gonzalez' Miami relatives Tuesday said they re-filed a petition for political asylum on the boy's behalf, opening a new front in the family's battle with federal immigration officials.

The Immigration and Naturalization Service (INS), which has yet to respond to Miami-Dade Judge Rosa Rodriguez' ruling, did not react to the asylum application by Elian's great uncle, Lazaro Gonzalez. An INS spokesman in Washington, D.C., said Tuesday the agency is studying its options.

But the asylum request, signed by Gonzalez and sent by overnight mail Tuesday, will likely force a response from the INS. Agency officials last week explicitly rejected an earlier asylum petition from the same uncle, saying he had no legal standing to act for Elian.

Rodriguez' order specifically gave the elder Gonzalez legal authority to speak for the boy before the INS and to hire lawyers for him, directly contradicting the agency's contention that only Elian's father in Cuba can do so. The INS could reject the new asylum petition by reasserting its position that only Elian's father, Juan Miguel Gonzalez, can decide the boy's fate. Gonzalez has said repeatedly he wants the boy back.

Legal experts have cast doubts on the merits of requesting asylum for the 6-year-old boy. To win, he would have to prove he faces persecution in Cuba on the basis of race, religion, nationality, membership in a particular social group or political opinion.

They also question whether Rodriguez, a state court judge, has any jurisdiction at all. They say Attorney General Janet Reno may be able to render the judge's decree moot by invoking a 1997 revision of U.S. immigration law that requires state courts to seek the permission of the U.S. attorney general before intervening in cases of children under INS custody.

But the family lawyers say that, if allowed to proceed, they could make a winning case. "We believe we have a solid case to prove that if returned to Cuba, Elian would face persecution," said Roger Bernstein, an attorney for the elder Gonzalez. "We believe there's a solid case here for a well-founded fear of persecution."

Even as Elian's family's supporters forged ahead in court, sympathetic politicians Tuesday pressed their case further in Congress. U.S. Rep. Ileana Ros-Lehtinen, R-Miami, pledged to introduce legislation granting U.S. citizenship to Elian once Congress reconvenes on Jan. 24, echoing a proposal to be introduced in the Senate by Republicans Connie Mack of Florida and

Trent Lott of Mississippi. Granting Elian legal status would take his case out of INS purview, but would not resolve the question of the child's ultimate custody.

Ros-Lehtinen also signed a letter, along with a bipartisan group of 12 members of Congress, asking Reno to hold off on returning Elian to Cuba until his case can be heard in court.

Reno, who has previously upheld the INS decision that Elian belongs with his father, has not yet responded to a last-ditch plea made last week in Washington by Miami-Dade Mayor Alex Penelas and Miami Mayor Joe Carollo.

Judge Rodriguez set a hearing in the custody case for March 6. Legal experts, though, have said the judge overstepped her legal authority in issuing her order, which they say the INS can ignore or easily get overturned in federal court.

In Little Havana, the day for Elian's relatives began before dawn on Tuesday. Elian's cousin, Georgina Cid Cruz, and family attorney Spencer Eig met at 5 a.m. at *La Carreta* restaurant on Calle Ocho for a round of live TV interviews. Crews from CNN and NBC's *Today Show* joined local news teams, reflecting growing interest in the battle over the boy's fate across the country.

Family representatives projected confidence, predicting that Elian will stay in the United States. "Ultimately, Elian's choice will be between Florida and Florida State," Eig quipped during the *Today Show* interview.

Elian, meanwhile, spent his day at a Little Havana private grade school, his second day back there after the announcement of the INS decision last week interrupted his attendance. Elian's departure for school was recorded by a swarm of camera crews and news photographers. Even a photographer from The Associated Press rode in family spokesman Armando Gutierrez' car to shoot pictures of Elian strapped in the back seat on the way to Lincoln-Martí school.

In Havana, meanwhile, student leader Hassan Perez called Cuban exiles "beasts" without a country in a speech to the latest rally in the government's campaign for Elian's return.

"We have seen the lack of reason and unbalanced hysteria of an ever-shrinking minority of repugnant subjects who have no fatherland, who dare to derail the decision of the government of the most powerful nation on the planet," Perez told the crowd outside the American mission in Havana. Perez is often called upon to deliver the government's central message at the protests.

"Who are these beasts whose hearts do not hear, who fight to keep a child who has become a world symbol?" he asked. The Cuban exiles in Miami, he said, will use "all of their resources to impede the child's return."

Federal judge upholds expulsions of 6 Decatur High School students

by Janan Hanna
and Stephanie Bancho
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CHICAGO — A federal judge Tuesday upheld the expulsions of several black Decatur high school students, prompting outrage from Rev. Jesse Jackson and sighs of relief from school district officials across the state who say discipline decisions should rest solely in their hands.

Rejecting a plea to order the students back into school, U.S. District Judge Michael McCuskey of Urbana disagreed with the student's claims that the expulsions, which followed a fight in the stands during a football game, were racially motivated and violated their constitutional rights.

"If the board had failed to take action against these students or otherwise ignored their conduct at the game, the students who were not involved in the fight, as well as the citizens of Decatur, might be led to believe that the School Board was unable to control conduct in the schools," McCuskey said in his ruling.

The Decatur Board's decision to expel the students prompted days of protests in Decatur led by Jackson and local black activists who charged that the students would have been treated more leniently had they been white.

Following Tuesday's ruling, Jackson appeared at a Chicago press conference flanked by the expelled students and vowed to appeal the ruling and launch new protests in Decatur beginning Saturday.

Decatur school district officials praised the ruling as vindication of their claims that race played no part in the expulsions. They also chided Jackson for sticking his nose into their business.

"Control belongs at the local level," said Decatur Schools Superintendent Kenneth Arndt. "The board should be able to make decisions in the best interests of the students they represent. They should be able to do so without unbelievable publicity and public pressure."

That sentiment was echoed by a wide cross-section of Illinois school officials, many of whom said they had long felt besieged by a growing list of state and federal dictates on curriculums, standardized testing and other matters.

"I think the general feeling in education circles was that, if this judge had ruled in favor of the students, it would have opened a Pandora's box to overturning other local control issues," said Mark Friedman, superintendent of Libertyville School District 70. "We have already seen local control slowly eroding during the last 20 years on a number of issues."

The ruling also pleased Chicago schools CEO Paul Vallas. "You don't want the federal government dictating issues that are unique to local districts, such as discipline," Vallas said.

McCuskey's ruling stemmed from a civil rights lawsuit filed on behalf of the students by lawyers from Jackson's Rainbow/PUSH Coalition. During a three day hearing late last month, lawyers for the students argued that the Decatur school board, following a so-called zero tolerance policy against violence, handed out blanket punishments to the students even though some were more involved in the fight than others.

The lawsuit further alleged that the students were not given proper notice about the expulsion hearings, were unfairly labeled as gang members without sufficient evidence, and were victims of random, rubber stamp decision-making by a majority white school board that overreacted to a group of raucous young black men.

McCuskey flatly rejected those assertions, adding that federal courts must tread cautiously when intervening in school disciplinary matters. He noted that the U.S. Supreme Court "has repeatedly emphasized the need for affirming the comprehensive authority of the States and of school officials, consistent with fundamental constitutional safeguards, to prescribe and control conduct in the schools."

Specifically, McCuskey ruled that the Decatur board had no real zero tolerance policy in effect even though it had

earlier adopted a vague resolution hinting at it. And while the fight did not involve weapons and resulted in no serious injuries — a point repeatedly raised by Jackson — it was serious enough to cause alarm, McCuskey said.

"This court is not impressed with the students' position that because no knives or guns were used in the melee that it was not a significant fight," McCuskey said. "Just because no weapons other than fists and feet were used by the students does not mean that innocent bystanders were not harmed, frightened and forced to flee the stands to avoid serious injury."

At a hearing before McCuskey last month, lawyers for the students also introduced statistics showing that 82 percent of all expulsions in Decatur over the last three years involved black students, even though blacks comprise 46 percent of enrollment.

Still, McCuskey said that statistical disparities alone were not enough to prove discrimination. That could only be done if it was also demonstrated that white students engaged in a similarly violent fracas had been treated more leniently. But McCuskey said lawyers for the students presented no evidence to contradict the testimony of two Decatur school officials that the fight was by far the most violent confrontation in the schools in recent memory.

The board voted in October to expel the students for two years, but cut that to one year under pressure from Jackson and Gov. George Ryan. The governor secured spots for the students in an alternative education program paid for by the state. Two of the expelled students are seniors and could be eligible to graduate in May if they do well in the alternative program.

In his ruling, McCuskey made it clear that he based his decision on the less serious discipline the students ended up with rather than considering the original two-year punishment.

Despite the setback from McCuskey, Jackson sought to portray his role in the controversy as crucial in securing a better deal for the stu-

dents. The students would have faced far more severe punishment and wouldn't have been allowed in the alternative school had it not been for the days of headline grabbing demonstrations orchestrated by Jackson and other activists, he said.

From the start, the Decatur debate has been marked by posturing and hyperbole on both sides. School officials, who cast themselves as smalltown leaders overwhelmed by the public relations juggernaut of Jackson, fed the media with careful leaks that made sweeping characterizations of the students as gang members who rarely attended school.

Jackson, who complained loudly about the board's stereotyping of the students as truants among other things, has pulled them out of the alternative school on several occasions for rallies, protests and news conference, including Tuesday's at Rainbow/PUSH headquarters in Chicago.

In addition to appeal that he plans to have filed, Jackson said he's planning at least two protest rallies in Decatur this month.

Outside Decatur's Eisenhower High School, the site of the fight which led to the expulsions, McCuskey's ruling was the topic of conversation Tuesday afternoon as students waited for the bus to carry them home.

"This school has been like a jail," said sophomore Anita Behnke, who complained about tough new security measures implemented in the wake of the protests. "I feel relieved that it's over because it was a big mess."

But Decatur School Board President Jacqueline Goetter doubted she had seen the last of Jackson or the expulsion controversy.

"While I hope there's closure, I don't see that happening soon," said Decatur School Board President Jacqueline Goetter. "I think our community has been through a lot. And we've all lost a little something in the last four months. There's some healing that needs to take place. There's been some division in our community."



Elian Gonzalez has plenty of fun spraying friends at his first Three Kings Parade in Little Havana. The event, which was banned in Cuba nearly 30 years ago by Fidel Castro, marks the historic account of the three wise men who brought gifts of gold, frankincense and myrrh to the newborn Jesus.