

# q stocks have banner day

Industrial average soars 338.62 points to 2889.80; Dow Jones index climbs 274.05 to 2889.80; Treasury bond yield drops to 5.58% 1.48. Net 100 rises 12.77 to 111.08. 48. S&P 500 index is up 326 points, 2.2%, to 1110.70 per day; yen is 110.70 per dollar. Hong Kong rises 567 points, 3.9%, to 15,142.

# 1-graders lag in math, science

To improve performance, American peers from other developed countries, subjects, renewing doubts about U.S. ability to compete in an increasingly global world. 16A.

# Bombing range might coexist

of the Sonoran Desert in southwestern Arizona declared a national monument, ending the off-used Air Force bombing range. 18A.

# Philip meets the press

So-so-graceful Prince Philip holds a press conference and deftly deflects reporters' questions including grandson Prince William's daughter-in-law Princess Diana. 21A.

# Way against mad cow disease

ough stance has become a model for other countries, which is struggling with outbreaks of mad cow disease considered potentially fatal for humans if beef is consumed. 23A.



By Joe Marquette, AP

inues on the inaugural site Tuesday.

# be heard Thursday

Appeal for a recount goes to Florida Supreme Court; a swift ruling is promised, but conclusion to election battle. 4A. The odds are optimistic. 3A.

ote board is a hot commodity. 4D.

# ate: Campaign contributions

's opinion, "Candidates win despite the economic interests." 24A.

egon voters "sent a strong message over tax dollars to political candidates for reform," says Daniel Meade, member of Commerce President. 24A.

# b sites sputtering

e are running into problems as Internet sites struggle with glitches. 1B.

makers take a page from beer marketing in smaller bottles. 5B.

# mpics stars still shine

at the promise of fame and fortune for athletes? Rulon Gardner still has it. Ready to get on with life. 1C.

of hiring in college football heightening controversy. 1C.

# arrymore 101

in Ohio is offering a credit class on the life of the actress. 6D.

t belts don't prevent injury or pain during study says. 6D.

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# napshots®

# ible nation

million U.S. households in the previous year, a survey found. Some of the people who moved to a new neighborhood:



Forrest MacCormack for USA TODAY

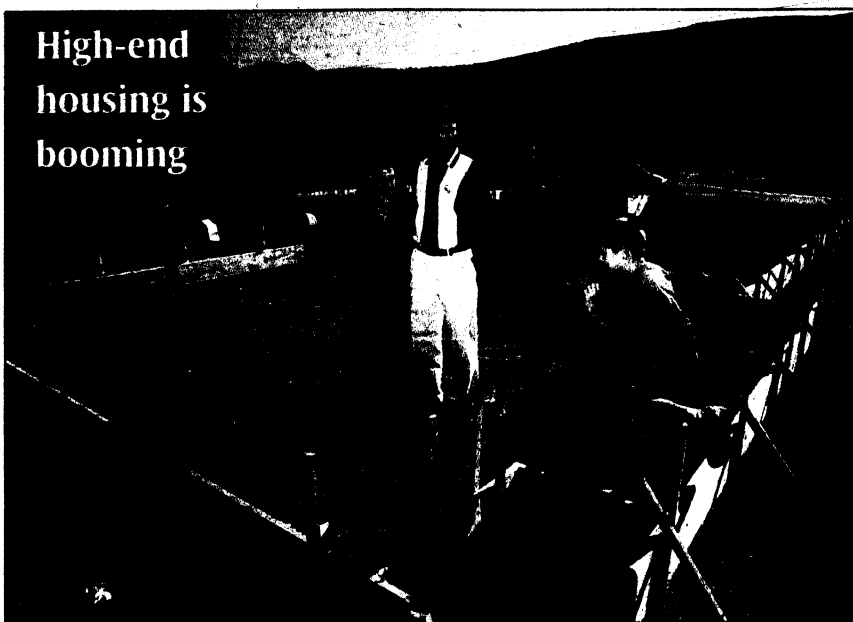


# High-tech gift guide

From digital cameras to handhelds, here's what shoppers need to know.  
► Exclusive 12-page Bonus Section E  
► Real kids test high-tech toys, 1D



# High-end housing is booming



By Martin Klimek for USA TODAY

In development: Jennifer and Douglas Dittmer watch their son, Tim, 9, run around at the future site of their new home at Norris Canyon Estates in San Ramon, Calif.

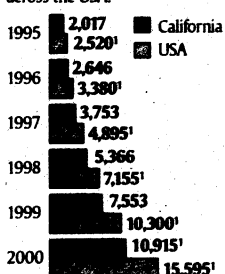
# Million-dollar homes selling at record pace

## But buyers getting less for their money

By Thomas A. Fogarty  
USA TODAY

# Million-dollar home sales soar

Buyers this year smashed records for homes sold for more than \$1 million. The analysis is based on sales of residential real estate recorded with local governments across the USA.



1 - Estimate  
Source: DataQuick Information Systems

By Bob Laird, USA TODAY

# Cover story

The slowing economy suggests it shouldn't be happening, but Americans are buying \$1 million-plus homes at the fastest clip ever. The ultra-high end of the housing market represents a fraction of the 6 million new and existing homes expected to sell this year. But the explosive growth at the top contrasts with the general housing market, which will fall short of the record volume of 1999.

Across the USA, and especially in California, young, two-income couples and well-heeled older buyers with enormous home equity built over decades are finding seven-figure home prices within reach. But the kind of home that \$1 million will fetch isn't what it used to be.

Laments San Francisco real estate agent Henry Jeger: "A million dollars just isn't a lot of money around here anymore."

When Southern California developer John Markley started working 28 years ago, he had to drive through Beverly Hills, home to the stars, to see a \$1 million house. Now, his company cranks them out at the rate of more than 100 a year.

Here's what's happening:

► Nationally, a record 15,595 homes are projected to sell for \$1 million or more, up 51% from 1999. That's according to an exclusive analysis of the high-end housing market for USA TODAY by DataQuick Information Systems, a real estate reporting firm based in La Jolla, Calif.

# Fed chief ignites stocks

## Markets sense January rate cut

By George Hager  
and Dina Temple-Raston  
USA TODAY

Federal Reserve Chairman Alan Greenspan said Tuesday that the economy is slowing largely as the Fed intends, but he conceded that there are risks the slowdown could become "excessive."

"In an economy that has already lost some momentum, one must remain alert to the possibility" that a credit crunch or a stock market meltdown could trigger an "excessive softening" in consumer and business spending, Greenspan told a bankers group in New York.

The speech convinced analysts that the Federal Reserve could begin cutting interest rates as soon as next month.

Already up on news that the presidential election seemed closer to being final, the markets soared after Greenspan's comments. The Dow Jones industrial average surged 339 points, closing at 10,899. And in the biggest gain of its 29 years, the Nasdaq index soared 274 points, or 10.5%, to 2890.

"He's not trying to say there's going to be a recession, but he shows more concern about downside risk in this speech than he has all year," said David Jones, chief economist for Aubrey G. Lanston & Co.

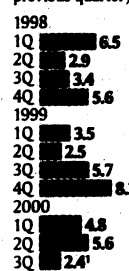
Greenspan said the current dangers are in "no way comparable to those of 1981," when the financial crisis in Asia threatened global stability. He said today's volatile stock markets, tighter credit and shrinking corporate profits look like "the expected byproduct" of the Fed's attempt to slow an economy that it felt was growing too fast. The Fed raised rates six times from June 1999 through May.

Greenspan expressed enough concern that some analysts say the Fed might consider cutting rates when it meets Dec. 19. More likely, though, is that the Fed will instead change the formal warning it has stuck with all year — that the economy's biggest risk is inflation — to a neutral position that says the risks of a stalling economy are now just as great.

That would open the way for policymakers to cut rates at their next meeting, Jan. 30-31, analysts say, particularly if they see signs of rising unemployment.

# Economy slows

Gross domestic product, the USA's output of goods and services (percentage change from previous quarter)



1 - revised  
Source: Department of Commerce

By Julie Snider, USA TODAY

► Greenspan speaks, markets jump, 1B

► Economy lags and politics enters, 5A

Please see COVER STORY next page ►

# Power woes could dim yule

## Californians again asked to cut back

By Scott Bowles  
USA TODAY

more people are hanging Christmas lights, and they use more energy than people think," Edison spokeswoman Suzanne Middelburg says.

The immediate problem is caused by a cold nip in California and the Northwest, which has caused Edison, which controls

come to that, but they add that residents shouldn't underestimate the energy used by decorations. A single string of mini-lights uses the equivalent of a 40-watt bulb.

"For every string you hang up, you essentially turn on another light in your house," Middelburg says. Edison, which controls

LOS ANGELES Electricity

