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Promoting property rights

Report advocates using updated alternatives to outdated land-use laws

For the past 25 years, the primary goal of Oregon's land-use system has been to contain urbanization by limiting development on farm and forest land. Though these restrictions have been justified as necessary to protect Oregon's economy and livability, a new Cascade report suggests there is little evidence they are needed. *Beyond Zoning: Land-Use Controls in a Digital Economy* challenges the status quo and outlines an alternative system.

Cascade environmental policy director John Charles, author of *Beyond Zoning*, contends that market-based policies would work better than state central planning. Charles maintains that his five policy recommendations would help defuse many of the rising urban and rural conflicts caused by 25-year-old land use regulations.

The land use system was created in 1973, when 8-track tapes were cutting edge. Since 1973, profound changes have occurred. For example, farm productivity has increased and hydroponics—growing agricultural commodities in nutrient solutions—has become cutting edge. These and other changes are to a 25-year-old land use system what CDs are to 8-track tapes.

Charles' first recommendation is to replace traditional zoning with performance zoning for new development. Performance zoning would allow all uses on all properties, but hold landowners accountable through performance-based standards to control such things as noise, traffic and water pollution. Performance zoning has been in use throughout the country for more than 20 years, and has a proven track record.

Second, place greater emphasis on common law approaches, including trespass and nuisance doctrines, to control

the unwanted side-effects of land-uses that already exist.

Third, implement system development charges and market-based user fees to ensure that growth is not subsidized. The dominant practice of funding public services through taxes hides the true cost of use from each consumer, and encourages inefficiency on behalf of the provider.

Fourth, privatize and deregulate most government infrastructure services to ensure that user fees do not become just another tax by monopolistic government agencies. Privatization and deregulation of monopoly markets are further neces-

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It's not a nature park, it's an industrial park. This beautifully landscaped development was built in Fort Collins, Colorado, in accordance with performance zoning standards. The center is surrounded by a mix of single family homes, apartments and commercial buildings, and is served by the city's bus system.

Cascade's myth buster

Demand for growth management alternatives sends Charles across state and country

Cascade has received significant state and national exposure of late, a direct result of the work by environmental policy director John A. Charles. By invitation, Charles, a leading authority on market-based alternatives to Oregon's land use laws, growth management policies, and related issues, has spoken at numerous forums throughout Oregon and the U.S..

In state, Charles has spoken most recently before the Milwaukie City Council (light rail), at the Fannie Mae Housing Conference in Salem (housing and land use), and before the State Senate Land Use Committee (urban density), the American Fisheries Society in Sunriver (population control), and the Air/Waste Management Association in Portland (wealthier is healthier).

His expertise on growth issues such as transit, development and user fees, and zoning has taken him to points south and east. On May 18, the Goldwater Institute hosted a luncheon for Charles at the Phoenix University Club. Nearly 100 people heard Charles address, "The Dark

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Microsoft—too much competition?

The absurdity of antitrust laws

The U.S. Justice Department and 20 state attorneys general are suing Microsoft. They claim Microsoft's business actions represent unfair competition—because companies such as Netscape might go out of business. In effect, Microsoft is being sued for charging too low a price.

Microsoft is in a no-win situation. An excerpt from R.W. Grant's poem, "The Incredible Bread Machine," capsulizes the laws' absurdity.

Anti-Trust men tell a successful businessman,

"You're gouging on your prices if you charge more than the rest. But it's

unfair competition if you think you can charge less! A second point... don't try to charge the same amount, that would be collusion! You must compete. But not too much, For if you do you see, then the market would be yours—and that's Monopoly!"

Charge too high a price: it's gouging. Too low: dumping. Charge the same as your competitors: it's collusion. We should investigate antitrust laws, not Microsoft.

Antitrust history shows competitors generally initiate complaints, not consumers. Consumers benefit when prices decline and products improve. Competitors complain because it's easier to tie up their opponent in court than to compete in the marketplace.

In 1961, Alan Greenspan, current Federal Reserve chairman, commented on

"the world of antitrust." He said,

"It is a world in which competition is lauded as the basic axiom and guiding principle, yet 'too much' competition is condemned as 'cut-throat.' It is a world in which actions designed to limit competition are branded as criminal when taken by businessmen, yet praised as 'enlightened' when initiated by the government."

I use, and prefer, Netscape's web browser, and will be disappointed if Microsoft's success makes it go away. However, my disappointment doesn't justify government attacks on Microsoft, or any other successful company.

—Steve Buckstein
President

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Charity that works! speaker

Lifting individuals, renewing communities

Robert L. Woodson, Sr., author of the newly released *The Triumphs of Joseph: How Today's Community Healers are Reviving Our Streets and Neighborhoods*, will speak in Portland on June 25 and 26. His presentations will address the renewal of communities and neighborhoods.

Woodson is the founder and president of the National Center for Neighborhood Enterprise (NCNE) in Washington, DC. Founded in 1981, NCNE provides technical assistance and training to community-based groups to strengthen their ability to reduce poverty and its related problems.

Woodson's social activism dates back to the 1960s. As a young civil rights activist he developed and coordinated national and local community development programs. During the 1970s he directed the National Urban League's Administration of Justice Division. Among his awards is the prestigious John D. and Catherine T. MacArthur Fellowship, the "genius" award.

Woodson writes in *The Triumphs of Joseph*, "There are many powerful social, economic and political institutions that have a proprietary interest in continued

existence of the problems of the poor, the denial of the existence of solutions and the portrayal of low-income people as victims

in need of defense and rescue." He continues, "These powerful interest groups include members of the civil rights establishment, a massive poverty industry that owes its existence to the problems of the poor, and politicians who are aligned with them."

Woodson will speak at a Oregon Business Advisory Council luncheon, before the Oregon Association of Minority Entrepreneurs, and at the Southwest Portland

Rotary. Woodson's trip is cosponsored by the Oregon Association of Minority Entrepreneurs, the American Institute for Full Employment and Cascade Policy Institute.



Robert L. Woodson

Hear Bob Woodson for free!

Robert L. Woodson will speak in
Portland on June 25

7:30—8:30 PM

Shilo Inn Airport Suites Hotel
1107 NE Airport Way

This event is open to the public and free of charge, but reservations are requested. Call (503) 224-1737

Students explore foundations of freedom

Record number take part in Essay Competition

An independent panel of judges selected four winners and three runners-up in the 1998 Independence Essay Competition open to Oregon high school-age students. This year's theme: the interdependence of personal and economic liberty.

A record number of entries and requests for guidelines were received. This is the fourth straight year of growth in both categories. A total of \$4,000 was awarded.

Kathryn Gale Hickok, a Lake Oswego senior at Kolbe Academy Home School, is the first back-to-back Essay Competition winner. In "Crying Wolf" Hickok wrote, "When government usurps individual judgement by excessive regulation... almost every facet of life is overshadowed by the specter of governmental control." Ms. Hickok was recently awarded a National Merit Scholarship.

Kathryn Karman, a home school junior from Portland, was named a winner for her essay, "Economic Independence and Educational Choice". Though supportive of educational choice, Karman warned, "Economic independence from government aid is essential for educational independence from government regulation."

Megumi Stohs, a Clackamas home school junior, described how zoning regulations, and land use and historic preservation laws help suppress the freedom to practice one's religion. Among her many examples, Stohs described how a Miami ordinance stopped a church from locating near a topless bar.

Grand Ronde's Helena Telfer, a home school junior, highlighted how government work restrictions interfere with teenagers' ability to save money for college and participate in extracurricular activities. Telfer notes, "The special feeling that comes with receiving your hard earned paycheck has been taken away by the government from many [people] under sixteen years of age."

Lisa Silva Moore, a senior at Centennial High School in Gresham, was named a runner-up for her essay on health care. Matthew Wade, a junior at Brighton Academy, a private school in Grants Pass, earned recognition for his entry on affirmative action. Runner-up Matthew Anthony Whelan, a Merlo Station High School senior in Beaverton, earned an award for his defense of internet privacy, and encryption.



Kathryn Hickok



Kathryn Karman



Megumi Stohs



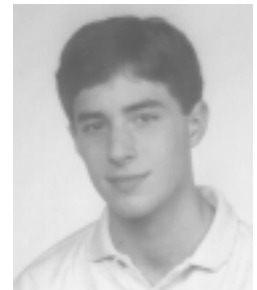
Helena Telfer



Lisa Silva Moore



Matthew Wade



Matthew Whelan

Cascade would like to thank the sponsors of this year's competition, among them Constructive Management Foundation (Portland) and the James M. Bonavia Family Trust (Bend). Please contact program director Kurt T. Weber if you, your foundation or company would like to support the Independence Essay Competition and introduce more students to the foundations of freedom. (503) 242-0900.

Privatization guides

"How to" manuals for public officials and citizen activists

Cascade, in a joint project with the Reason Foundation, has published a series of nine privatization guides. The guides are invaluable tools for citizen activists and policy makers at all levels of government who seek to improve public services while reducing or holding the line on costs.

More privatization guides are in the works and will soon be available. The cost per title is \$10. The entire set of nine can be purchased for \$60, a 33 percent savings. For more information about the privatization guides, or quantity discounts for single titles, contact communications director Patrick

Stephens at (503) 242-0900 or Patrick@CascadePolicy.org.

Titles currently available are:

- 1 *Designing a Comprehensive State-Level Privatization Program*
- 2 *Designing Comprehensive Privatization Programs for Cities*
- 3 *Designing an Effective Bidding and Monitoring System*
- 4 *How to Compare Costs Between In-House and Contracted Services*
- 5 *Competitive Contracting of Transit Services*
- 6 *Cost Savings from Privatization: A Compilation of Study Findings*
- 7 *How to Enable Private Toll Road Development*
- 8 *Contracting Water and Wastewater Utility Operations*
- 9 *Privatization and Public Employees: Guidelines for Fair Treatment*

Right to Know Payroll Form

Employees can be better informed about how public policy decisions affect their jobs if their organization uses the Right to Know Payroll Form. The Right to Know Payroll Form shows, at a glance, how much employers must pay in government costs to keep each person employed.

Cascade implemented the Right to Know Payroll Form one year ago. "It's an eye-opening educational tool," says Cascade finance director Bill Udy. "Individuals learn what their organization must pay in extra taxes and government mandates per-employee. They see how public policy decisions directly affect their job."

The Right to Know Payroll Form summarizes the cost of employment in a clear, comprehensive format, and is included with each employee's regular paycheck. In addition to standard items, it lists the

employer's share of Social Security and Medicare taxes, unemployment insurance, state and federal mandates, the cost of administering the taxes, plus specialty items such as the Portland area Tri-met transit tax.

Initially developed by the Mackinac Center in Michigan, the form is being used by private employers across the country. Ironically, the form has been adopted by the State of Michigan to educate 60,000 public employees about the cost of Michigan's government.

Cascade will—at no expense—help businesses and nonprofits implement this public policy educational tool. The form is easy to implement and requires only a small, onetime cost. The returns, however, are continuous and positive. Contact Cascade program director Kurt T. Weber at (503) 242-0900 for more information.

Liberty Link

Competitive Enterprise Institute

Islands of rationality *do* exist in Washington, DC. Among them is the Competitive Enterprise Institute, an independent public policy research organization committed to advancing the principles of free enterprise and limited government at the national level. Founded in 1984 by Fred L. Smith, Jr., CEI emphasizes the marketing and implementation of classical liberal ideas.

The Center for Private Conservation is one project of CEI. The Center researches and documents successful private efforts to conserve resources and ecologically sensitive lands, and analyzes how various legal and social institutions assist or hinder the ability of private individuals and associations to protect their environment.

In addition to the environment, CEI concentrates its resources on issues related to technology, regulation, and health care. For more information, contact the Competitive Enterprise Institute, 1001 Connecticut Avenue, NW, Suite 1250, Washington, DC 20036. Call CEI at (202) 331-1010 or refer to www.CEI.org.

Myth

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Side of Growth Controls: Some Lessons from Oregon." Charles' presentation garnered an interview with the *Arizona Republic*, a feature story in the *Phoenix Business Journal*, two Phoenix radio interviews upon his return, and two additional Arizona speaking invitations, including a request from a state legislator.

Charles educated an audience of 90 on "Why Portland Should Not be the Model for Urban Planning" at a Reason Foundation event in Dallas, Texas, March 12-15. Charles and Randal O'Toole, a fellow Oregon environmental expert and executive director of the Thoreau Institute, debunked the "Portland model" assumptions and made the case for market-based urban policies.

Last August, Charles spoke on entrepreneurial cures for policy ills at a Vail symposium organized by Colorado's Independence Institute. Among symposium attendees were U.S. Congressman Bob Schaffer, Colorado State Treasurer Bill Owens and Colorado Speaker of the House Chuck Berry.

Among upcoming speaking events on Charles' calendar are the Portland Economic Roundtable on June 17 and the Association of Oregon Recyclers annual convention in Seaside, September 11.

To arrange a presentation by John Charles for your organization, please contact Cascade at (503) 242-0900.

Highlights



Oregon Senate President Brady Adams with Steve Buckstein and Cascade Chairman Bill Conerly after a recent Oregon Business Advisory Council luncheon.

Praise for Cascade's Speakers Bureau

"Your remarks were penetrating and witty... I heard many positive comments after the meeting and again at other meetings from people across the political spectrum."

— Paul S. Holbø
Eugene City Club
Program Committee member

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Land use

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sary to ensure competition and consumer choice.

Finally, repeal government economic development programs that distort markets, harm the environment, and give favored businesses economic advantages over others. Beyond basic economic sense, the Oregon State Constitution prohibits such corporate welfare. Such was the conclusion of early state Supreme Court decisions and Attorney General opinions. Dale F. Rubin, JD, argued the same in his provocative 1996 Cascade report, "Public Subsidies, Private Gain: Stop Violating the Oregon Constitution."

Current growth management debates throughout Oregon warrant scrutiny of the 25-year-old state land use regulatory system. John Charles' *Beyond Zoning: Land-Use Controls in a Digital Economy* provides a workable policy outline for an improved system that respects property rights, allows for responsible economic growth, and fosters greater efficiency in public services.