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THE WAR ON PROPERTY RIGHTS & WHAT IT MEANS TO YOU

By Dr. Michael S. Coffman Ph. D. <mark>August 23, 2006</mark> NewsWithViews.com

The War of Worldviews

Our view of reality and the role of government in our lives greatly influence how we view property rights. Our public education system no longer teaches foundational U.S. Constitutional history and the principles that we derive from it. Consequently, we have become a nation of two worldviews and **many of us cannot recognize that we are undermining the very form of government that made America the greatest nation on earth.**

The two philosophies that have been struggling for supremacy for the past 250 years, those of John Locke and Jean Jacques Rousseau, have divided America. <u>America's</u> <u>Constitution</u> is rooted in the thought of John Locke (1632-1704), who's <u>Two Treatises on Government</u> (1689) provided a framework for England's Glorious Revolution of 1688 and the American Revolution of 1776. Locke demonstrated that the foundation of a progressive civilization, as outlined in his <u>Second Treatise of</u> <u>Government</u>, begins with natural, God-given rights:

Man being born, as has been proved, with a title to perfect freedom and an uncontrolled enjoyment of all the rights and privileges of the law of Nature, equally with any other man, or number of men in the world, hath by nature a power ... to preserve his property- that is, his life, liberty, and estate, against the injuries and attempts of other men.

Thomas Jefferson made them the cornerstone of the Declaration of Independence when he penned, "Laws of Nature and of Nature's God." **The purpose of government, according to Locke, is to join with others to "unite, for the mutual preservation of their lives, liberties and estate, which I call by the general name, property. The great and chief end, therefore, of men uniting into commonwealths, and putting themselves under government, is the preservation of their property." (Italics** added) This fundamental principle became the cornerstone of the <u>Declaration of Independence</u> "That to secure these Rights, [of life, liberty and the pursuit of happiness (property)] Governments are instituted among Men, deriving their just Powers from the Consent of the Governed."

Locke's political philosophy promotes individual rights and limited constitutional government as the basis of freedom and economic security. Jean-Jacques Rousseau (1712-1778) opposed Locke's model in the name of the wholeness of man, arguing that it divides man by focusing on selfinterest, individual rights, and property. <u>Rousseau</u> sees "man as a malleable creature" to be molded by an enlightened government. He "favors primitive man, the noble savage who lives in simple equality with his fellow man, with few needs, a limited appetite, over man in civilized society."

<u>Rousseau wrote the Social Contract in 1762, which focuses on the abstract "general will" of the people. Today the same concept is expressed as the "public good" or the "public interest" and forms the heart of socialism. Although Rousseau championed individual freedom from the state and religion, there is nothing to keep the state from defining the "general will" as the "state's will."</u>

Rousseau's philosophy therefore inevitably leads to a "statist" approach to government, in which the state is superior to the individual and all individual rights are derived from the state – including property rights. According to <u>Rousseau</u>, property rights bind the poor, give "new powers to the rich" thereby destroying "natural liberty" and equality and convert "usurpation into unalterable right."

<u>Contrary to the Rousseau model of governance which</u> <u>condemns individualism and self-interest, the Locke model</u> <u>depends on private property rights and self-interest to</u> <u>motivate individuals to do something a better way or</u> <u>create a new product or service that serves a human need.</u>

To prevent abuse, both Locke and our founders held that private property rights must have some limits. In this approach, however, the legislature designs only those laws needed prevent the use of property in ways that cause real harm to other people or to their property, not to achieve some altruistic social goal. So important is this principle that the U.S. Supreme Court said in <u>Lynch v.</u> <u>Household Finance Corporation</u> (1972):

"T]he dichotomy between personal liberties and property rights is a false one. Property does not have rights. People have rights. The right to enjoy property without unlawful deprivation, no less than the right to speak or the right to travel, is in truth, a 'personal' right, whether the 'property' in question be a welfare check, a home, or a savings account. In fact, a fundamental interdependence exists between the personal right to liberty and the personal right in property. Neither could have meaning without the other. That rights in property are basic civil rights has long been recognized.]" [[405 U.S. 538, 553].

http://caselaw.lp.findlaw.com/cgibin/getcase.pl?friend=nytimes&navby=case&court=us&vol=405&invol=538

Without the right of private, unencumbered property, people cannot have liberty. True freedom is only an illusion if they are dependent upon the state for water, food, shelter, and other basic needs. When the government, rather than individuals, own the fruits of the citizens' labors, nothing is safe from abuse by either a democratic majority in the name of a public good, or a tyrant. In their book *Property Rights, Understanding Government Takings and Environmental Regulation*, Nancie and Roger Marzulla note, "Ultimately, as government dependents, these individuals are powerless to oppose any infringement on their rights...due to the absolute government control over the fruits of their labor." Nowhere is this more apparent than in the old Soviet Union, where all property belonged to the state. No one could speak out against the government for fear of their government evicting their family or taking away their job by the local communist commissar.

Another problem arises from government ownership of land. While environmentalists and socialists blame greed and the self-interest of private property owners for the environmental destruction, that is not accurate. Ironically, it was because *no one owned* our air or waterways that pollution occurred. It is the natural consequence of the law of the commons; the air and waterways are not property owned by individuals, but theoretically belong to all people. Since there was no pride of ownership, however, there was no motivation to care for or optimize property held in common with the millions of other citizens. Called the Tragedy of the Commons, everyone sinks to the lowest common denominator, the economic structure stagnates, and the infrastructure collapses.

Although property rights motivate individuals to be creative and take risk in finding a better way or product, Rousseau socialism does just the opposite. Rousseau socialism places control in the hands of unaccountable, unelected government bureaucrats whose primary incentive is to make their regulatory jobs easier and more efficient so they can build bigger empires at the people's expense. Unless there is strong oversight of bureaucrats – something politicians rarely do – there is no accountability to keep them from administering laws in an arbitrary and capricious manner leading to corruption. While Rousseau socialism does not destroy property rights as effectively as totalitarianism or communism, it nonetheless places a stranglehold on it and reduces economic and personal freedom in proportion to the amount of regulation imposed. Tragically, environmental and planning laws passed at all levels of government over the past thirty-five years has taken thousands of towns, cities, counties and states from the Locke model of governance by the consent of the governed to the Rousseau model where the government rules supreme over the citizens. Many communities, however, have councils who want to do the right thing for their citizens, but their professional planners and lawyers tell them what

they need to do to implement socialist smart growth and environmental protection in their communities. It is to that group that the following information will be most informative. It clearly shows socialist smart growth and environmentalism come at an extremely high cost to citizens. For part two click below.

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The High Cost of Socialism

Legal property rights are *the key* factor in the success of capitalism in the West. The legal structure in the West documents every parcel of land, every building, every piece of equipment, or store of inventory in some form as property. Property can be used as an asset to finance expansion or another investment. The process of legally registering property takes only a few days at most and connects all these assets to the rest of the economy. In the United States, for instance, about 70 percent of the credit new businesses receive comes from using formal titles as collateral for home mortgages.

This is not the case in developing nations. **Private property rights are diametrically opposed to the socialist's fundamental belief that the state should either control or own those rights.** Consequently, they never allowed private property rights in the great capitalistic venture of the late twentieth century. Registering titles in most developing nations takes not days, not months, not even years. Legally registering property usually takes *decades* as a person must get approval through dozens, if not hundreds of bureaucratic steps because these bureaucrats have no incentive to process the application expeditiously. Worse, the entire system is vulnerable to corruption, as petty bureaucrats at each stage demand their payoffs. Although people in developing nations may actually own property, which the local community recognizes, they rarely register it because of the corrupt regulatory quagmire. Consequently, it has no legal value for collateral or building wealth. Since it has no legal value, it represents vast, but dead capital.

In his compelling book <u>The Mystery of Capital</u>, Hernando de Soto accurately identifies formal private property rights as the key to reducing poverty and producing wealth. Legal title to use property represents equity. In turn, this equity can become collateral to create the capital needed to start, expand or buy into a business, which then yields income and wealth. The amount of equity can be stunning, even in the United States. The average net worth of home-owning Americans in 2002 was \$132,100 verses \$4,200 for American renters – 30 times less! True, other factors also play into these numbers, but property remains the key factor in creating wealth.

The developing nations of the world perhaps provide the most striking example of how socialism destroys the wealth-building capability of property. In these nations, de Soto found that the simple act of legally transferring the title to property is very costly. It can take years, even decades because of a sea of bureaucratic corruption and regulations. Few people have the time or resources to own property legally. This "extralegal" property therefore has no legal asset value.

De Soto has shown that the total value of this kind of extralegal property within developing nations and former communist countries is at least \$9.3 trillion! This is ninety-three times as much as all development assistance to the developing nations from all advanced countries during the past thirty years. There would be no need for development assistance if these poverty-stricken people could have access to the asset value of their own property that is presently dead capital. Yet, the United Nations and the international community are presently putting together a series of international treaties in the name of "sustainable development that systematically prevents citizens in the third world nations from ever attaining the formal property rights that will give them wealth and liberty.

Denial of private property rights has been the policy of the United Nations and other international institutions since the 1970s. The Preamble of Agenda Item 10

of the <mark>UN Conference on Human Settlements (Habitat I) held in</mark> <mark>Vancouver, May 31 - June 11, 1976</mark> states that:

"Land...cannot be treated as an ordinary asset, controlled by individuals and subject to the pressures and inefficiencies of the market. Private land ownership is also a principal instrument of accumulation and concentration of wealth and therefore contributes to social injustice; if unchecked, it may become a major obstacle in the planning and implementation of development schemes. The provision of decent dwellings and healthy conditions for the people can only be achieved if land is used in the interests of society as a whole. Public control of land use is therefore indispensable...."

Throughout this United Nations document, the socialist model for private property rights is set forth as the basis for future United Nations policy:

Public ownership or effective control of land in the public interest is the single most important means of...achieving a more equitable distribution of the benefits of development.... Governments must maintain full jurisdiction and exercise complete sovereignty over such land.... Change in the use of land...should be subject to public control and regulation...of the common good.

This socialist view of private property rights has infected all areas of international policy. Joseph E. Stiglitz, winner of the Nobel Prize in Economics and former Senior Vice President of the World Bank, identifies the desperate need for the poor in the third world nations to have property rights. In his book *Globalization and Its Discontents* Stiglitz understands that a free market system "requires clearly established property rights and the courts to enforce them." He blames the international institutions such as the International Monetary Fund (IMF) and World Bank for making the plight of the poor even worse. Only the transnational corporations or the wealthiest 10 percent in the nations population that invest in factories and business are blessed with property rights. The poor and middle class must have legally protected private property rights to benefit from a market economy. Because the IMF denies the poor this type of protection by only giving lip service to property rights, they become the victims of globalism. **The IMF merely creates the perception of property rights without requiring the legal structure that protects them in an equitable manner.**

To prove the point, the <u>World Bank</u> loaned \$37 million in 1997 to the Institute for Liberty and Democracy. The loan helped Peruvians register their property under a new law passed in 1988 that made it easier to secure legal property rights. The loan helped over four million Peruvians register their property. The \$37 million



There is a high correlation between the relative index of legal property rights and per capita Gross Domestic Product between nations. Source: Adapted from James Gwartney and Robert Lawson, Economic Freedom of the World - 2005 Annual Report. Fraser Institute,

2005.

http://www.fraserinstitute.ca/shared/readmore.asp?sNa v=pb&id=789.

Per Capita Data from the CIA World Fact Book. /2004rank.htm

instantly created an incredible \$6 billion in assets that was available for investment back into the Peruvian economy!

If strangling socialist regulations encumber property rights, there is little to no equity, and therefore little to no capital with which to create wealth. Without wealth, a nation cannot protect the environment. A family whose primary focus is to put food on the table is not going to be interested

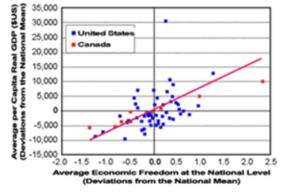
in protecting the environment. The contrast between the United States, Europe and the Third World is striking. The U.S. has some of the best-defined Per Capita Data from the CIA World Fact Book. http://www.cia.gov/cia/publications/factbook/rankorder property rights in the world giving its citizens a per capita Gross Domestic

Product of \$42,000 in 2005. In contrast, the average for socialist Europeans is only \$28,100, and that for Third World Nations is less than \$10,000.

Thousands of communities are implementing socialist smart growth and growth-management planning that does exactly the same thing that Hernando de Soto found in third world nations. Rather than days, it often takes years, if ever, to get a permit to do anything in these communities because of feel-good regulatory restrictions. Many of these communities "appear" to be wealthy, but usually it is wealth **created outside the smart growth community**. It is just a matter of time before the community begins to suffer. Many cities having smart growth and growth-management for more than twenty years are already experiencing consequences. Planning can have a devastating impact.

For instance, research done at the Fraser Institute of Canada provides an "Economic Freedom Index" that uses thirty-eight variables to determine the relative economic freedom of any nation in the world. Several of them concern the legal security of private property rights. This data shows that property rights play the single greatest role in per capita Gross Domestic Product (GDP) in countries around the world. There is a high correlation between the level of property rights and per capita GDP. Impoverished Third World nations having limited property rights have less than \$8000 per capita income, while those having little to no property rights fall below \$1000. Conversely, Western nations having legal property rights have incomes of greater than \$12,000, usually greater than \$20,000. There is a 74 percent correlation between the Fraser Institute's property rights index and per capita gross domestic product of 126 nations.





States and Provinces having a low Economic Freedom Index compared to the national index have lower per capita Gross Domestic Product that is proportional to the Economic Freedom Index. Source: Amela Karabegović & Fred McMahon. Economic Freedom of North America, 2005. A2005.pdf

Other factors obviously contribute to the per capita gross domestic product besides property rights. For instance, the property rights index for the United States is 7.9 while that of South Africa is 7.1. Although there is not much difference in the index of legal property rights between the two nations, the difference in the per capita GDP is huge, \$42,000 and \$12,100 respectively. Apartheid has kept South Africa's data skewed because the law kept the black population from enjoying the same property rights as whites until the early 1990s. It will take decades to erase that disparity. However, it is happening. South Africa has gone from a Security of Property Rights index National Center for Policy Analysis (US) and Fraser of 6.2 in 1980, to 2.9 in 1990 as blacks were factored in, to http://www.fraserinstitute.ca//admin/books/files/EFN 7.1 today. At the same time, the index *declined* for the United States from 8.3 in 1980 to 7.9 as increasing regulations and erosion of legal protection chip away at

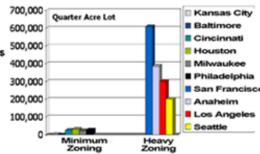
private property rights. The South Africa example does show that any kind of artificial limitations to the rights of every citizen has a negative affect on the economic prosperity of the entire nation.

The Fraser Institute also showed the same relation exists between the states and provinces of North America. The Institute determined an "Index of Economic Freedom" made up of 1) Size of Government; 2) Takings and Discriminatory Taxation; and 3) Labor Market Freedom. These are all good measures of the degree each state or province has imposed socialistic regulations on their citizens.

In the United States, Delaware, Colorado, North Carolina, Georgia and Texas had the five highest Economic Freedom Indices, averaging an index of 7.7. Maine, Mississippi, Montana, New Mexico and West Virginia had the lowest, averaging 5.5 on the Economic Freedom **Index**. States having large per capita government, discriminatory taxation and onerous labor laws impose a severe penalty on its citizens by reducing economic activity and per capita income. For instance, a one-point improvement in economic freedom increases per-capita GDP by US\$5,907. The reverse is also true. Consequently, **the five states having the lowest economic freedom** indices had annual per capita GDP incomes that were \$13,000 less than the five highest states – a severe penalty for citizens living in those states. For a modest city of 50,000 people, that adds up to \$650 million dollars of lost economic activity annually.

Numerous studies show there is a negative impact on communities where government imposes growth management and smart growth regulations. The Harvard Institute of Economic Research at Harvard University published a study that found that growth management and smart growth zoning dramatically affect housing costs. The study found that when regulatory zoning does not artificially





Harvard Institute of Economic Research reports that cities have minimum zoning or no growth management regulations exhibit little evidence of excessive price increases. Those having heavy zoning and growth management regulations see prices artificially inflated by a thousand percent or more. Source: Edward L. Glaeser and Joseph Gyourko. "The Impact of Zoning on Housing Affordability," Harvard Institute of Economic Research, Discussion Paper No. 1948. March 2002. http://post.economics.harvard.edu/hier/2002papers/HIER1 948.pdf

drive up the price of land, the cost of an extra quarter-acre in a single lot is very similar to a separate and independent buildable quarter-acre lot. This condition exists in urban Kansas City.

However, in San Francisco, Los Angeles, Anaheim, San Diego, California, New York City, Seattle and other smart growth cities like them, the difference between the cost of an extra quarter-acre in a lot, and a separate buildable quarter-acre lot is in the hundreds of thousands of dollars. In these areas, claims the Harvard study, "Measures of zoning strictness are highly correlated with high prices.... Only 10 percent of the value of the land comes from an intrinsically high land price." The authors found that their

evidence "suggests that zoning and other land use controls play the dominant role in making housing expensive." Although many other variables were tested, landuse regulation was the only one correlated with the huge cost increases. For part three click below.

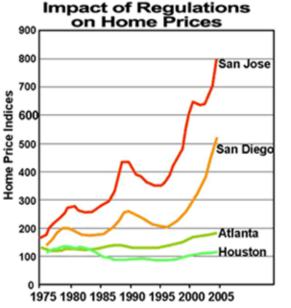
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The Smart Growth Fraud

Planners claim it costs more to provide urban services to low-density areas, so compact development is more affordable. This claim comes from the report *The Costs of Sprawl 2000*, which states that low-density development adds a whopping \$11,000 to the cost of a new single-family home. However, this is peanuts compared to what Randle O'Tool reports in his enlightening report, <u>The Planning Penalty</u>. Government data shows a nice "middle managers" house with four bedrooms and two-and-one-half baths and a double car garage, costs between \$150,000 and \$200,000 in American cities having no smart growth or growth-management planning. The price for that same house jumps to \$300,000 to 440,000 if that type of planning has been in place for ten to fifteen years. In cities having this planning for twenty-five years or more, the same house costs a staggering \$500,000 to as much as \$1.5 million.

During the 1990s, the amount of housing stock sold in the United States was slightly more than five percent each year. If the average home is resold or replaced every twenty years, the annual cost of growth-management planning to homebuyers is nearly \$275 billion. Leaving out the overpricing of and-short metro areas such as Honolulu, the total planning penalty for the 120 metro areas with such penalties is close to \$5.5 trillion, or slightly more than 30 percent of the total value of U.S. owner-occupied housing. We can only expect these costs to grow as more and more communities buy into the smart growth fraud.

O'Tool identifies at least ten causes that create this planning penalty:



Home Price Indices of cities having slow population growth because of growth management (San Jose and San Diego) and cities having rapid population growth but no growth management (Atlanta and Houston). Runaway housing costs due to smart growth and growth management destroys the American Dream for lower income families by pricing them out of the housing market. Source: Adapted from O'Tool, Randal, How Smart Growth Makes Housing Unaffordable. American Dream Coalition, March 2006.

- Urban-growth boundaries, urban-service boundaries, large-lot rural zoning, or other restrictions on the amount of land available for development;
- Purchases of greenbelts and other open spaces that reduce the amount of land available for development;
- Design codes requiring developers to use higher cost construction methods or designs;
- Historic preservation ordinances, tree ordinances, and other rules restricting or increasing the cost of development;
- Impact fees aimed at discouraging development;
- *Growth caps* limiting the number of permits that can be issued each year;
- *Concurrency* rules requiring adequate financing for all urban services before building permits can be issued;
- Lengthy permitting processes that force developers to hold land for several years before they are

allowed to develop it;

- Planning processes that allow people to easily appeal and delay projects, creating uncertainty about when a project can begin;
- *Inclusionary zoning* programs requiring developers to subsidize some housing for low-income people, effectively increasing the price of the remaining housing.

Most cities and communities employ many of these at the same time.

This reality points out an ugly fact about smart growth. It destroys the American Dream for millions of low to middle income Americans. Although smart growth proponents advocate land-use control as a means of providing affordable housing, it punishes low-income families, keeping them from ever being able to afford a home of their own and denying them the American Dream. According to the <u>Heritage Foundation</u>, home ownership rates among African-American and Hispanic families are still below 50 percent, in contrast to the nearly 75 percent ownership rates among white households. The very fashionable Fauquier County, Virginia, which has imposed severe growth restrictions and limits on homebuilding, has seen its African-American population fall both relatively and absolutely over the decade of the 1990s.

Urban planning has failed miserably in providing affordable housing. As a rule, more dense areas cost more to build in, tend to have higher taxes, higher levels of pollution, and a higher cost of living. <u>The Heritage Foundation</u> reports that; "Data indicate that housing affordability in Portland, Oregon (percentage of households that can afford the median priced home) dropped 56 percent from 1991 to 2000, the largest reduction of any major urban area in the nation! Portland's home ownership rate fell as a result." The poor, of course, suffer the most in this kind of failed policy.



http://www.consus.gov/geo/www/ualua_2k.html

Families no longer able to afford single-family homes in Portland have to move into "affordable" multifamily units. These units are often subsidized – at taxpayers expense – by the very government that created the shortage in the first place by imposing smart growth regulations. During 1992-97,

Only about six percent of the United States is classified by the the number of housing permits issued for multifamily units U.S. Census Bureau as developed and less than three percent is classed as urban. Nearly 95 percent of America is roral. Source: Census 2000 Urban and Rural Classification, Census 2000, U.S. Census Bureau, Oct. 24, 2002. http://www.nearly.com/census/ and cities employing smart growth are in fact willfully using the law to plunder, if not criminally extort their citizens. It systematically destroys the hopes and aspirations of the lower

income class and those unfortunate souls whom the community targets for destruction.

Smart growth advocates usually blame housing affordability problems on demand. If that were true, then prices of houses would be much higher in Houston, Atlanta and Raleigh, which are among the nation's fastest growing cities. But they are orders of magnitude less than in San Diego and San Jose, which are growing very slowly.

The paranoia about the need to control growth is a constant drumbeat of those promoting urban planning. They claim America is rapidly losing its farmland and open space. Yet, the U.S. Bureau of Census classifies about 6 percent of the U.S. as being developed and 3 percent as urban using the 2002 corrected data. Even in the densely populated east, both New York and Pennsylvania are only 10 percent developed. New Jersey, the most developed state, has only 30 percent of its land developed. To top it all off, The National Center for Policy Analysis found that less than one-quarter of the loss in farmland since 1945 is due to urbanization, and the rate of loss has been dropping since the 1960s. To state it in the simplest possible terms, there is no problem with sprawl.

For decades urban planners have adhered to the mantra that urban sprawl increases pollution and housing costs, more driving time to work and shopping, stress, and the escalating consumption of scarce farmland and open space. Urban planning to implement smart growth supposedly corrects these problems and creates more livable, inexpensive homes for all. Irrefutable evidence, however, shows that urban planning creates the very nightmares it is supposed to eliminate. In the process, it strips urbanites of one of their most fundamental civil liberties – property rights.

The presumption that low-density residential development means more pollution, more congestion and fewer preserved natural resources is blatantly false. Likewise, the belief that higher-density compact development mitigates those impacts is false. Increasing population density does little to alleviate autocaused smog. Urban and suburban areas with the lowest population densities have the fewest air pollution problems.

Population density or compactness also has little relationship to how much commuters depend on automobiles. More than 75 percent of commuter trips are by car – even in urban areas. Thus, any planning strategy

that attempts to increase population density usually leads to more traffic congestion and stalled traffic. This <u>exacerbates air pollution</u> levels and potentially causes more areas to fail federal clean air goals. **This, in turn requires regulations that are even more restrictive**.

Portland, Oregon, the model for urban planning, has had the most stringent landuse plans in the U.S. since the 1970s. Portland's March 16, 1996 *Regional Transportation Update* boldly proclaimed that, "<u>Congestion signals positive</u> <u>urban development</u>." As if that were not bad enough, Portland's *1999 Regional Transportation Plan* proclaims that, "<u>Transportation solutions aimed solely at</u> <u>relieving congestion are inappropriate</u>." When confronted with the question of why the agency found high levels of congestion to be acceptable, its leading transportation planner replied that any effort to relieve congestion "<u>would</u> <u>eliminate transit ridership</u>." In other words, light rail and smart growth have become ends unto themselves, unrelated to solving urban problems.

In implementing its plan, Portland has stopped building highways and instead has built two light commuter rails that failed to achieve their goals. <u>Transit</u> <u>commuter use actually dropped 20 percent from 1980 to 1991</u>. Additionally, in spite of the severe hardship imposed on those who want to use automobiles, the Portland area experienced the largest increase in automobile use per capita from 1990 to 1999 of any U.S. urban area with more than one million people.

The same is true for alternative transit methods. San Francisco's proposed Third Street light rail line, for instance, costs \$40.50 per ride, which is equal to \$18,225 annually per new commuter. Notes the <u>Heritage Foundation</u>:

For the same money, each new commuter could lease a new Pontiac Grand Am throughout the "life" of the rail system and pay for more than 100,000 miles of air travel at the average ticket rate each year. Alternatively, one could lease the Grand Am and use the remainder of the annual subsidy for the average mortgage payment in the nation's most expensive housing market.

At least nineteen states have state growth-management laws or task forces to ostensibly protect farmland and open space. Dozens of cities and counties have adopted urban growth boundaries to contain development and prevent the spread of urbanization to outlying and rural areas. The Department of Housing and Urban Development (HUD) partially funded a 2002 report called *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change*. In 2003 Congress considered passing *"The Community Character Act,"* which proposed to fund state and local efforts to reform their land use planning process to conform more closely to smart growth policies. The Act did not pass, but it will come up again. Count on it.

The Legislative Guidebook calls for using federal funding as a carrot to mandate a more restrictive "integrated state-regional-local planning system that is both vertically and horizontally consistent." Vertically and horizontally consistent, in

turn, means total government control from the federal government to the local community across America.

Contrary to the dogma that condemns sprawl as somehow evil, Randal O'Tool makes these germane observations:

- Sprawl is the cure for, not the cause of, congestion. As USC planning professors Peter Gordon and Harry Richardson observe, "suburbanization has been the dominant and successful mechanism for coping with congestion."
- By providing access to low-cost land, sprawl increases, not reduces, housing affordability.
- As the <u>U.S. Department of Agriculture</u> says, urbanization is "not considered a threat to the nation's food production." Nor is it a threat to forests or other rural open spaces.
- <u>Sprawl does not make people "auto dependent</u>." Rather, it gives people opportunities to take advantage of the liberating effects of automobility. Among these effects have been a huge increase in real personal incomes, access to a wide variety of low-cost consumer goods, and increased recreation and social opportunities.
- Sprawl does not make people fat or unhealthy, and claims to the contrary are based on junkscience. O'Tool reports that find weak correlations between statistically questionable data and then assume that correlation proves causation.
- Sprawl does not cause toxic air pollution. Concentrations of toxic pollutants are far more likely in dense areas than in low-density areas.

No matter how it is cut, urban planning and smart growth is a bald-faced fraud that is creating a nightmare for people across America. As Randal O'Tool said in <u>The Planning Penalty</u>, "It is hard to imagine that more traffic congestion, higher taxes, lower urban services, increased consumer costs, and unaffordable housing add up to a more livable city."

From a few academics and environmentalists to the media, state and local officials, and high-level federal officials of all ideologies and party affiliations, this misguided vision has spread despite overwhelming evidence that it does not work. The persistence of these beliefs despite all facts to the contrary is a tribute to the power of a fashionable idea favoring federal intervention, however illogical it may seem in practice and experience.

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