

Stu's Notes #6

Stu's Notes provide selected passages from books that are of interest to Stu. They are primarily direct quotes, though some longer passages are summarized. They do not generally provide a thorough synopsis of the book. Rather, they capture individual facts or opinions of interest, which may or may not be reflective of the overall text.

Title: **This Place on Earth 2001: Guide to a Sustainable Northwest**

Author: Alan Durning

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Summary: A broad-ranging package of policy reforms for the Pacific Northwest of the USA, plus British Columbia. (While focusing on these locations, the recommended policies have broader applicability.) Aims to provide the right framework of policies, within which the market system can respond. Many of the policies have a fiscal orientation. A significant number of policies deal with land use and/or transportation, but broad-ranging sustainability issues are also approached from other directions. The 24 policy reforms are listed at the end of this document.

Highlights: Compact neighbourhoods [p.12-14]

Least-cost planning [p.16]

Parking required by zoning bylaws [p.28-29]

Taxing bad things and untaxing good things [p.55]

Road capacity is like Soviet bread lines [p.61-62]

Combining the reforms to address global warming [p.78-79]

Aikido Politics

“We are the most successful species on likely the only planet in the Milky Way that’s home to complex animal life. We have adapted to virtually all terrestrial habitats and generated more living matter, or protoplasm, simultaneously than any other single species ever. In the last 300 years, we have increased our average body size by half; doubled our average lifespan; multiplied our population ten-fold; and increased our use of water, soils, and other resources many hundredfold. But this remarkable success has jeopardized much of Earth’s rich living sphere, destabilizing the global climate, dooming species to extinction at a rate exceeding one per hour, and lacing the world’s food webs with synthetic chemicals.” [p.7]

Pillar 1: Build for Life

“... the real alternative to cars is not better transit; it’s compact neighbourhoods.” [p.12]

“Market research in greater Seattle shows that although three-fourths of people prefer detached houses to higher-density options, most people care more about the quality of the neighborhood and owning their own home than about housing type. In the right circumstances, more than 90 percent would trade low-density living for medium- or high-density neighbourhoods: some would move into high-rises, others into low-rises, townhouses, or detached houses on small lots.” (from *Puget Sound Housing Preference Study*, prepared for PSRC by Decision Data, Kirkland, Washington, 1994) [p.14]

Least-cost planning is already required by an unenforced law in Washington. Identify every way to achieve your goals, price each option (including long-term, social, and environmental costs), publicize the results, and buy the best options first. The Northwest stopped building power plants and instead invested in conservation. “A study of [transportation] options for greater Seattle concluded that [road expansion and rail transit line] proposals actually constituted the worst deals. The best buys involved expanding the network of transit and carpool lanes, mainly by rededicating freeway lanes; subsidizing carpools; distributing free bus passes; building more bike routes; and deploying more vanpools.” (from *Least-Cost Planning: A Tool for Metropolitan Transportation Decision Making*, Dick Nelson and Don Shakow, Transportation Research Record, 1995) [p.16]

Pillar 2: Redirect Markets

“Markets are very good – all too good – at what they do. The modern market economy harnesses such potent motives as greed and envy; in fact, as Lewis Mumford caustically noted, all the seven deadly sins except sloth. (Perhaps he was overlooking the entertainment industry.) But so effective is the profit motive that perhaps markets headed for unsustainability can best be redirected through creative use of market forces themselves, to harness their ingenuity, rapid feedback and diverse, dispersed, resourceful, highly motivated actors” (from *Factor Four: Doubling Wealth, Halving Resources*, Amory Lovins and/or Ernst von Weizsacker et al., 1997) [p.24]

“Markets rarely operate in the real world as they do in textbooks. They are blind to nature, frequently dominated by monopolies, hamstrung by poor information, and distorted by incentives split among market actors. Governments, furthermore, sometimes prevent markets from operating at all. As a result, business as usual in the Pacific Northwest yields outcomes for society that often amount to “retail sanity and wholesale madness”: Individuals respond rationally to the incentives and opportunities before them, but the collective result is bad for everyone.” [p.24]

Create markets for conservation. [p.25]

“... allowing rural landowners to sell their development rights to urban developers who want to exceed zoning caps.” [p.28]

“... the Northwest paid an estimated \$14 billion in 2000 to store vehicles during their 23 hours a day of downtime – more than it spent on fuel.” [p.28]

Zoning bylaws glut the market with supply, so pay parking is rare. Amending zoning bylaws “... would let supply contract until a market emerges and turns the massive hidden cost of parking into a new chance for northwesterners to save money.” [p.28]

“Portland exempts downtown residential development from required off-street parking, and Olympia has no minimum requirements in its downtown core.” [p.29]

“With no parking requirements, the owners of buildings now surrounded by concrete would have new choices: they could expand, sell land to others, or turn parking into plazas. Cities could convert some current on-street parking into broader sidewalks, landscaping, and bicycle or transit lanes. It might take ten years to absorb excess parking space, but scarcity – and a market – would develop.” [p.29]

Pillar 3: Curb Handouts

“Each year, Northwest governments reward activities that degrade the environment with billions of dollars in cash, tax breaks, and sweetheart deals, making a frontal assault on northwesterners’ land, air, and water. ... Built up gradually over decades of political deal making, the Northwest’s myriad subsidies – between them, Washington and Oregon alone have enacted 700 special exceptions in their state tax codes – dampen the economy, deplete natural wealth, and often penalize working families.” [p.36]

“Nowhere, however, do [development impact fees] fully reimburse local treasuries for the expenses of development.” [p.38]

“US income tax law allows taxpayers to subtract mortgage interest, property taxes, and homeowner’s capital gains tax (earnings from rising land values) from their income before calculating their tax bill. These deductions totaled \$87 billion nationwide in the United States in 1997. Partly because the deductions are larger for bigger, more expensive houses, more than half the benefit went to households with annual incomes above \$100,000; as a result, the US government gives more housing assistance to families with six-figure incomes than to the poor. State income taxes, most of which are tied to the federal tax, increase the amount and inequity of these handouts.” [p.40]

Pillar 4: Slow Population Growth

“The Northwest can, and has begun to, slow natural increase, not by limiting people but by sustaining them. This approach is both ethical and effective. A close reading of the evidence reveals that rising numbers of humans are a symptom of deeper maladies, including neglect of children and women.” [p.44]

Pillar 5: Green the Tax Code

“When you tax something, you get less of it. So what does the Northwest tax? Mostly things northwesterners want more of: paychecks (payroll and income taxes), commerce (sales and business taxes), and investment (property tax). In contrast, many things northwesterners want less of remain untaxed: pollution, congestion, sprawl, and resource depletion. The tax system manages to send the wrong signals to almost everyone, yielding a Northwest that is both poorer and less livable.” [p.55]

“... shifting the property tax partially or entirely off buildings and onto land values would turn it into a powerful incentive for investment in city and town centers and adjacent neighbourhoods.” [p.59]

“A property tax is actually two conflicting taxes rolled into one: it’s a tax on the value of structures and a tax on the value of the land under those structures. Taxing built structures discourages building; taxing land values encourages it, especially in urban centers, where land values are typically hundreds of times higher than in rural areas.” [p.60]

“The next time you’re stuck in traffic, think of Soviet bread lines. ... The road transportation sector is among the world’s largest remaining examples of Soviet-style central planning. Governments build the roads, then give away their use. Lacking any price mechanism, urban drivers pay for road use with their time, by waiting in traffic. [p.61-62]

Pillar 6: Reveal What’s Hidden

A Place to Stand

“The full potential of the listed reforms would be realized only if skilfully combined. Consider greenhouse gas emissions, which the region needs to cut by 80 to 90 percent within a century to lead the world toward climate stability. Climate-altering pollution would be reduced by:

- “Communities that were increasingly compact, walkable, and tied together with cost-effective alternatives to driving alone.
- “The reduced driving that results from selling insurance by the mile.

- “A slowing of population growth brought on by safe, secure childhoods for all and universal access to prescription and emergency contraceptives.
- “Protection and restoration of ecosystems, such as old forests, that soak up carbon dioxide.
- “Thriving consumer markets in conservation, pollution reduction, and certified sustainable products, including renewable electricity.
- “The energy conservation yielded by bottle bills and other forms of extended producer responsibility.
- “The tremendous reductions in fossil fuel combustion, forest clearing, and other greenhouse gas generation that would result from elimination of taxpayer subsidies to driving, sprawl, and other high-impact activities.
- “The even larger reductions in emissions that would come from comprehensive feebates and from shifting the burden of taxation off paychecks and enterprise and onto pollution, resource depletion, and habitat disruption.” [p.78-79]

All Chapters

The 24 reforms described in the preceding chapters are:

1. Grow cities up, not out [p.12]
2. Design cities for walking and bicycling [p.14]
3. Make best transportation buys first [p.16]
4. “Protect the best ... [p.18]
5. ... restore the rest” [p.20]
6. Create markets for conservation [p.25]
7. Deregulate parking [p.28]
8. Sell car insurance by the slice [p.30]
9. Extend the bottle bill [p.32]
10. Pay for roads with driving-related fees [p.37]
11. Let development pay its way [p.38]
12. Charge full price for the public’s natural resources [p.41]
13. Target child poverty [p.45]

14. Prevent sexual abuse [p.46]
15. Expand Insurance coverage for family planning [p.48]
16. Broad access to emergency contraception [p.50]
17. Tax pollution, untax enterprise [p.56]
18. Tax resource depletion, untax income [p.57]
19. Tax sprawl, untax buildings [p.59]
20. Tax traffic congestion, untax commerce [p.61]
21. Spread clean technologies with "Feebates" [p.63]
22. Bolster the right to know [p.67]
23. Label what's sustainable [p.70]
24. Monitor living systems [p.72]