

YOU CAN'T FIGHT CITY HALL



ralph nader

One of the most intriguing figures on the current scene is Ralph Nader—self-proclaimed ombudsman, defender of the weak, and nemesis of the corporate/political Establishment. Conservatives cringe as he attacks giant corporations, while Liberals try to hide their guilt as Nader exposes their “public interest” programs and regulatory agencies as shams.

To libertarians Nader is something of an enigma. The “Nader Reports” on the federal regulatory agencies are replete with paens to the virtues of competition as opposed to regulation. Yet Nader’s call for breaking up GM and other corporate giants—not for rights violations but merely because of their size—is disturbingly populist. Nader’s confusion regarding economics, values, and individual rights is apparent from his writings (cf. “A Citizen’s Guide to the American Economy” in the 2 September 1971 NEW YORK REVIEW OF BOOKS).

Perhaps most interesting (and puzzling) of all is the little-known fact that Nader began his career as something of a libertarian. As a young lawyer in Connecticut, Nader inveighed against subsidies and federal aid and strongly defended people’s right to live lives unmolested by the state. The article that follows represents Nader at the height of his libertarian period in the early 1960s. It originally appeared in THE FREEMAN and is reprinted here by permission.

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“Oppose a public housing project! You might just as well come out against Mother and Social Security.”

In the face of this typical defeatist attitude, the rejection of a federal housing project in three successive referendums in Winsted, Connecticut, is of more than local significance.

The issue first arose in this New England mill town of 10,000 people in December 1957 when the local housing authority brought before a Town Meeting a proposal for 50 federal housing units. Despite public apathy, the proposal was defeated by the tiny vote of 20 to 16. However, it was re-submitted the following month and approved by a voice vote.

The townspeople seemed largely unconcerned through the next two years of preliminary preparations for construction. But in January 1960, a young housewife’s letter in the local paper questioned the whole idea of public housing, pointed to some of the likely injurious consequences, and berated citizens for letting it be imposed upon them by default. In short order, 500 signatures were secured petitioning for a referendum on the project; and when the vote was counted in April 1960, after the largest referendum turnout in recent history, the project had been rejected two to one.

By then, however, the local housing authority had spent some \$20,000 of federal disbursements; and housing proponents petitioned for another referendum, which was held in August 1960. The vote, even heavier than that of April, again spelled a resounding rejection.

The next move came when the federal Public Housing Authority called a meeting of selectmen and local housing officials to offer what it called a “redirected” program. The earlier proposal had involved 40 low-rent units and 10 units for the elderly. The new alternative was to reverse that ratio. And in some unexplained way, the adoption of the “redirected” program would also absorb the \$20,000 otherwise to be billed against the town.

Their “concern for the elderly” prompted the selectment to call for a new referendum. On 28 April 1962, aroused but weary voters rejected the program for the third time—a most remarkable showing of integrity in the face of formidable pressure.

In Connecticut, the state enabling act for the creation of local housing authorities by municipalities sets the official tone. The statute declares that a serious slum condition exists, unrelieved through private enterprise. This supposedly justifies the use of tax-collected funds to provide housing accommodations. As in other states, local housing authorities are given autonomous status which shields them from both the town governing body and the voters and thus fails to encourage responsible action.

The statute is so drawn that the members of the housing authority, who serve without pay (which can be very costly), may delegate all powers and duties to the executive director. This had been done in Winsted.

The statute does not require that local housing authorities make any housing surveys or other studies before proposing

referendum appears to be the only remaining practicable way for citizens to check the actions of housing authorities. Giant government has outgrown the capacity of the institutions designed to restrain its encroachments and abuses.

The Winsted experience revealed much lack of understanding as to how the lives of people are affected by public housing.

"I am against public subsidies but I want to get back our share of the tax dollar instead of having it go to some other city."

"It's free, so why not grab it?"

"We pay high taxes, let's get some of it back."

"This project doesn't cost the Town a red cent and it is being offered to us. Thousands of towns have low rent housing, hundreds more want it. Anyone who wants Winsted to grow and progress should vote for it."

Some tenants who had recently argued with their landlord thought the project would be "healthy competition." Others favored the project on the ground that it would bring more people, especially elderly couples, to live in Winsted. Finally, it was widely asserted that private enterprise would not do the "job" (not described) so public funds had to be used.

PRESENTING THE EVIDENCE

To inform the townspeople about the nature of the housing project was a difficult task. Common conviction and concern brought together a small number of citizens from various occupations. They set out, each in his own way, to talk about the project and why it should be rejected. By telephone, personal contact, letters to the local paper, they implemented their belief that right will prevail when given half a chance to be heard. What was their message?

1) Public housing involves an annual subsidy by local taxpayers as well as an initial and continuing subsidy by all taxpayers. Federal housing projects pay 10 per cent of collected shelter rents to the Town in lieu of taxes. This amount is usually one-tenth of what that property would pay in local taxes were it fully taxable. Consequently, an extra burden is shouldered by private property in the form of a higher property tax.

2) Public housing pushes private housing toward deterioration and away from expansion. The private sector must pay for public housing which, in turn, takes away their tenants from whom income is derived to pay the taxes in the first place. "It takes the fruits and chops the roots," as one old-timer phrased it. The more public housing, the more difficult for owners to keep their property in repair and the weaker the incentives for people to want to own their own homes. Instances were found where potential home owners held off buying until the outcome of the referendums was known.

A vicious circle begins to operate; as private property is undermined by public competition, private investment is discouraged by the threat of more public housing. As local taxes increase, the prospects diminish for new or expanding industry.

Public housing accentuates that which it professes to alleviate, creating conditions that will raise the call for more public housing. It will destroy the incentive to build new dwellings and to develop creative methods of private financing.

3) Consider the proposed project itself and the people who would occupy it--the drab, uniform, barrack-type existence. Living under the government as landlord neither teaches children the value of property (which is one reason why public housing deteriorates so quickly) nor produces the environment for the exercise of independence, self-reliance, and, above all, citizenship. Any government intrusion into the economy deters the alleged beneficiaries from voicing their views or participating in civic life. The reason for this goes beyond the stigma of living in subsidized housing. When public housing becomes, as it has over the nation, a source of additional patronage for local distribution to contractors, repairmen, and tenants, the free expression of human beings is thus discouraged.

4) The local housing authority was discredited by exposing its policies to the public. It had made no attempt even to produce a housing inventory before spending vast sums of money. It had never explored the possibilities of any private housing solution to alleged needs, but always assumed the public way. It viewed its function as obtaining more and more

public housing. When the law itself encourages rather than safeguards against abuse and bureaucratic dominance, freewheeling and irresponsible projects are likely to result. Unrestrained by legal standards and used to public apathy, housing officials at federal, state and local levels are prone to assume that they need only decree a project to have it carried out.

Under the U. S. housing law, the local authority is permitted the use of federal funds to acquaint the public with any housing proposal. Prior to each of the first two Winsted referendums, the authority drew upon federal funds for newspaper advertisements in behalf of its program, for "progress," "growth," and "sympathy for one's less fortunate neighbors."

NEED FOR INFORMATION

A group of citizens sought to break the authority's monopoly of significant facts, requesting the selectmen to send the authority a list of questions concerning costs, consequences to the Town, and the alleged need for the project. But, secure in its autonomy, the authority rejected brusquely this bid for public information. Such agencies can maintain their secrecy with near impunity, since resort to the courts is expensive and time-consuming and seldom satisfactory, anyway, in suits against housing authorities.

To rely on the popular vote is not an entirely satisfactory alternative. A majority decision may be unjust, though democratic, and the rights of a minority may be violated. Moreover, the right to vote is impaired in substance when there is not access to information upon which to base judgment. Nevertheless, the

public housing in spite of repeated referendums to the contrary. In this way, it was trying to wear down the voter.

5) An average of 75 decent dwellings for reasonable rent were shown to be regularly available in Winsted, where dwelling space per capita had increased over the situation ten years ago. A check of housing facilities showed quite the opposite of what the local authority had been alleging without substantiation.

6) Finally, there was the appeal to principle. People were asked whether Winsted should be like other towns who had succumbed to the Lorelei of "getting our share of federal funds before somebody else does." Would Winsted be different by being responsible, by showing community integrity? Is Winsted to admit that the resourcefulness of its citizens has reached the low level of rushing, hands unfolded, to the service state? It was discovered that holding people to high standards can bring about an encouraging response.

In summary, the approach employed to defeat the repeated onslaughts of public housing proponents was to explain the cost, the abuses, and the consequences to the Town. The steady bit by bit erosion of private property was clearly described along with the explanation of what private property contributes to the Town. All this required leg work, the tedious but essential job of reaching people and overcoming their apathy and "can't fight city hall" attitudes.

A VITAL LESSON

If there is a single lesson to be learned from Winsted's experience, it is that freedom, to be meaningful, must find direct expression in practice as well as in principle. Articulations of principles of liberty may provide the understanding, but these must be practiced to give freedom objective existence. Freedom is a process of being and becoming, in our laws and their enforcement, in our institutions and the purposes for which they are used, in our policies and methods and daily behavior. The faster our way of life changes, the greater the danger of service state dominance and the greater the need to strengthen the "tools of freedom." Principles have their noble pedestal in man's life but to defend their living substance requires continual citizenship in action. One must act, as well as articulate; and in each community the success with which these are fused will spell the gain or the loss of the blessings of liberty. □

amidst the
tea cup ash
of vera zasulich
i find myself about
to embark
upon arterial
super-studies

one cup of tea less
might have
drilled
her head stone (but
she was somehow of
the wrong party at
the time of parting)

poor dead
rockwell kent
even
tried to find
vera's words
(for me)
in the heart of the
kremlin
(vatican)
to no avail

i have seen both sides now
i left the winner
only to see the
top
man
kow
tow

the joust a tv jest
potomac fever a
deadly poison
the cure is not
peking duck
lest the man in the white house
(our president)
king/queen/ruler

A Maunderin tongue in a Pounderin Jowl

know what i mean
allow me the
tea
cup

confucius
(half-back
at
some school
for chinks)
called the huddle
signal

To seek and not find
as a dream in his mind,
think how her robe should be,
distantly, to toss and turn,
to toss and turn.*

you dare the
ny times analysis
of your quarterback
ability
and hope to
Bang the gong of her delight**

both sides
laugh
laugh
laugh

and i
(the poor poet
seek Po-Yü)
as you dine on the
carcass
of
china

a note

the title is from Joyce in Finnegans Wake

vera zasulich was a russian revolutionary who shot the police chief of petrograd. the jury found her innocent of the crime and she fled to england where she became a close collaborator with lenin and trotsky. vera was a fantastic woman and my research would lead me to believe that she had an affair with trotsky. but, we do know that she once told lenin's wife that when she died all they would say was "one cup of tea less."

rockwell kent was an american communist who painted a vast number of socialist realism paintings.

Po-Yü was the son of Confucius

Book 1 refers to the historically vital CLASSIC ANTHOLOGY these are the odes and the living tradition of Chinese poetry.

further notes

the tea cup refers to Alice

i fear that i cannot explain the confucian odes only the reader can attempt to jump the chasm between the chinese ode and nixon's ego.

* Book 1. Chou and the South (Kuo Feng)

** Ibid.

Phillip Abbott Luce

the limits of “urban dynamics”

william p patterson

Much has been written in the past two years about *URBAN DYNAMICS*, a book which applies systems analysis to the problems of growth and decay in our cities. Liberals have damned it because it questions the value of their cherished programs for helping the poor; some libertarians have championed it because the book's conclusions—though arrived at by different means—seemed to support their opinions about the usefulness of government programs. Although I will discuss these conclusions in this review, my primary focus will be on the author's *methodology*. The author, Jay W. Forrester, Professor of Management at MIT, initially applied his modeling techniques to corporations in *INDUSTRIAL DYNAMICS* and most recently to global problems of population and resources in *WORLD DYNAMICS* (see “Counterintuitive Behavior of Social Systems,” *REASON*, July and August 1971). *URBAN DYNAMICS* deals with an area of intermediate scope, the urban community.

Notwithstanding well-intentioned criticisms of the whole idea of “modeling” and “social systems,” carefully thought-out descriptions of socio-economic relationships (i.e., models) deserve attention in that they provide a systematic way to think about complex relationships and even to predict future developments. Dr. Forrester's *approach* (if not his specific methodology and early conclusions) gives promise of being developed into a useful scientific modeling technique. Thus, although much could be said pro and con about the urban model's conclusions, it would be more profitable to concentrate on improving the general modeling approach. Forrester acknowledges the preliminary nature of his work, in referring to *URBAN DYNAMICS* as “more an opening of a subject than it is a package of final results and recommendations. The primary objective is to improve our understanding of social systems.” Despite this caveat, however, he then goes on to draw conclusions, citing his model as the authority.

MODELING

In brief, what does the model depict? The urban community is defined as a system of three interacting variables (or levels, as Forrester calls them): industry, housing, and people. The specific land area of the city, a limitless surrounding environment, and the city's relative attractiveness to people control changes in the levels of industry, housing, and people. The initial values of land area, family size, etc.—quantities routinely measured by social scientists—are assumed at the outset. In addition, the fundamental relationships by which the levels of the different variables change over time are also hypothesized, in Forrester's a priori approach.

Much as in the electromechanical systems Forrester originally studied as an electrical engineer, a set of initial values is assigned to the “level variables,” and these, together with the structural relationships and parametric values, are used to compute the changes in industries, housing, and people over some period of time. The model's equations produce a series of changes in these variables over time until the values of industry, housing, and people stabilize, i.e., reach a constant level. Forrester calls this 250-year process “growth and stagnation” and claims that the model explains why our older cities are stagnating.

Having done this, Forrester then goes on to examine four typical government programs aimed at improving urban conditions, “implementing” them with the model by simulating their effects when applied to the model set at the stagnant condition. These programs are 1) creating jobs for the underemployed, 2) training the underemployed, 3) subsidizing welfare and education, and 4) building low-cost housing for the underemployed. All four programs give unsatisfactory results and, after some short-term improvements, make conditions worse than before. After exploring some other policies via the

model, Forrester concludes that urban revival requires demolition of slum housing and its replacement with new business enterprise. (these conclusions should come as no surprise to readers oriented to laissez-faire and noninterventionist policies.)

Those who are interested in the details of these results should read *URBAN DYNAMICS*. The results have been reviewed extensively elsewhere (e.g., *FORTUNE*, November and December 1969); indeed, it has been the results that have attracted the attention and provoked the controversy, despite Forrester's admonitions that the results can be no better than the structure of the model and the data that went into it. Readers who wish to use these results in support of previously-held convictions must be familiar with the underlying assumptions and model structure if they are to be able to defend their position. (And it should be noted that Forrester's model is quite different from the relationships described by both Jane Jacobs and Edward Banfield, whose *policy* recommendations are nonetheless somewhat similar to Forrester's.)

METHODOLOGY

What, then can be said of Forrester's method? In all his work he uses, without improvement, the original closed-loop level and rate methodology developed for *industrial dynamics* 13 years ago. (One suspects that perhaps the investment in computer programming precludes changes that would significantly generalize the models.) The methodology stems from modeling techniques used for deterministic electromechanical systems. It deliberately does not employ structural and parametric data which could be developed by empirical observation, principally in the social science area. One might say that Forrester's philosophical approach is rationalist rather than empirical (or in sum: that reason amplified by the computer can explain the external world). Because of this, Forrester's work is open to strong criticism by social scientists, whose modern-day work is almost entirely empirical.

Forrester's reply to this criticism is that social scientists measure parameters (static values of isolated parts) rather than structure (dynamic relationships between parts), and since parameters do not control system behavior, as structure does, he is justified to some degree in ignoring their work. Relationships or structure can be quantitatively determined on an empirical basis if you know what you are looking for, namely the system dynamic model, not extant social science models.