From the Director

The 2006 Preserving the American Dream conference featured excellent keynote speeches by Senator Johnny Isakson and Professors James Dunn and Robert Bruegmann, plus dynamic sessions on congestion and regulation. If you missed the conference, most of the sessions are now or soon will be available on DVD from ADC’s web pages.

Another item you missed if you did not attend the conference was an updated Guide to the American Dream CD, with more than 300 articles, presentations, and data files relating to transportation, housing, and other issues.

To make this information more widely available, we have posted the entire CD (minus one extremely large file) on our web site. A few of the files are very large—20 to 50 megabytes—so if you have a slow connection, you may still want to purchase the CD from our on-line order form.

At the conference, I was pleased to announce the release of ADC’s latest research paper, The Greatest Invention: How Automobiles Made America Great (see page 2). A recent issue of AutoWeek lauded this paper as “fuel for your arguments in favor of cars.”

We are already planning next year’s conference, which is scheduled to take place in San Jose on November 10 through 12, 2007 (see page 3).

Our research and our public education efforts are all designed to help you protect the American dream of homeownership and mobility. Please let me know if there is anything else we can do.

Randal O’Toole, roto@tio.org

“Sprawl” Is Environmentally Friendly

A lot of what we hear about sprawl is just dead wrong,” historian Robert Bruegmann told the Preserving the American Dream conference in September. Suburban densities today are increasing, not decreasing; most central cities are “roaring back” despite suburbanization; and “there is nothing inherent about sprawl that is any more or less environmentally friendly than cities.”

So why is sprawl so contentious? Bruegmann pointed out that sprawl was highly criticized in the 1920s and 1950s as well as the 1990s. All three of these decades saw booming economies. “When the economy is roaring, a lot of people can make choices about what they want to do,” commented Bruegmann, “and invariably a lot of other people think they made the wrong choices.”

Bruegmann, the author of Sprawl: A Compact History, said the sprawl debate is partly a class issue. “We started seeing working-class suburban sprawl” in the 1920s, said Bruegmann. “This was a great movement in human history, when people so far down the socioeconomic ladder could afford the thing that was once available only to the very affluent: their own house, their own piece of ground, and their own private transportation. This kind of privacy, mobility, and choice were a godsend to people who before this were cooped up in industrial cities next to the factories and smokestacks and pollution.” The problem was that the upper classes did not appreciate newcomers’ tastes, such as the architectural styles of the homes they built.

Other speakers at the Preserving the American Dream conference defended affordable homeownership and the automobile against attacks by smart-growth planners.

• Rutgers University Professor James Dunn described the benefits of automobility and why some people are trying to reduce that mobility;
• Robert Poole and other researchers with the Reason Foundation described their program for relieving urban congestion;
• Harvard University researcher Bryce Ward showed how government regulation has made housing unaffordable in Boston and other regions of the country;
• San Jose State University economics Professor Edward Stringham showed how inclusionary zoning is actually making housing more expensive.

These and other presentations are available on DVDs from the American Dream Coalition’s web site.
The mass-produced automobile is the greatest invention of the past 230 years, argues a new report from the American Dream Coalition. Although it has been demonized by a variety of writers and interest groups, it has actually done more than anything else to improve the quality of life for the average American.

The report shows that automobiles (along with trucks and tractors) played a large or dominant role in:

- Increasing personal incomes by seven times;
- Increasing personal mobility by six to eight times;
- Increasing homeownership rates by more than 40 percent;
- Reducing the cost of consumer goods and increasing the variety of such goods by 100 times or more;
- Enabling the civil rights and women’s liberation movements;
- Making outdoor sports and numerous other recreational and social opportunities available to the average person;
- Reforesting 80 million acres of deforested horsepasture lands and converting 40 million acres of other pastures to higher-value croplands;
- Providing rapid access to fire and other emergency services and swift escape from natural disasters.

An important component in the automobile’s history was the moving assembly line, which allowed Henry Ford to double workers’ wages while he halved the price of his Model Ts. This made autos affordable to the people who built them and gave them the mobility they needed to purchase their own single-family homes.

Even though the United States had the world’s best system of urban transit and intercity passenger trains in 1920, the amount of mobility this system provided the average American was insignificant compared with the automobility Americans enjoy today. Autos are also far more egalitarian; while passenger trains and even streetcars were mainly used by middle and upper classes, almost every family in America has an auto today.

The report also shows that the replacement of horses with tractors and trucks led to huge improvements in land uses in the country as 82 million acres of horse pasture were converted to forests and another 40 million acres were converted to high-value crop lands. By comparison, low-density urban sprawl led to the development of only about 20 million acres of land.

Efforts to reduce the amount of driving people do by imposing disincentives to the auto or allowing traffic congestion to increase risk killing, or at least limiting, the automotive goose that laid the golden egg of American prosperity. Such restrictions will have the greatest detrimental effects on low-income families, who tend to have fewer mobility alternatives than wealthier families.

Instead of discouraging driving, the report recommends that government be neutral regarding people’s transportation choices, insuring only that they pay the full costs of their choices. The report adds that transportation should be funded out of user fees, and subsidies needed for social equity should go to users, not to transportation bureaucracies.

Copies of the 28-page report may be downloaded from the American Dream Coalition’s website.
San Jose to Host Next American Dream Conference

Mark November 10 through 12, 2007, on your calendar for the fifth annual Preserving the American Dream conference. The conference has been scheduled at the Wyndham Hotel in San Jose, California.

While Portland has received more attention, San Jose’s “smart-growth” plan was actually approved much earlier (1974 vs. 1997) and has had more detrimental effects on housing and transportation. Between 1950 and 1970, San Jose was one of the fastest-growing urban areas in America, gaining more than 40,000 new residents each year. Despite a phenomenal 13.1 percent annual growth rate in the 1950s and 5.4 percent growth rate in the 1960s, housing remained very affordable in 1970.

In the 1970s, many local residents feared that growth would “turn San Jose into Los Angeles.” This led the city to draw an urban-growth boundary in 1974, which greatly restricted the amount of land available for development. Most nearby cities either passed similar restrictions or were landlocked by cities that did.

The high-tech boom that created Silicon Valley drove up land and housing prices, which in turn pinched off economic growth. Coldwell Banker’s latest home price survey says that a house that costs $155,000 in fast-growing Houston would cost $1.4 million in San Jose.

The growth boundary forced the region’s population density to more than doubled from 2,700 people per square mile in 1960 to 5,900 people in 2000. Yet high housing prices led population growth to fall to 20,000 people per year in the 1980s and 10,000 per year in the 1990s, which meant annual growth rates were well under 1 percent.

Despite slow growth, San Jose became heavily congested because planners spent most of the region’s transportation dollars on light-rail lines instead of roads. Many local workers were forced to commute up to 100 miles per day to find affordable housing in Stockton and other cities in interior California.

Congestion and high housing costs led employers to locate offices and factories elsewhere. When the 2001 recession hit, San Jose lost 17 percent of its jobs and office vacancy rates soared from 3 percent to 30 percent. Declining sales tax revenues created a financial crisis for the transit agency and the resulting service cuts reduced transit ridership by a third.

The urban-growth boundary, compact development, and light rail all make San Jose a poster child for smart growth. The impacts these policies have had on housing and traffic vividly show why smart growth doesn’t work. Ironically, the steps taken to prevent San Jose from becoming like Los Angeles ended up making it more like Los Angeles—the nation’s densest, most congested urban area whose expensive rail transit system forced service cuts that reduced overall transit ridership—than almost any other urban area in America.

The 2007 conference will feature a tour of San Jose transportation and housing projects and speeches and presentations by local officials. The conference will also feature many nationally known speakers on a variety of mobility and land-use topics. Whether you have enjoyed one of the American Dream Coalition’s conferences in the past or wish you had been to one, you won’t want to miss the 2007 conference in San Jose. Watch ADC’s web site for complete conference details and registration information.
Scenes from the 2006 Conference in Atlanta

The American Dream Coalition provides numerous benefits for its members, including:

• Research on national and local issues;
• A speakers’ bureau;
• Leadership training;
• The annual Preserving the American Dream conference;
• Assistance with regional workshops;
• The ADC news blog;
• Communications with other activists;
• The American Dreamer newsletter and e-mail news.

Your membership fees and contributions help pay for these activities. Full or group members each have one vote on the ADC steering committee. Sustaining and individual members elect three members of the ADC steering committee. Contributions in excess of $25 per year are tax deductible.

To join, use this form or go to the American Dream Coalition’s web site.

American Dream Coalition
Post Office Box 1590
Bandon, Oregon 97411

❑ I/we would like to join the American Dream Coalition as:
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Web site (for groups) ______________________________

Make checks payable to the American Dream Coalition and mail to:
ADC, P. O. Box 1590, Bandon, Oregon 97411
or email to optic@americandreamcoalition.org

The highlight of the tour was when the tour bus got stuck by traffic calming just as the tour guide was bragging about traffic calming in a new development.

Randal O’Toole presents the first annual “Dreamweaver Award” to Lowell Grattan (left) for his work building coalitions in San Jose. Photo by Craig Flynn.