
THE LONGER VIEW

Growth Management Good for the Town, Bad for the Nation?

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Chinitz, an urban economist, completed his doctoral work at Harvard in 1956. As professor, author, consultant, and public servant, he has focused his attention on the factors that produce growth or decline in urban areas and regions, and the role of public policy and local initiatives in affecting these trends. In September 1987, Chinitz was appointed director of research at the Lincoln Institute of Land Policy in Cambridge, Massachusetts.

In his classic economics text the Nobel laureate Paul Samuelson defined what he calls the "fallacy of composition": the idea that what is good for one may not necessarily be good for all. His example is personal saving. Although great for the individual, high rates of savings are bad for society because, unless they take the form of real capital investment, they can lead to a recession.

Taking a leaf from Samuelson's book, I propose to examine the applicability of the fallacy of composition to land policy, particularly to growth management. I see the issue as whether individual communities, as they implement land use regulations to protect the quality of their own environments in the face of growth, exacerbate or ameliorate the contemporary environmental concerns of the nation, or for that matter, the world as a whole. My presumption that community-level land policy has wide nonlocal ramifications derives from the fact that a number of important environmental concerns are land-use-related and are tied to growth. Thus, I would argue that local growth management programs are a mixed blessing. In some ways they assist in achieving national and global environmental goals and in other ways they detract from this mission.

Growth and the Environment

I define growth as the expansion of developed space. Its sources are typically increases in population and economic prosperity, which generate higher demands for housing, workplaces, service establishments, roads, and schools, and lead to the exploitation of land and natural resources. It is a mistake to define growth only in population terms, although it might be hard to argue that in California and Florida. It must encompass growth in employment and income as well.

"Unmanaged" growth depletes the capacity of nature to support economic activity, a high standard of living, and life itself. This loss creates environmental stress. In a recent report, *The Crucial Decade: The 1990s and the Global Environmental Challenge* (1989), the World Resources Institute enumerated several growth-related problems: global warming, acid rain, deforestation, and the reduction of biodiversity. The institute viewed these concerns as having worldwide dimensions. It argued that these problems can be resolved only through international cooperation, and urged the Bush administration to exert leadership in this area.

While the United States shares all these global concerns, it also has a broader national environmental agenda. Among the issues of concern are reduced air quality for a large fraction of the urban population, loss of valuable wetlands, poor water quality, the pollution of lakes and oceans, and the inadequate disposal of all kinds of hazardous wastes, including nuclear wastes.

Clearly, land use patterns contribute to both global and national environmental losses. In fact, unmanaged growth has two manifestations. The first is USING THE

WRONG LAND. An example is appropriating wetlands for development. The second is USING LAND THE WRONG WAY. Urban sprawl that encourages automobile use and results in an inappropriate pattern of development is illustrative. The major "villains" in the link between growth and environmental degradation are technological advances that encourage the burning of fossil fuels and behavioral attitudes that encourage the undisciplined use of the private automobile and the generation of large volumes of solid and liquid waste.

The Environmental 'Problem' at the Local Level

When I lie awake at night in Newton, Massachusetts (a Boston suburb that is experiencing further development in the absence of population growth) and worry about the security of my environment, all these global and national issues provide the backdrop for an agenda that is a lot more "local." I worry about potential development projects in town and I am afraid they will increase traffic on my street, affect my route to work, make parking even more difficult in the nearby shopping villages, and spoil the visual setting that I enjoy when I look out the window of my house or my car. I worry about my water supply, both its quantity and quality. I worry about the preservation of open space in the neighborhood and the rest of the town. I am concerned that all the suburban landscape that I treasure and that contributes to my sense of well-being will be irreparably damaged by the unmanaged growth I see around me.

My list is perhaps shorter than the standard list in the expanding literature on growth management, which might also include such concerns as localized air pollution, hazardous waste disposal, wetlands management, and water pollution. But then, I ask myself, who is in charge? Which governments that command my loyalty and my taxes can I trust to protect my treasured environment?

Who Makes Land Policy?

Land policy in the context of growth is public policy aimed at modifying "market"-driven land use choices in ways that would reduce the negative environmental consequences of growth. It can refer to local, state, and federal jurisdictions. Many actors participate in making land use policy. For example, the federal government, which is the majority owner of land in our country, makes decisions on the disposition of such land. It decides whether to retain it in its natural form, develop it into national parks, or make it available for natural resource development. In addition, in recent decades the federal government has dealt directly with such growth-related environmental problems as air and water quality and the disposition of wastes. Although these activities do not explicitly involve land policy, they do involve procedures, such as the preparation of environmental impact statements (EIS), that might require a locality to alter its land

policies to comply with federally promulgated air and water quality standards.

A growing but still short list of state governments have developed legislation to help manage growth through land policy. Oregon and Florida were the pioneers in the 1970s. In the 1980s they have been joined by Maine, Vermont, Rhode Island, New Jersey, and most recently by Georgia. In Oregon and New Jersey the focus is on state planning to influence where growth occurs. In Florida, particularly since new legislation was enacted in 1985, the emphasis has been on assuring that new development will occur *concurrently* with the provision of the needed infrastructure. Other states use carrots and sticks to encourage local comprehensive planning combined with regional review of proposed projects that have regional impact.

At the local level, some towns, cities, counties, and regions have engaged in a flurry of growth management activity. In recent years, particularly but not exclusively in California, the November ballot has been crowded with referenda to somehow "limit" or "control" or "plan" for, or "charge" for, growth. From San Diego to Virginia Beach, hundreds, possibly thousands, of communities have introduced new systems of land use regulation under the banner of growth management. Some communities like Boulder, Colorado, have emphasized impact fees. Others, like Aspen, have focused on quotas. Virginia Beach and Montgomery County have resorted to transfers of development rights (TDRs) to restrict development to certain zones. Amherst, Massachusetts, has introduced open space zoning.

However the locals go about the task of managing growth within their jurisdictions, their actions will affect *which* lands are developed and which are not, and the pattern of development that emerges. Which brings us back to the question: are local and state efforts to protect environmental assets in the course of growth consistent with national and global goals for the environment? Are locally determined land policies productive, counterproductive, or neutral in this regard?

Development versus Conservation: What Are the Costs?

The most unambiguous role for local growth management land policy in preserving environmental assets in the face of pressures generated by population and economic growth is to confront hard choices between development and conservation. But can land policy aimed at preserving lands possessing high social values be pursued simultaneously at all levels of government in a reasonably consistent manner?

At first blush, the answer would seem to be, Yes! We have national parks, state parks, and local parks. Cumulatively, that adds up to the preservation of a lot of open space. If Community A acts aggressively to protect its wetlands, it contributes to the national goal of protecting wetlands. If the state of Florida succeeds in its efforts to "save" the Everglades, it will not complicate



Photograph by Sarah S. Lewis

Chris Anderson, House in Search of a Site, 1989, oil, charcoal, pastel, graphite on paper, detail, 60" × 76".

similar efforts in other areas of the country. In New England, where conservationists are intent on preserving the northern woods in Maine, Vermont, and New Hampshire, which are threatened by development, the use of public funds to acquire such properties is not making life more difficult for other regions of the country.

Before we leap to the conclusion that local land conservation efforts are almost necessarily additive rather than competitive or conflicting, we need to reckon with the implications of the free flow of people across jurisdictional boundaries. Open space in community A may be of value to residents in the adjoining community B. The collective "demand" for preserving the space would justify withholding it from development. But on its own, community A might favor development, for open space is costly to maintain and developed land yields tax income, which open space does not. And community B,

the profiting neighbor, contributes nothing to support the conservation areas.

Recognizing the interdependence of communities in land use decisions and the fact that communities may differ in their commitment to conservation qualifies but does not negate the conclusion that, insofar as local growth management efforts are aimed at land conservation, they can have a large measure of additivity.

Land Use Patterns, Suburban Zoning, and Growth Management

Local growth management programs often determine how, when, and for what purpose developed land should be used. Long before the term "growth management" became fashionable, localities had decided that land use decisions would not be left entirely to the marketplace,

and developed a reasonably elaborate regulatory system: zoning ordinances, subdivision regulations, and building codes. Their rationale was that land markets do not work perfectly because developers might not necessarily take into account the costs or the benefits they might confer on others by their decisions concerning the precise use, density, design, and timing of the development. Thus, localities assumed that the public welfare could be protected by public planning and regulation processes and implemented the appropriate measures.

Before we consider this aspect of land policy in the context of growth management, we should ask whether good, old-fashioned *local* land use planning and regulation in the pursuit of the local public interest contribute to or complicate the resolution of national and global environmental concerns. The term "local" embraces a wide range of community sizes and types. It includes governments of large cities like New York and Los Angeles, as well as of small towns in rural areas, and suburban governments in metropolitan areas. For the purposes of this essay, I will address suburban land use planning.

In the 1950s and 1960s suburban land use planning came under attack as critics argued that current practices were self-serving at the expense of the national interest. The argument expressed in such books as *Manmade America* by Christopher Tunnard and Boris Pushkarev (1963) was that suburban land use regulation that encouraged low density development and the rigorous separation of different kinds of land use contributed to sprawl and discontinuous development. Pointing to the dramatic "consumption" of land per capita in the post-war period, Tunnard and Pushkarev and others maintained that land policy that maximized rather than minimized the diversion of land from other uses was bad. They argued that it raised the costs per capita of providing infrastructure and that it contributed to auto dependency. They asserted that, to put together a complete life of work and play, people "had" to travel a lot more than they did in the big, old, high-density city. They had to commute to their jobs; they had to drive to shopping centers, recreational and cultural opportunities, schools and churches, and relatives and friends. Furthermore, these critics charged, mass transportation modes could not function efficiently and profitably in low density areas.

Critics of sprawl resented national and state policies and programs that favored single family homeownership and thus tipped the scales in favor of suburban sprawl. They also objected to the aggressive support and subsidization of the construction of highways so essential to the mobility of the auto-dependent suburbanites. In effect, they criticized the then-current view of the national interest as defined by these programs. They sought to redirect public attitudes to a deeper appreciation of the nation's environmental assets.

Until the advent of the energy crisis and the "nationalization" of clean air as a social goal in the seventies, the critics of sprawl were clearly on the defensive. Perceived as harboring elitist conceptions of urban design,

they failed to appreciate the dominant view that suburbanization reflected consumer choice in the marketplace and public choice in local land use policy. To the extent that federal housing and transportation programs subsidized such growth, it could also be argued that the people were using legitimate democratic processes to advance their goals.

But the energy crisis and the growing concern over air pollution in the early 1970s contributed to a change in public opinion. Now, land policy that encouraged auto dependency threatened the nation's independence in the conduct of foreign policy and endangered the health of a large number of its citizens. And, of course, the high price of oil and the lines at the gasoline station also were cause for reconsideration of the contemporary land use practices that had engendered the suburban sprawl life style.

From a planning point of view, a more important milestone in the change in public attitude towards sprawl occurred in 1975, with the publication of *The Costs of Sprawl*, a study conducted by the Real Estate Research Corporation for a triad of federal sponsors: the U.S. Council on Environmental Quality, the Department of Housing and Urban Development, and the Environmental Protection Agency. This study of four hypothetical communities, ranging in density from very high to very low, concluded that high density conferred significant economies in energy consumption. Such economies resulted from two sources: less automobile travel and more effective insulation of housing units. This study was exceedingly important because it established a basic intellectual framework for ten years of planning and public policy thinking.

Enter Growth Management

Differing in theory and practice from suburban large-lot zoning, growth management regulates the rate and timing of growth. It also involves developers in the financing of infrastructure. And, in contrast to zoning, which is passive and static, growth management is active and dynamic. While zoning defines the desired fully built town, the ultimate equilibrium, growth management seeks to maintain an ongoing equilibrium between development and conservation, between various forms of development and the concurrent provision of infrastructure, between the demands for public services generated by growth and the supply of revenues to finance those demands, and between progress and equity.

The question remains. How will the use of locally based growth management techniques aimed at the simultaneous pursuit of these equilibria affect patterns of development, and will these effects be productive or counterproductive in terms of national and global environmental concerns? As with traditional large lot zoning, the key issue is whether growth management will encourage urban sprawl and thereby increase automobile usage, which will contribute to the problem of pollution

with its adverse health and global warming consequences.

Growth Management and Urban Sprawl

The answer to this question is not clear. Some researchers, represented by economist William Fischel (1989), argue that:

[l]and use controls, especially overall growth control programs, are important constraints on the land market. . . . Inefficiently restrictive growth controls probably cause metropolitan areas to be too spread out. . . . [L]ocal ordinances cause developers to go to other communities. The most likely alternative sites are in exurban and rural communities, where the political climate, at least initially, is more favorable to development. . . . Dispersion of residences and jobs promotes more automobile travel and longer trips, creating more congestion and pollution.

Others, such as transportation analyst Alan Altshuler (1977), professor of public policy at the Kennedy School, Harvard University, had earlier raised serious questions about the base study of all these allegations, *The Costs of Sprawl*, noting that the difference in estimated mileage of auto travel between high and low density communities has been frequently grossly exaggerated and so therefore have the estimated costs of low density in terms of energy savings and reduced emissions.

But setting aside the validity of the conclusions of the *Costs of Sprawl*, we must recognize that we face a different situation today from the one we confronted a decade or two ago. The traditional view of the suburbs as primarily residential (i.e., having more workers than jobs) is no longer valid. In the six largest metropolitan areas in the Northeast, the suburbs accounted for 55 percent of the population in 1984 and for 57 percent of employment in the four major sectors—manufacturing, retail, wholesale, and selected services. In the six largest metropolitan areas in the South and West, suburban residential share still exceeded suburban job share, but the excess had shrunk from 16 percent in 1950 to 9 percent in 1982–1984 (Heilbrun 1987). The traditional view was based on the belief that workers traveled from their homes to central cities. Today we know that 62 percent of all workers have intra-suburban commutes. Thus, the assumption that sprawl leads to greater commuting instances may not be as accurate as it used to be.

In a recent study, “Congestion, Changing Metropolitan Structure, and City Size in the United States,” economists Peter Gordon, Ajay Kumar, and Harry W. Richardson (1989) shed new light on this issue. They survey ten major metropolitan areas and conclude “that relocation and other spatial structure adjustments by households and firms have avoided severe traffic diseconomies in large metropolitan areas.” Granted that the average resident

of Manhattan drives fewer miles than the average resident of Long Island, it is still not obvious that the average resident of Suffolk County, the outer county of Long Island, drives that many more miles than the average resident in Nassau, the inner county. Thus, even if suburban growth controls “bump” development outward, it does not follow that average commuting distances will be increased and that average miles driven will be increased.

But additional studies challenge another important assumption of the anti-sprawl critics who equate dispersion with low density development. Real estate analyst Richard B. Peiser (1989) drew on evidence from Dallas, Texas, Montgomery County in Maryland, and Fairfax County in Virginia to argue in his article “Density and Urban Sprawl” that “a freely functioning urban land market with discontinuous patterns of development inherently promotes higher density of development . . . by later infill.” He concludes that, “if higher densities closer to the CBD are desired, then cities should avoid policies which require sequential development.”

Peiser’s findings show that, when a community says to a developer, “Go away,” the developer is just as likely to move to the built-up area of the metropolitan region as to the periphery. The density of that development is just as likely to be greater in the new location than it might have been in the original chosen location. Furthermore, given the substantial decentralization of employment, it does not follow that new housing developments on the periphery will lead to higher average commuting distances.

Growth Management: Pro and Con

On the basis of the arguments and the evidence addressed above, it is hard to apply the “fallacy of composition” to local growth management efforts. These efforts may not contribute to the “solution” of national and global environmental concerns, but they do not contribute to the problem. Land use patterns that result from local growth management programs are not likely to be counterproductive from the perspective of normal and global environmental goals.

Local efforts to conserve lands that are crucial to the preservation of the environment are more likely to be complementary than competitive with similar efforts at the normal and global level. The direct line that some people have drawn from growth management through urban sprawl to greater automobile usage and its adverse consequences for the environment is fraught with fallacy. It is based on the logic of an earlier period in the post-World War II history of metropolitan growth, a logic that was seen to be fallacious even then by some observers and is definitely seen as so now.

I don’t, however, worship unquestioningly at the altar of local growth management. Clearly, growth management has drawbacks. For example, Fischel’s research review proves rather conclusively that local growth controls tend to increase housing prices, in part because of constraints on supply and in part because of the added

"amenity" value. Neighborhoods that are effectively protected by growth management are more desirable places to live. Regional planners focus on the impossibility of reconciling supply of and demand for infrastructure without "regional" as opposed to local planning. But these important reasons for being critical of local growth management do not extend to environmental concerns. On the whole, growth management policies merit continued development, monitoring, and evaluation to further refine their beneficial qualities.

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