

The Bona Fide State of the State

State of the State Addresses, delivered by Michigan governors for decades, are guaranteed to generate pre-speech media buzz and post-speech statewide news coverage. In good times and bad, regardless of who occupies the governor's mansion or the content of the speech, millions of Michigan residents tune in to hear the governor's assessments, proposals and platitudes.

With remarkable creativity, rapid analysis and solid policy arguments, Michael D. LaFaive, director of the Mackinac Center's Morey Fiscal Policy Initiative, has established an annual event that is beginning to rival the State of the State Address. Prior to and immediately following the address, LaFaive generates a whirlwind of speeches, media interviews, widely cited analysis and insightful commentary.

Judging from the reaction, Michigan residents find LaFaive's speeches more interesting and forthright than those given by governors. At the end of 2007 and beginning of 2008, LaFaive delivered a round of well-received speeches throughout the state, generating significant media opportunities.

The culmination of this speaking tour was LaFaive's own "State of the State" address at the University of Detroit Mercy's quarterly economic forum, where the host introduced him as the governor of Michigan. More than 100 students,



Michael D. LaFaive delivers his own State of the State address to a group of lawyers and other professionals in Bay City, Mich.

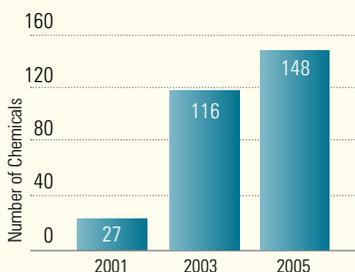
university officials and business people attended. Harry Veryser, director of the university's graduate studies in economics, later reported that LaFaive was the forum's "most popular speaker." He added, "I have had no end to positive comments about see "SOS," Page 6

Monitoring the Biomonitors

Environmental alarmists repeatedly warn that our health is at risk from the chemicals with which we come in contact daily. Many such claims, although little more

FROM THE REPORT...

Chemicals Biomonitoring by the Centers for Disease Control



than conjecture, have prompted lawmakers to impose regulations on all manner of products. But as explained in the Mackinac Center's latest policy brief, advances in technology now make it possible to determine more precisely than ever the degree to which individuals actually have been exposed to specific chemicals in the environment, and how exposures change over time.

"The Opportunities and Limitations of Biomonitoring" details the remarkable methods by which researchers can now

measure even minute levels of both natural and synthetic compounds in human tissue and body fluids.

The report was authored by Dr. Daland R. Juberg, a toxicologist and environmental health scientist; Dr. James Bus, an adjunct professor of pharmacology and toxicology at Michigan State University; and Diane S. Katz, then-director of the Mackinac Center's initiative on Science, Environment and Technology.

Released in February, see "Bio Impact," Page 9

CONTENTS

Executive Vice President's Message	2
An Unexpected Ally	3
Right-to-Work Debate	3
A Key Education Resource	4
Media Highlights	5
Essay Contest	7
"Happy Feet"	7
Pitching Freedom	8
An All-American Pastime	8
Contributor Outreach	9
Free-Market Fundamental	10
Free-Market Library	11
Striking a Chord	12

Twenty Years of Mackinac Center Impact



Joseph G. Lehman
Executive
Vice President

I believe it was divine providence that led my orbit to intersect with Larry Reed's just over 20 years ago. Larry was returning to Michigan to become the Mackinac Center's first president. My friend, Joe Overton, soon met Larry, introduced us, and the seeds of a partnership were planted.

The Mackinac Center's founders had a simple vision. Free-market ideas should have a respected, influential voice in Michigan public policy.

Lawmakers needed intellectual ammunition if they were ever going to limit the cost and scope of government. Journalists needed credible experts to explain alternatives to government expansion if they were ever going to write balanced news stories. Michigan residents needed to be reminded of America's interlocking principles of individual liberty and limited government if they were ever going to hold elected officials accountable.

Inspired by Washington-based institutes and a couple of brand-new state think tanks, the founders created the Mackinac Center for Public Policy. As president, Larry would organize free-market scholars to produce research and conduct the educational programs to fill the gaping void in Michigan's public policy discourse.

Yes, it's still tough to advance free-market public policy in 2008. But don't forget what 1988 was like. Communism held sway around the globe and the Great Lakes State had its problems too.

Michigan had a death tax and an "intangibles" tax. Income tax rates were higher. Property taxes were higher, and increases were not capped by law. Government assigned kids to schools by ZIP code alone. Schools were funded more on the basis of nearby land prices, not the number of students enrolled. Teacher strikes were legal and frequent. Unions needed no one's permission to take political contributions right out of workers' paychecks.

Governments could legally take property from one owner and transfer it to another for "economic development." Lawmakers whose greatest skill was pleasing powerful special interests could enjoy uninterrupted decades entrenched in the Legislature. The terms "free market" and "privatization" were in the dictionary, but rarely the news.

Twenty years of Mackinac Center research and education influenced significant improvement in every single one of the policies mentioned above, and many more.

Over two decades we've been sued, picketed, threatened, banned, boycotted and compared to worms in the gutter. Governors have denounced us. But we've also been cheered, honored, respected and thanked. Courts have vindicated us. Some of our literature has become "required reading" in classrooms and legislative committees. We've attracted financial support from thousands. We've become the largest state-based policy institute. We've trained hundreds of think tank executives around the nation and world. And governors have signed our ideas into law.

Joe Overton, now deceased, and I never regretted joining Larry Reed and our other Mackinac Center colleagues to accomplish the vision of a free society. I'm thankful for all we've achieved with your support. We still face formidable challenges. But if it's true that there has never been a golden age of liberty, then it's also true that defending liberty is always the right thing to do. I

Joseph G. Lehman

D. Joseph Olson, Chairman
Senior Vice President and General Counsel, Amerisure Companies

Lawrence W. Reed, President
Mackinac Center for Public Policy

Joseph J. Fitzsimmons
Retired President, University Microfilms

Hon. Paul V. Gadola
U.S. District Court Judge

Kent B. Herrick
President, Thermory

Richard G. Haworth
Chairman of the Board, Haworth, Inc.

Phil F. Jenkins
CEO, Sweepster Inc.

Edward C. Levy Jr.
President, Edw. C. Levy Co.

Rodney M. Lockwood Jr.
President, Lockwood Construction Company, Inc.

Joseph P. Maguire
President, Wolverine Development Corporation

Richard D. McLellan
Attorney, Dykema Gossett

John E. Riecker
of Counsel to Braun, Kendrick, Finkbeiner, PLC

James M. Rodney
Chairman of the Board, Detroit Forming Inc.

Linda K. Rodney
Attorney at Law, Law Offices of Linda K. Rodney, P.C.

BOARD OF SCHOLARS

Dr. Donald Alexander
Western Michigan University

Dr. William Allen
Michigan State University

Dr. Thomas Bertonneau
Writer and Independent Scholar

Dr. Brad Birzer
Hillsdale College

Dr. Peter Boettke
George Mason University

Dr. Theodore Bolema
Law Offices of Theodore Bolema

Dr. Stephen Colarelli
Central Michigan University

Andrew Coulson
Cato Institute

Robert Crowner
Eastern Michigan University (ret.)

Dr. Richard Cutler
University of Michigan (ret.)

Dr. Richard Ebeling
Foundation of Economic Education

Dr. Jefferson Edgens
Morehead State University

Dr. David Felbeck
University of Michigan (ret.)

Dr. Burton Folsom
Hillsdale College

Dr. Wayland Gardner
Western Michigan University (ret.)

John Grether
Northwood University

Dr. Michael Heberling
Baker College

Dr. Ormand Hook
Mecosta-Osceola Intermediate School District

Robert Hunter
Mackinac Center for Public Policy

Prof. Harry Hutchison
Wayne State University

Dr. David Janda
Institute for Preventative Sports Medicine

Annette Kirk
Russell Kirk Center for Cultural Renewal

David Littmann
Mackinac Center for Public Policy

Dr. Dale Matcheck
Northwood University

Dr. Paul McCracken
University of Michigan (ret.)

Charles Meiser
Lake Superior State University (ret.)

Glenn Moots
Northwood University

Dr. George Nastas III
Marketing Consultants

Dr. John Pafford
Northwood University

Dr. Mark Perry
University of Michigan - Flint

Gregory Rehmke
Economic Thinking /E Pluribus Unum Films

Dr. Steve Safranek
Ave Maria School of Law

Dr. Howard Schwartz
Oakland University

James Sheehan
Deutsche Bank Securities

Rev. Robert Sirico
Acton Institute for the Study of Religion and Liberty

Dr. Bradley Smith
Capital University Law School

Dr. John Taylor
Grand Valley State University

Dr. Richard K. Vedder
Ohio University

Prof. Harry Vervyser Jr.
Walsh College

John Walter Jr.
Dow Corning Corporation (ret.)

Dr. William Wilson
Economic Consultant

Dr. Martin Wing
Kettering University

Dr. Gary Wolfram
Hillsdale College



Mackinac Center for Public Policy
140 West Main Street • P.O. Box 568
Midland, Michigan 48640
989-631-0900 • Fax 989-631-0964
www.mackinac.org • mcpp@mackinac.org

Mackinac Center IMPACT is a quarterly publication of the Mackinac Center for Public Policy, a nonprofit, nonpartisan, tax-exempt research and educational institute classified under section 501(c)(3) of the IRS code.

Michael D. Jahr
Editor

Daniel E. Montgomery
Graphic Designer

Joseph G. Lehman
Associate Editor

An Unexpected Ally

It seems unlikely that an institute that rejects government money and highlights school choice would find its materials disseminated by the U.S. Department of Education. But Mackinac Center publications are being spread by the federal agency to grassroots educational choice supporters throughout the country thanks to an encounter at a church in downtown Detroit.

It began last November when Dr. Ryan S. Olson, the Center's director of education policy, was invited to speak at a November conference titled "Building Community Through Common Unity." Olson was part of a lineup that included comedian Bill Cosby and an assistant secretary of education. Olson delivered stirring remarks to an audience of pastors, community leaders and school choice proponents at Detroit's Tried Stone Baptist Church.

Olson was frequently interrupted by shouts of "amen" as he explained the current failure of the public school



Harrison Clark of the U.S. Department of Education reviews a packet of Mackinac Center materials at an educational choice conference in Detroit. The Department of Education is now disseminating Mackinac Center publications at grassroots education summits nationwide.

system to live up to the ideal of public education, which is that all children should have access to a high-quality education. He described the Center's universal education tax credit proposal, an idea that was met with enthusiasm.

Prior to his remarks, Olson distributed a number of Mackinac Center publications, including monographs on issues such as school choice, character and leadership, and an Op-Ed he had written for the Detroit Free Press about education tax credits and the importance

of parental choice in education.

Following his speech, Olson was approached by Harrison L. Clark, Associate Director for Outreach for the Center for Faith-Based and Community Initiatives in the U.S. Department of Education. Clark asked if the agency could distribute two of the monographs — "Choice Leadership: The Story of Two Women" and "The Inspiring Story of Thomas Clarkson: A Student's Essay that Changed the World" — at its nationwide conferences on education innovations and parental choice.

As a result, the Department of Education is distributing both pieces at "Regional Summits on Innovations in Education: Empowering the Grassroots with Educational Options." At the Northeast Region summit in Newark — attended by school choice supporters from New York, New Jersey and Pennsylvania — hundreds of Mackinac Center monographs were displayed and, according to Clark, all were taken. **I**

Forwarding the Right-to-Work Debate

Michigan appears to be closer than ever to a serious debate over the issue of a right-to-work law. New voices have called for a right-to-work initiative as a means of reversing Michigan's economic slide. Polls have indicated a high level of receptivity to the idea, even among rank-and-file union members.

This was not always the case. Years ago, when the issue seemed an impossibility for a state like Michigan, the Mackinac Center provided the empirical data to make the economic case for a right-to-work law. While there are powerful and deep-pocketed opponents to the idea, Center scholars have kept the concept in the public arena and continue to raise its visibility.

Within the last year alone, the Mackinac Center has been cited on the right-to-work issue in newspapers as diverse as USA Today, the Kansas City Star and the Richmond (VA) Times-

Dispatch. Right-to-work commentaries by President Lawrence W. Reed and Director of Labor Policy Paul Kersey have been published in The Wall Street Journal, The Detroit News, the Detroit Free Press, The Oakland Press and the Grosse Pointe News.

In December, UAW President Ron Gettelfinger took time from his busy schedule to write an Op-Ed attacking the reasoned and compelling right-to-work arguments made by Kersey. And no wonder. On the weekend of Dec. 15 and 16, The Flint Journal and The Grand Rapids Press ran Op-Eds by Kersey explaining how Michigan's economy would benefit from ending forced dues contracts.

Further evidence that right-to-work opponents are growing nervous was provided by the creation of an organization called "Right-to-Work is Wrong for Michigan." A Mackinac

Center "Mythbusters" Web page, which refuted television ads run by this group, was a popular feature and continues to draw Web traffic long after the ads went off the air.

Right-to-work opponents recognize that the Mackinac Center is providing the intellectual ammunition for the simple idea that workers should have the right to decide whether or not to pay union dues. In its February newsletter, the Michigan Education Association ran an article critical of the right-to-work idea and singled out the Mackinac Center for blame.

Hopefully, like an increasing number of Michiganders, the MEA leadership will come to recognize that all workers benefit when we end practices that hinder economic health and job creation. **I**

A Key Resource on School Finances

When discussing education with reporters, school officials or Michigan taxpayers, Dr. Ryan S. Olson, director of education policy, found that the topic of school financing and budgeting invariably arose. As he would explain or research these complex and volatile issues, Olson came to realize that there existed no single, one-stop source of information on the system that finances Michigan's primary and secondary public schools.

So, along with Michael D. LaFaive, director of the Morey Fiscal Policy Initiative, Olson decided to fill the void. For more than a year, the two worked on a resource that would eventually describe Michigan's entire finance system, from taxation to district budgeting.

When Olson and LaFaive's 180-page "Michigan School Money Primer for Policymakers, School Officials, Media and Residents" was released last year they had no way of knowing how widespread it would become as a resource for reporters, editors, public school personnel, taxpayers and others.

At last count, more than 60 Michigan public libraries carried the book. The primer can also be found in several university libraries, including the University of Michigan and Michigan State University. At the request of instructors, the Mackinac Center has provided copies of the primer to students in three graduate-level courses. At least two schools of education — at Eastern Michigan University and Grand Valley State University — use the book in graduate courses on Michigan school finance. Olson has also delivered a school finance lecture to a graduate class at Eastern Michigan University.

Timothy Raymer, assistant superintendent of finance and operations for Forest Hills Public Schools and an adjunct instructor at Grand Valley State University, found the primer a valuable resource in both roles.

"A Michigan School Money Primer' is an excellent resource for anyone interested in a thorough review of Michigan school funding," said Raymer, who was named Michigan School Business Official of the Year in 2007. "I find the publication useful in my role as a school finance administrator as it provides historical context, detailed calculations and examples, and comprehensive coverage of school finance. I've also found the book useful in a graduate course I teach in school finance as students are able to dig deeper into a subject to obtain additional information on a specific topic."

The primer has also received an enthusiastic reception from reporters and editors who say they find the book and accompanying interactive Web finance database extremely helpful. The Macomb Daily in March profiled the finance primer and database as important resources for Michigan taxpayers. Olson conducted two media tours focused on the primer,



A vacationing Ryan Olson holds a copy of the "Michigan School Money Primer" found on the reference shelves of the Mackinac Island Public Library, one of more than 60 public libraries now carrying the book.

resulting in appearances on several talk radio shows, television programs and even a podcast. In addition, Olson has discussed school financing at the invitation of civic groups around the state.

The straightforward explanation of complex laws and systems has garnered the most praise for the primer. Tom White, executive director of the Michigan School Business Officers, lauded the book at an event hosted by the Michigan Chamber of Commerce where Olson was featured as a panelist. School board members, administrators and journalists have requested multiple copies.

One Michigan taxpayer took advantage of the accessible tax revenue information in the primer and calculated per-pupil spending in area public schools, then compared it to data he collected on nearby private schools. In a letter to the editor and an address to his local school board, he compared the two to demonstrate the efficiency and effectiveness of area private schools.

Another resident, who was surprised by the amount of money spent by Michigan public schools, called the Center to say he had placed the book on his coffee table to show to guests.

Copies of the primer can be ordered at 989-631-0900 or by e-mail at mcpp@mackinac.org. To view the interactive school finance database detailing all categories of revenue and spending for all local and intermediate school districts and charter schools, visit www.mackinac.org/education. **I**

Delivering a Transformational Message on Policy Issues of the Day

JACK MCHUGH, senior legislative analyst, was the guest on the Feb. 8 edition of “Off the Record,” a Lansing-based show that focuses on policy and politics and is broadcast on public television stations across Michigan. McHugh was cited on economic, legislative and budget matters in the Jan. 2 *Yale Expositor*; the Jan. 4 *Saginaw Press*; the Feb. 7 *Budget and Tax News* and the Feb. 13 *Michigan Information & Research Service Capitol Capsule*.

As the editor of MichiganVotes.org, McHugh drew further media attention on stories about Michigan legislators’ attendance and voting records in the Jan. 15 *Livingston Daily Press & Argus*, Jan. 21 *Milford Times*, Jan. 24 *South Lyon Herald* and Jan. 24 *Novi News*.

Following Gov. Jennifer Granholm’s State of the State Address, **MICHAEL D. LAFAIVE**, director of the Center’s Morey Fiscal Policy Initiative, was interviewed by or quoted in numerous media outlets, including “The Paul W. Smith Show,” “The Frank Beckmann Show,” and “The Mitch Albom Show” on WJR 760 AM, and in the *Battle Creek Enquirer* on Jan. 30; the *Dowagiac News*, WGUV public radio, the *Lansing State Journal* and *The Detroit News* on Jan. 31, the *Midland Daily News* on Feb. 4, *Gongwer News Service* on Feb. 5 and the *Saginaw Press* on Feb. 22. LaFaive also addressed the city of Detroit’s economy in the Jan. 28 edition of *The Washington Post*.

Tied closely to the state’s budget woes is its loss of population and what other states — including Indiana — are doing to attract Michigan residents and businesses. LaFaive was cited on these issues in the Dec. 17 *Dowagiac News*, the Dec. 21 *Battle Creek Enquirer*, the Dec. 27 *Detroit Free Press*, the Jan. 9 *Dearborn Times Herald*, the Jan. 26 *South County Gazette*, and the Jan. 30 *Detroit Legal News*, as well as on *WWJ Newsradio 950* on Jan. 2.

The Center’s school spending transparency project, announced in mid-March, quickly garnered media attention, with articles appearing in the March 16 editions of *The Jackson Citizen Patriot* and *Midland Daily News*. The project also prompted a supportive editorial in the March 15 *Detroit News*.

Labor reform issues in Michigan continue to draw media attention, both in and out of the state. **PAUL KERSEY**, director of labor policy, was cited in numerous stories about the prevailing wage law and right-to-work protections, including the Nov. 5 *Lansing State Journal* and Nov. 26 *Port Huron Times Herald*. A Kersey Op-Ed highlighting the benefits of making Michigan a right-to-work state appeared in *The Flint Journal* on Dec. 16 and *The Grand Rapids Press* on Dec. 17; the Oct. 29 *Tuscaloosa (Ala.) News*; the Dec. 18 *Richmond (Va.) Times-Dispatch*; the Dec. 18 *Kansas City Star*, the Jan. 4 *Birmingham (Ala.) News* and the Feb. 29 *Wilmington (Del.) News Journal*. President **LAWRENCE W. REED’S** Op-Ed on voluntary unionism ran in the Dec. 20 *Grosse Pointe News*.

A commentary on increased state spending by Director of Campus Leadership **ISAAC M. MOREHOUSE** was reprinted in the Feb. 18 *Big Rapids Pioneer* and the Feb. 20 *Dearborn Times Herald*.

FRANK WEBSTER, former executive director of the Michigan Education Special Services Association and health insurance adviser for the Center, wrote about school employee benefits reform in the Nov. 21 *Detroit News*; the Dec. 14 *Jackson Citizen Patriot* and the Jan. 3 *Straitsland Resorter*.

DR. RYAN OLSON, director of education policy, was interviewed on *Michigan Public Radio* Feb. 7 regarding an increase in the compulsory school attendance age. An Op-Ed by Olson on Proposal A ran in the *Lansing State Journal* on March 16 and Olson was cited on

education-spending stories in the March 11 *Macomb Daily News* and the Feb. 11 *Detroit News*. Adjunct scholar Marc Holley wrote about regulations on charter public schools in the Jan. 17 *Ann Arbor Business Review*.

RUSS HARDING, director of the Center’s Property Rights Network, discussed environmental regulations, water use and property rights in the Dec. 20 *Detroit Free Press*, the Dec. 21 *Flint Legal News*, the Jan. 10 *MIRS Capitol Capsule*, and the Jan. 23 *Marquette Mining Journal*.

PATRICK J. WRIGHT, senior legal analyst, wrote a commentary about Great Lakes property rights that appeared in the Feb. 15 *Flint Legal News*, the Feb. 21 *Grosse Pointe News*, the Feb. 22 *Detroit Legal News* and the Feb. 26 *Macomb County Legal News*. It was also cited in the Feb. 14 *Allegan County News*.

Privatization, both in schools and municipal government, was addressed by LaFaive regarding the Maxey Boys Training School in the Dec. 13 *Flint Journal* and Jan. 14 *Lansing State Journal*, while the Center’s school privatization study was cited in the *Detroit News* and the *Huron Daily Tribune* on Feb. 25. Lou Schimmel, director of municipal finance, was interviewed for a Jan. 21 story in the *Oakland Press* about how the city of Pontiac could use privatization to cut costs.

JAMES M. HOHMAN, fiscal policy research assistant, was cited on the benefits of global trade in the March 6 *Tri-Cities Business Review*.

Targeted tax breaks and tax credits also drew state and national media attention to the Center, with mentions in the Feb. 4 *Traverse City Record Eagle* and the Feb. 28 issues of the *Idaho Business Review* and the *Twin Falls (Idaho) Times-News*. **I**

SOS from Page One

LaFaive’s remarks.”

LaFaive’s assessment of Michigan’s condition was far more detailed and frank than the often shallow rhetoric of politicians, of which he has heard plenty. LaFaive has read State of the State speeches going back to 1947 and has watched the last 18.

LaFaive started with the bad news. He told audiences that the Michigan we’ve known is being replaced by a poorer one. But he noted that the situation is not hopeless, and he recommended several transformational policy changes: making Michigan a right-to-work state, eliminating the new Michigan Business Tax and rolling back onerous business regulations, especially those involving the Department of Environmental Quality.

LaFaive was asked to deliver an encore performance in Bay City for the Northeastern Michigan Estate Planning Council on Jan. 24. His remarks were truncated into a Viewpoint Commentary titled “The Unvarnished State of the State,” which was circulated to media outlets throughout Michigan. An attorney who read the commentary in the Oakland County Legal News wrote to LaFaive to say he loved the “blunt truths” delivered “Harry Truman style.”

All this led up to the official State of the State Address on Jan. 29 when LaFaive continued his practice of tallying and publishing all of the proposed expansions and limitations of government proffered by the governor. With an advance copy of the governor’s remarks in hand, LaFaive and other Center scholars combed through the document for any proposal that would alter the scope of government.

The results were not promising for Michigan taxpayers. In her 2008 address, Gov. Jennifer Granholm set a record for the number of proposed government expansions at 24. She offered only four proposals that would limit state government. Her career average is 17.6 expansions per address, while Gov. John Engler and Gov. James Blanchard proposed an average of only 8.4 and 8.6 expansions, respectively.

The Center has tallied these proposals going back to the address of Gov. William Milliken in 1969. While the process is not a science, it does shed light on the predisposition of an administration to view government as a solution to problems within the state. The tallies have run the gamut. In 1974, Gov. Milliken actually proposed zero new expansions of government in his State of the State Address. Sadly, this was the last time any Michigan governor resisted proposing some type of expansion.

Reporters often incorporate the Center’s tally in their State of the State coverage; some call LaFaive in advance to secure a post-speech interview. The growing interest in the Center’s analysis resulted in

media interviews throughout the state. On the day after the governor’s address, the Center’s tally was cited by Paul W. Smith on Detroit’s news/talk giant WJR, and LaFaive was interviewed live on two other popular WJR programs, the Frank Beckmann Show and the Mitch Albom Show.

The tally was cited in the Jackson Citizen Patriot’s editorial on Jan. 31. LaFaive was interviewed by the Detroit Free Press and The Detroit News, and he conducted interviews with radio stations in Traverse City, Petoskey, Grand Rapids, Detroit, Ludington and Gladwin. Communications Director Michael D. Jahr, who worked with LaFaive to analyze the speech, was interviewed by WJRT-TV in Flint.

Calls for greater government spending were not limited to the governor’s address, however. Earlier in January, a group calling itself the Michigan Fiscal Responsibility Project — comprised of Michigan-based, tax-funded entities — issued a report that suggested that Michigan residents could afford higher taxes because their incomes have grown.

With the help of Diane S. Katz, then-director of science, environment and technology policy, LaFaive drafted a detailed, footnoted rejoinder. “A Flawed Argument for Higher State Taxes” explained why “hollow rhetoric and data manipulation cannot change the fact that Michigan families are earning less and laboring under a heavier tax burden than most other Americans.” Debunking the numbers in the MFRP’s report, LaFaive and Katz made it plain that raising taxes again, after a \$1.4 billion tax hike imposed last fall, would be reckless and only serve to exacerbate Michigan’s economic woes.

The real state of our state is that in the midst of economic hardship there remain myriad voices clamoring for bigger government and higher taxes. For that reason, the Mackinac Center tirelessly and inventively conveys the message that only free-market policies can restore Michigan’s strong and vibrant economy. **I**

Center Snapshot



Education Policy Director Ryan Olson and Michigan Education Association Communications Director Doug Pratt discuss MEA dues and practices on WEYI’s “Up Close with Kathy Hoekstra.”

MichiganScience Essay Contest Inspires Youthful Scholarship

A junior at Lakeview High School in Battle Creek captured first place in the latest essay contest sponsored by the Mackinac Center's MichiganScience magazine. Linglu Zhou, 16, will receive a \$500 scholarship for her winning submission "The Science Behind Happy Feet."

The contest requires students in grades six through 12 to analyze in 500 words or less a scientific fact or fallacy from a book, movie, song or other pop-culture medium. Zhou selected the movie "Happy Feet," which includes a penguin by the name of Lovelace who is trapped in a six-pack ring carrier that threatens to choke him as he grows.

In fact, according to Zhou's research, it has been illegal under federal law to distribute non-degradable ring carriers since the Environmental Protection Agency crafted regulations in 1994 at the direction of Congress. "Studies have shown that



Linglu Zhou

ring carriers in marine environments will lose 75 percent of their strength within days, and disintegrate entirely in 3-4 weeks," Zhou wrote.

Aside from becoming an expert on ring carriers and photodegradation, Zhou learned another important lesson: "I need to do more research on what actually is dangerous to the environment," she said. "I need to be more knowledgeable."

The essay contest is growing in popularity statewide. The first competition drew fewer than 50 submissions, while the most recent attracted more than 250 essays.

The winning essay appears below.

Happy Feet: Running Rings Around the Facts *By Linglu Zhou*

Aside from charming audiences with its sweet singing penguins, last year's blockbuster movie "Happy Feet" addresses several "green" topics. One point the movie makes is that marine debris poses hazards — the 6-pack ring carrier, in particular.

Throughout the movie, a Rockhopper penguin by the name of Lovelace wears a ring carrier around his neck as a "souvenir" bestowed upon him by the "mystic beings" (i.e., humans). As Lovelace grows, the plastic rings become tighter and nearly choke him to death.

A major manufacturer of the ring carrier, Illinois-based ITW Hi-Cone, has complained that the movie sends the wrong message about its product. According to the company, the ring carrier is both non-toxic and photodegradable, thereby posing little risk to wildlife.¹

So what's the scoop on these rings? Are Hi-Cone executives merely trying to conceal unflattering characteristics of their product? Or, did the "Happy Feet" producers fail to do their homework on the environmental impacts of ring carriers?

The ring carrier has been in the environmental spotlight since the late 1970s. People often associate it with animal entanglement. But it has been

illegal under federal law to distribute non-degradable ring carriers since the Environmental Protection Agency crafted regulations in 1994 at the direction of Congress. All three major manufacturers of ring carriers currently produce them with 100 percent photodegradable plastic.²

Photodegradation means that exposure to the sun will break the bonds of the polymers that comprise plastic. Scientists have incorporated weak links in the polymer chains — carbon monoxide molecules, in the case of ring carriers — to make the plastic more sensitive to sunlight and, consequently, more vulnerable to breakage. When the polymer is exposed to the ultraviolet rays in sunlight, the carbon monoxide molecules absorb the energy and transfer it throughout the chain, which then fractures. Over time, the plastic becomes weak and brittle, and disintegrates.

Studies have shown that ring carriers in marine environments will lose 75 percent of their strength within days, and disintegrate entirely in 3-4 weeks.³

Therefore, Lovelace the penguin would be able to rip through his plastic necklace easily as the rings became increasingly prone to breakage. In addition, this story is set in Antarctica, where thinning of the ozone layer



increases exposure to ultraviolet radiation. Therefore, the ring carrier would be even more susceptible to photodegradation.

What's more, Lovelace is later seen hanging on for dear life as a killer whale who has clamped onto the necklace thrashes him in and out of the Antarctic waters. Surely the necklace would shatter under such circumstances!

It's hard to say how producer George Miller could justify the portrayal in "Happy Feet" of the ring carrier in light of these facts. But audiences should be happy to hear that the plastic ring carriers aren't actually hurting those happy dancing penguins after all. **I**

1 Spiegel, Rob, "Happy Feet Gets Its Eco-Science Wrong." Feb. 5, 2007. For more information go to <http://www.designnews.com/article/CA6408333.html>.

2 "EPA Sets Degradability Standards for Plastic Ring Carriers," 1994. For more information go to <http://www.p2pays.org/ref%5C02/01034.pdf>.

3 ITW Hi-Cone, "Details and FAQ about our Environmentally-Safe Products and Recycling Program," 2002. For more information go to <http://www.hi-cone.com/Environment/environment-carriers.htm>.

Steven Thomas: Pitching Freedom

“Baseball is a comprehensive mixture of competitiveness, skill, risk and playing by the rules,” wrote Steve Thomas in an April 3, 2001, Op-Ed for The Detroit News. “It consists of human beings striving for excellence; of common folks achieving greatness — and the unwritten belief that anything is possible.”

Thomas knows of what he writes.

His life has always been interwoven with that of the Detroit Tigers and Tiger Stadium. As a young boy, Thomas sold peanuts outside of the stadium with his brother. Their modest enterprise was successful enough that they were able to expand their offerings to baseball caps.

With a bit of hard work, a drive for excellence and business savvy, Thomas and his brother were able to turn their street vending operation into a profitable business before they even started high school. In 1985, they opened The Designated Hatter (later renamed Detroit Athletic Co.), which specializes in Detroit-based sports apparel and collectibles, and remains in business today just 200 feet from old Tiger Stadium.

But Detroit Athletic Co. was just a beginning. Thomas continues to apply his

entrepreneurial spirit in the textile screen printing business and commercial real estate ventures. Yet, even with a busy schedule, Thomas has always found time to support the Mackinac Center. Since 1994, he has contributed to our work financially, as an adjunct scholar and a messenger for free-markets and free people.

There are few individuals more dedicated to the free-market system than Thomas. When he was asked to deliver a speech on “Who created baseball?” to the Vintage Baseball Association at Greenfield Village, he expanded it to a discussion of “What created baseball?” and laced his remarks with references to freedom, capitalism, the Industrial Revolution and the success of sports as the result of free people devoted to pursuing their own happiness and profit.

We are delighted to honor Thomas, who throughout all of our years has been the best of friends. His dedication and passion for his job and for freedom is a model for all of us concerned with revitalizing Michigan as the premier state in our nation. **I**



Steve Thomas enjoys a Great Lakes Loons minor league baseball game at Dow Diamond in Midland.

An All-American Pastime

It is said that America’s pastime is baseball. Neighbors can discuss their beloved team, children emulate their favorite players and strangers riding a bus can start a conversation by simply asking, “Did you see the game last night?”

I was an armchair athlete when it came to baseball. My favorite player was New York Yankees first baseman Don Mattingly, but my sport of choice was tennis. Yet baseball’s influence found a way into tennis, and at practice I often found it more fun to hit a “home run” over the fence than to keep the ball in the court.

Baseball is the essence of what freedom should be. It’s personal, it’s popular, it’s important enough to talk about with your family and friends, strangers can speak about it comfortably, we hate to lose and we love to celebrate victories.

If you don’t follow baseball itself, that’s alright. You can still enjoy being part of the local recreational softball league, attend a game for the hot dog and beer, or trade cards with your best friend. Baseball, like most major sports, is accessible to anyone in some fashion.

Likewise, the Mackinac Center strives to

place a premium on making freedom accessible to everyone — and I’m glad to report that we do.

Not everyone likes to immerse themselves in the statistics and intricacies of studies or policy matters. So, we find other creative ways to spread the free-market message. Students for a Free Economy, our campus program, hosts college students at minor league baseball games to celebrate Milton Friedman’s birthday, explore free enterprise and discuss why freedom matters.

Our quarterly science magazine, MichiganScience, weaves popular culture into its essay contests for high school students; Web sites like www.MichiganVotes.org reach entirely new audiences; and our monographs highlight pillars of character and champions of liberty like Thomas Clarkson and Nicholas Winton.

Baseball may be America’s pastime, but freedom is what occupies our time and thought at the Mackinac Center. With your support, we hope that all of Michigan’s residents will share our passion. **I**



Justin W. Marshall, Director of Advancement



Your estate plans reflect the values you hold dear and hope to perpetuate.

Join the Mackinac Center’s Legacy Society by calling Justin W. Marshall at 989-631-0900 and including the Center in your bequest today.

Bio Impact from Page One

the publication has been distributed to lawmakers, policymakers, educators and the media with the intent of expanding public understanding of this powerful new analytic tool. Of utmost importance is recognition that biomonitoring data, in and of itself, cannot reveal the health effects of exposure.

“Biomonitoring reveals the amount of a chemical in an individual’s body, but such knowledge is largely meaningless unless we know at what level in body fluids or tissues health consequences do and don’t occur,” the report notes. “The utility of biomonitoring thus rests on understanding for each chemical the precise relationship between various pathways of exposure, the levels of exposure and the actual effects on the body. Simply put, biomonitoring data, in and of itself, cannot reveal the health effects of exposure.”

With respect to public policy, federal and state officials increasingly regard biomonitoring as a potential new underpinning of environmental and public health regulations. According to the authors, there is a great deal to be said in favor of basing regulations on actual

exposure data, rather than relying on hypothetical modeling or extrapolations of animal studies, as currently is the case. But while biomonitoring certainly offers enormous opportunities for increasing our knowledge and understanding of chemical exposures, caution must be exercised in its application and interpretation.

“There are limitations to what biomonitoring can reveal, and its misuse will sow confusion, fear and misguided policies,” the report states.

As guidance to lawmakers, the report provides seven recommendations for effective biomonitoring policy. For example, the authors recommend that government biomonitoring programs should be conducted in consultation with qualified scientists in the private sector. Such oversight may help protect research from political manipulation. They also recommend that government biomonitoring programs should be prioritized by genuine health risks and potential exposures to ensure that public resources are deployed in the most productive manner. **I**

The biomonitoring report is available at www.mackinac.org/9251.

Center Launches New Contributor Outreach Program

Emily J. Holty, who joined the Mackinac Center in January 2008 as advancement officer, will focus on developing and launching the Center’s first sustained contributor acquisition campaign.

This new program coincides with the Mackinac Center’s 20th anniversary and is a critical component of our growth and outreach efforts. Throughout its history, the Center has developed a strong reputation for nonpartisan and objective analysis. Holty will build upon that solid foundation to encourage broader membership.

“Working for the Mackinac Center is a wonderful opportunity,” said Holty. “This campaign will allow us to introduce our free-market vision and scholarship to a whole new audience.”

Holty will also help manage the grant proposal process and will be actively involved with promoting the Center’s 20th anniversary, including organizing an anniversary dinner with guest speaker John Stossel, longtime investigative reporter and host of “20/20.”

In addition to a high level of professionalism, creative energy and cheerful optimism, Holty brings to the Mackinac Center a wealth of experience in the nonprofit sector. Prior to joining the Center, Holty was associate director of graduate admissions at Northwood University in Midland, Mich.

Other nonprofit work includes serving as a prevention



Emily Holty

coordinator for the Child & Family Services of Saginaw, a quality of life director for the American Cancer Society and coordinator of volunteer activities for the Child Abuse and Neglect Council of Saginaw County. Since 2003, she has volunteered as a court-appointed special advocate for the Family Division of the 10th Judicial Circuit Court of Saginaw County.

Holty, an East Syracuse, NY, native, holds a master’s degree in business administration from Northwood University and a bachelor’s degree in clinical community psychology. **I**

To Own or Be Owned: That is the Question

Note: This essay is taken from President Lawrence W. Reed's new book, "Striking the Root." For more information, please see page 12.

President George W. Bush's "Ownership Society" proposals didn't get very far but for a brief moment, they stimulated national discussion in directions politicians feared to tread for decades. They also gave some of us an opportunity to remind the American public of some critically important truths.

The fact is, "ownership" as a general concept is never at issue in any society. It is neither possible nor desirable to construct a society in which people or the material things they create are not "owned." Either you will "own" yourself or someone else will own you. As far as material things are concerned, somebody must own them too. Those "somebodies" will either be those who created them, received them as a gift, or traded freely for them, or they will be those who take them by force. There is no middle ground, no "third way" in which ownership is somehow avoided.

Indeed, ownership is both a virtue and a necessity. What is yours, you tend to husband. If it belongs to someone else, you have little incentive to care for it. If it belongs to "everyone" — the nebulous, collectivist approach — then you have every incentive to use and abuse it.

Ownership is nothing less than the right to shape, use and dispose. Even if you have legal title to something, you wouldn't think you really "owned" it if the government told you what, how and when you could do anything with it; in that instance, the government would be the de facto owner. Ownership is control and the real owner of anything is the controller.

For thoroughly trashing the resources of any society, no more surefire prescription exists than to take them from those to whom they belong (the rightful owners) and give them to those who simply think they have a better idea of what to do with them. Think "Soviet."

The myth of "common ownership" only muddies the issue. Public parks are thought of as held in common ("the people's property") but that really means that the government owns them, the taxpayers pay the bill, and the public gets to use them according to the rules established and enforced by the government. The post office was once touted as an example of "common ownership" but anybody who ever showed up at the counter to demand his share was probably surprised how fast the service can be.

It's either you, or somebody else. Who should own your retirement savings — you or the government? Who should own your health care dollars — you, the government, or some third party payer you'd prefer to avoid? Who should decide where your child goes to school — you the parent, or a handful of other parents different from you only by virtue of the fact that they work for the government?

In this light, President Bush's offerings actually appeared downright modest. Even if passed without modification, the government would still "own" a large majority share of each American's Social Security dollars. Government and third party payers would still dominate the health care market, and most parents who want to send their children to schools other than government schools wouldn't get much of a break.

But the ferocity and the shallowness with which the ideological opposition in Congress has responded speak volumes about where their core values really are. To many, it's more important that government be in control and you be dependent upon it than that your retirement savings be secure, your health care needs be taken care of, or your children be well-educated. They are the control freaks among us, and some of them will not be satisfied until they own the rest of us lock, stock and barrel.

To own or be owned. Take your pick. **I**

Center Snapshot



In March, "20/20" reporter John Stossel addressed the dangers of socialized medicine at University of Michigan and Central Michigan University events sponsored by Students for a Free Economy. In January, Stossel cited the Mackinac Center in a speech to 800 Michiganders at an Americans for Prosperity summit.

VIEWPOINTS

Let the Union Buyer Beware

January 2008 V2008-03

According to the Michigan Education Association's latest federal filing, the time spent representing members is declining while union officials' salaries continue to rise. Perhaps these trends account for union leaders' vociferous opposition to voluntary unionism.

Michigan Needs Worker Freedom of Choice

January 2008 V2008-02

Voluntary unionism would benefit workers and improve Michigan's economy.

Migration Trends, Indiana Campaign Show Need for Policy Changes in Michigan

January 2008 V2008-01

While Lansing fiddles, Michigan residents and businesses are fleeing the state. Recognizing the opportunity, lower-tax Indiana promises greener pastures.

Beach Affront

February 2008 V2008-06

The Michigan Supreme Court should follow the example set by an Ohio court and respect the private property rights along the Great Lakes.

The Unvarnished State of the State

February 2008 V2008-05

State of the State speeches are routinely marked by platitudes, unachievable promises and self-serving hyperbole. Mackinac Center Fiscal Policy Director Michael D. LaFaive envisions an address that faces hard realities and offers real solutions.

Automotive Production Expands – Elsewhere

February 2008 V2008-04

Michigan's rejection of foreign automakers has helped lead to the state's current economic malaise.

The Wizard of Oz Has No Clothes

March 2008 V2008-09

Before adding to any of the state's "job creation" programs, there should be a full accounting of the existing programs, their

expenditures and the actual number of jobs they have, or have not, created. What better time than Sunshine Week to see if the emperor is actually wearing anything?



Bad Science Fuels Environmental Policies

March 2008 V2008-08

New research reveals that ethanol and other biofuels exacerbate the very problem they were supposed to improve. When politicians ignore sound science, their environmental policies often do more harm than good.

Can Michigan Attract Knowledge-Based Industries?

March 2008 V2008-07

Michigan must reform its tax and labor policies in order to attract the high-tech business of the 21st century.

SPECIAL ITEMS



"Striking the Root"

S2007-16

In this volume, Lawrence W. Reed identifies the root of many of America's evils today: a failure to recognize that government rests on the use of force. This fundamental feature of government may be a boon when used to protect our individual freedoms, but it is a bane when used to diminish these freedoms in pursuit of a political faction's idea of a good cause.

JOURNALS



Capitol Confidential

MCC2007-02

Key stories: Tourism subsidies, William Wilberforce as a true statesman, Detroit People

Mover, water use.



Capitol Confidential

MCC2008-01

Key stories: Ethanol production, state budget increases, school privatization.



MichiganScience

No. 6

Key stories: Stem cell research, public opinion surveys, scientific fallacy in movies.



Michigan Privatization Report

MRP2007-02 Winter 2008

Key Stories: Selling MSHDA programs, private agencies handling foster care services, success with

privatization in the city of Pleasant Ridge, school outsourcing update.

STUDIES & REPORTS



The Opportunities and Limitations of Biomonitoring

S2008-01

Remarkable advances in analytical chemistry now make it possible to

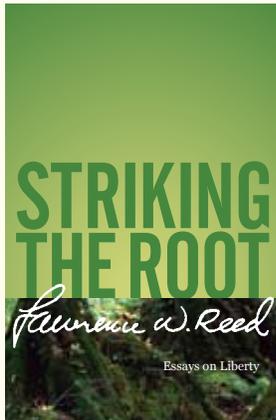
measure minute levels of both natural and synthetic compounds in human tissue and body fluids. This "biomonitoring" allows researchers to determine more precisely than ever the degree to which individuals have been exposed to specific chemicals in the environment, and how exposures change over time. Consequently, federal and state officials increasingly regard biomonitoring as a potential new underpinning of environmental and public health regulations.

How to order

All publications are available at www.mackinac.org.

For telephone orders, please call the Mackinac Center at 989-631-0900. The Center accepts Visa, MasterCard and Discover/NOVUS for your convenience. Please have your card and item titles handy when calling.

New Book on Liberty Strikes a Chord



There are a thousand hacking at the branches of evil," wrote famed philosopher Henry David Thoreau a century and a half ago, "to one who is striking at the root."

That's a telling point about the nature of human society both then and now, and it's also the inspiration for a new book, "Striking the Root," by Mackinac Center

President Lawrence W. Reed. The book is an anthology of previously published columns by Reed, mostly from his regular feature in "The Freeman," the journal of the Foundation for Economic Education.

Throughout the book, Reed explains free-market ideals and exposes statist deficiencies with humor, insight and the wisdom gained by decades of economic observation. Reed's travels to 67 nations, including time spent with freedom fighters behind the Iron Curtain, anti-communists in Africa and dissidents in socialism-indulging democracies, clearly shape his impassioned appeal for individual liberty and economic freedom.

"Striking the Root" is a call to what the author terms "first principles" — the foundational elements of a free society. Reed uses his sharp wit and accessible prose to shed light on individual rights, the role of government, the meaning of democracy, the importance of character,

the necessity of civil society and the philosophical principles of sound policy.

"We get caught up too often in the nitty-gritty of the issue du jour," noted Reed. "Unless we remind ourselves of our core values, we can easily and inadvertently stray from them."

"Striking the Root" joins a growing list of Mackinac Center publications that stress core values such as free enterprise, limited government and personal responsibility.

"This slim volume can be read within an evening or picked up for a fresh dose of inspiration," said Reed. "Hopefully it will bring newcomers to freedom ideas at the same time it reinforces them among those already convinced. I hope it arms our friends with both arguments and optimism."

Early reviews have been laudatory. Author and Grove City College historian Paul Kengor wrote that readers "will be inspired and empowered, and your hope in America will be renewed!" Sheldon Richman, editor of "The Freeman," wrote, "Larry Reed has a rare talent for expressing classic ideas about individual liberty in fresh, new ways." Burt Folsom from Hillsdale College declared that Reed's essays "outline and illuminate the basic laws of economics, politics and human nature." **I**

Copies of "Striking the Root" can be ordered online at www.mackinac.org/9305 or by calling the Center at 989-631-0900.

MACKINAC CENTER
FOR PUBLIC POLICY
140 West Main Street • P.O. Box 568
Midland, Michigan 48640



THE MACKINAC CENTER
Silver Winner
2007 Davey Awards