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Exploring the No Growth Option

It's possible; it's difficult; it's ethical.

By Chris Williamson, AICP

Warning: This article may raise your blood pressure. You may find it either dangerously naive or so on the mark that you want to charge into a planning commission meeting waving it over your head. Either way, you may want to question your own assumptions about growth.

In the South and West, population growth is fueling a struggle between sprawl and smart growth. Now some people are asking, "Why should we grow at all?"

This is a valid question, and it deserves more than a dismissive answer such as "Growth is inevitable" or "We have a plan to accommodate the projections." The people asking the question understand all too clearly that the real force behind current planning debates is population growth and the congestion and environmental problems that accompany it.

Planners are caught in a vise between the knowledge that growth must occur somewhere and the reality that adding more people doesn't necessarily make better places. On the job, they may feel they have no choice but to accommodate growth — even in communities where residents and elected officials prefer no-growth.

This is hypocrisy, and it's unnecessary. No-growth should be treated as a viable and ethical planning alternative if that's what a community wants.

Growth is perpetual — or is it?

Sprawl and high housing costs would not be in the spotlight today if the U.S. population were not relentlessly booming. Each year, we add three million people, roughly the equivalent of the population of Chicago.

This annual gain results from international migration, birth rates (largely influenced by recent immigrants), and extended life spans. The growth is not spread evenly, but rather is skewed toward the South and West. According to a December 2003 press release from the U.S. Census Bureau, eight of the 10 states with the highest percentage of population increases between July 2002 and July 2003 were in these two regions of the country (nine of the 10 if Hawaii is counted). Nevada, with a 3.4 percent jump, grew the fastest for the 17th year in a row.

Census Bureau projections point to a nationwide population of 300 million within the next two to three years and 400 million by 2050. Although the nation's percentage of growth was higher during the peak migration period of the late 1800s, today's numbers are bigger.

Does the U.S. government have a policy that would allow the population to grow forever? The answer is yes — in the sense that immigration is supposedly under the control of the federal government and immigration will account for 70 percent of U.S. growth to 2050. Yes, too, because a capitalist economy needs reliable growth to increase the number of its consumers and deflate wage pressures by expanding the labor force — especially with eager-to-work immigrants. Among our foreign-born residents, almost half (45 percent) are between the ages of 25 and 44.

The answer is also yes because no one wants to discourage healthy longer lives or to restrict personal decisions on family size.

On the other hand, I know of no official population policy voted on by Congress. Unlike European nations, which explicitly consider population and immigration policies, our nation seems to have a "non-policy" policy of constant growth. The only recent attempt to address the growth question was

made by President Richard Nixon's 1972 Commission on Population Growth and the American Future, chaired by Nelson Rockefeller.

In his letter accompanying the commission's report to Congress and the President, Rockefeller noted the following: "We have looked for, and have not found, any convincing argument for continued population growth. The health of the country does not depend on it, nor does the vitality of business nor the welfare of the average person."

That landmark report, written when the oldest baby boomers were entering their childbearing years, spoke extensively about sprawl, lack of water in the Southwest, crowded schools, and a host of other issues that are still current today. That was 88 million people ago. Are we better off in 2004 than in 1972?

What this means to you

For planners, the point is that 20-year local comprehensive plans that try to provide enough housing for current and projected residents — and lower housing costs along the way — almost certainly ensure even more growth in the next planning cycle.

Today, if you are projecting 10,000 new residents between 2005 and 2025, you will still be projecting 10,000 new residents in 2009 for the period 2010 to 2030. If you are currently pushing the public's limits on smart growth densities in order to house the next 10 years worth of growth, you will have to go back in 10 years and push the envelope again for the following 10 years of growth, some of which you enabled by adding housing in the previous decade.

Until your community becomes undesirable — because of the very growth you are accommodating — perpetual national population growth means perpetual local growth.

Are there reasons to plan for growth? Of course there are. You may want to plan for your population's natural increase (net births over deaths), or increase the labor force to foster economic development, or take your fair share of regional growth, or reach a population level that supports a higher tax base and a richer mix of cultural activities. Or you may decide to accept immigrants for moral reasons, or because you feel an obligation to implement our national policy (although you may not be able to find it in writing).

On the other hand, if your community really believes in build-out and your general plan aims at creating a stable community, you must consider no-growth as a means to achieve the community vision. Otherwise, the vision is temporary at best and — at worst — a planning lie.

I know your next comment: "We can't stop growth. It's better to plan for it than to ignore it."

You can stop growth

We know that growth can be slowed, diverted, and managed by using a variety of court-tested techniques. Can growth be stopped? That is a hotly debated question.

Perhaps a better question is, "If growth must occur somewhere, need it occur everywhere the market desires?" We already have an answer to that question: "No, there are places where market demand is rejected as accepted public policy."

We call these places parks, historic areas, sensitive environments, and so on. We agree that these spots have more value as undeveloped (or recreational) resources than as developed areas. So there is a precedent for stopping growth.

Of course, in these instances it helps that governments own the land or that development rights have never been assigned. Can we stop growth in typical communities, where land is privately held, unused development rights exist, and a large portion of the local economy depends on growth?

A 2002 Brookings Institution study called "Holding the Line: Urban Containment in the United States" divided growth management into three broad classes. One method involves open space controls, which prevent or severely limit urban development through outright land purchases or

regulations that mandate continued agriculture or some other non-urban use. Boulder, Colorado, provides a famous example because it has bought surrounding open space and kept it off-limits to development.

A second method is a growth management system that seeks to pace and locate growth in tandem with public infrastructure. In theory, growth management is a way to guide growth to a more efficient (presumably better) outcome. However, in many locales, growth management has morphed into a policy of limiting the number of building permits issued each year.

Project-level environmental review is often seen as the twin brother of growth management because it often has the same outcome. Both practices have been widely adopted in states and communities where traffic and air quality are substandard and building permits are tied to regional transportation and air quality improvement plans.

A third way to control growth is through ballot box zoning — local ballot initiatives that override or replace elected officials' decisions on land use, either on selected projects, or in total. Initiatives occur only in states that allow them. California is one of those states, and it is the biggest enthusiast. More than 600 ballot measures were proposed there between 1986 and 2000.

In studying these initiatives, a 2002 report by the Solimar Research Group in Ventura concluded the following: California's ballot measures are deeply embedded in the political culture of coastal communities, but are less popular in inland communities. Over the 15-year period that was studied, slow growth measures were more common and more likely to pass. Elected officials prefer infrastructure adequacy measures, but they don't always prevail at the ballot box. Voters are likely to adopt urban growth boundaries and prefer direct voter approval of projects. Finally, economic cycles are definitely associated with ballot measure activity. Good economic times bring more no-growth initiatives.

The residents of California's Napa and Ventura counties have the most powerful growth control measures at their command, as nearly all proposed land-use changes to urban uses outside of urban growth boundaries must have voter approval.

A different future

Is no-growth possible? Yes, but there are many challenges to adopting such a stance.

A no-growth city may need aggressive code enforcement and possibly endure charges of racism. In most cases, housing values in such communities will jump faster than values elsewhere in the region, and average household size will increase. More crowding will occur in low- and moderate-income units, and some property owners will run boarding houses in their single-family residences.

Gradually, the demographics of a no-growth city will shift towards higher income households. However, community change is inevitable either with growth or without it. A no-growth community is simply picking a different future from one based on growth.

Job growth may have to slow down or even stop, depending on the region's ability to support commuting into a no-growth area. Contrary to popular opinion, job growth may not be required to sustain a local economy. That's what Douglass North, who won the 1993 Nobel prize in economics, thought. He identified two distinct types of growth: "extensive growth," in which the number of people and business activity increase, and "intensive growth," or the growth in output per person.

"A society is better off only if it produces more output per person," he wrote in his 1966 book, *Growth and Welfare in the American Past*. In other words, emphasizing extensive growth without intensive growth simply puts stress on public services without increasing actual wealth.

In North's view, some targeted job growth is needed to keep down local unemployment or fill in missing services. However, a community would not collapse economically just because there is zero job growth — despite opinions to the contrary in the real estate, construction, and development sectors. Let's be honest. Any kind of economy can shrink — including one that depends on growth.

A no-growth city needs an active, well-funded land acquisition agency that can grab land whenever it is available in order to develop targeted low- and middle-income housing. It may also benefit from inclusionary housing policies, rent control, and employer-provided housing.

Perhaps most uncomfortable for planners is the possibility that a no-growth city may have to help people and businesses leave town. High-cost states are already exporting residents to lower cost states — and that trend is likely to continue. A no-growth city might consider offering help to newcomers who want to move to a sister city eager for growth. This isn't a radical idea. After all, history is littered with examples of parent cities that established colonies for their growing populations.

A no-growth policy must respect existing property rights. The best no-growth policy freezes rights in place and stops giving away new development rights through general plan amendments and up-zoning. After all, property rights are only those rights recognized as legal at any given moment. Expectation of future upzoning is not a property right, although there may be a good legal case for it if precedents exist. Transferable development rights are a tool to compensate land owners for anticipated future value, but TDRs typically can be used only if some growth is in the cards.

It's the ethical choice

Growth at the local level is market demand — nothing more or less. When a child turns 21 and wants his own apartment, that is market demand. When a retired couple wants to buy a second home in a quiet beach town, that is market demand. When a senior citizen ages in place, that is market demand. When a Brazilian decides to move to the U.S. to work and send money home, that is market demand.

None of these actions is obligatory, and fewer would occur in a no-growth community if housing costs were relatively high and the number of new jobs was not expanding beyond the capacity of the local labor force. Market demand would either go away or go someplace else.

Projections are an expression of past market demand trends extended into the future. Some of these demands may have higher value in your community. But each community facing growth is, in effect, deciding how much and what kind of market demand to satisfy. The bottom line is this: Your community is not obliged to meet market demand. If, through a valid, fair, and informed democratic process, your community chooses no-growth over growth, that is an ethical planning decision that should be fully respected — both by the planning profession and by pro-growth advocates.

You might answer that local politics is not fair or fully informed. That is true. But what are the choices? If your residents prefer no-growth, would you impose market demand over their wishes? Would you impose "expert" views on the public? Isn't that how we ended up with sprawl to begin with? Would you guide the market with smart growth principles? Okay, but you are still enabling perpetual growth because smart growth enables more growth.

An important criticism of no-growth is that it displaces growth onto other communities — even to some that may be less prepared for it. That is true, too, but there are three disparate answers to that argument.

First, it can be argued that our communities are separate entities, free to set their own agendas without much regard for the impacts on others. Second, one could say that communities have an obligation to consider the effects of their actions on others and to mitigate major negative impacts. Third, it could be claimed that communities have an obligation to avoid negative impacts on their neighbors even to the point of overriding the express wishes of their residents.

I lean toward the second argument. In my view, communities that strongly favor no-growth should negotiate 20-year no-growth assessments that recapture some of the property value gains attributable to their policies. Those gains could be used elsewhere to support growth where it is desired: a neighboring city, county, or state.

You see, there are no right answers about growth. There are only decisions about which problems you will face in the future: sprawl and perpetual growth, smart growth and perpetual growth, or no-

growth. It's time to take no-growth seriously, to study its consequences, and to learn how to manage its side effects.

We owe it to those residents who believe in a sustainable environment to show them that they can decide their community's future through the democratic process rather than by relying on market demand or the experts' inclination to miss the point.

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Resources

Images: Boulder, Colorado, keeps development in check by buying surrounding open space such as this marsh. Photo © City of Boulder Open Space and Mountain Parks.

In print

Douglass North's *Growth and Welfare in the American Past* (1966).

"Population Growth and the American Future," a 1972 report of the commission of the same name, and the Brookings Institution's "Holding the Line: Urban Containment in the United States," by Rolf Pendall, Jonathan Martin, and William Fulton.

Online

"Tools and Patterns of Growth Management Ballot Measures in California 1986-2000," by Mai Nguyen and William Fulton, is at www.solimar.org.

Find the Census Bureau's "Population Estimates (2003)" at www.census.gov and the United Nations "International Migration Report 2002" at www.un.org.