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## Congressman Conyers Calls Seizure Report "Great Public Service"

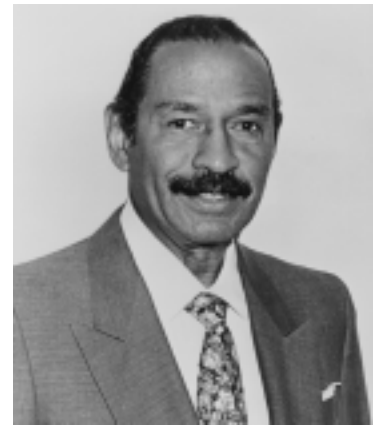
**A** new Mackinac Center for Public Policy report calling for stronger protection of citizens against government seizures of their property has drawn praise from Republicans and the U. S. House Judiciary Committee's ranking Democrat, Michigan Congressman John Conyers.

The report, written by Mackinac Center Adjunct Scholar Donald J. Kochan, J. D., cites abuses of laws that allow the state and federal governments to seize private property without proving the property or its owners were involved in a crime. In 1992, more than \$14 million in cash and property was taken from citizens by Michigan

law enforcement agencies in 9,770 separate seizures. Federal seizures grew 1,500 percent between 1985 and 1991.

Property seized even from innocent citizens is often never returned to them. Frequently, the law allows such property to be sold in public "government auctions," the proceeds of which can go to the law enforcement agencies that seized it.

The creation and use of these so-called forfeiture laws is growing, largely in an attempt to strike back at drug dealers by taking their profits from the illegal trade. But statistics indicating that 80 percent of the people whose property is seized under



Congressman John Conyers: "I applaud the Mackinac Center for putting the spotlight on this abuse of power and grave flaw in our law."

federal drug laws are never formally charged raise questions about forfeiture laws' effectiveness.

See **"Conyers"** on page 4

## Study Shines Light on Labor Contracts that Hurt Teachers and Students

**O**ver 4,200 Michigan school board members are starting their school year better equipped to negotiate labor contracts that give teachers more flexibility and students greater learning opportuni-

ties, thanks to a new Mackinac Center for Public Policy study.

Every school board member has received *Collective Bargaining: Bringing Education to the Table*, which analyzes contracts between

teachers' unions and all of Michigan's 583 school districts. The analyses show how collective bargaining agreements affect administrators' ability to manage their schools and teachers'

See **"Contracts"** on page 4

*"The Center has earned its bragging rights."*

— The Saginaw News, June 4, 1998, front-page story reporting on the Mackinac Center's first decade.



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Lawrence Reed  
President

## Less Government Ameliorates Bad Character

If America's political health is measured by the character of the public figures that citizens support, then the country is surely in need of a doctor at this time. Opinion polls suggest large segments of the population are willing to shrug off sleaze and corruption in the White House as long as the economy is doing well. Here in Michigan, a man known not for his knowledge of state issues but for childish and uncivil behavior has captured a major party's nomination for governor. Does character matter any more?

This is, in part, a social or ethical question and therefore not one that the Mackinac Center for Public Policy addresses directly with much frequency. Our niche is providing the free-market perspective on Michigan public policy issues that are largely *economic* in nature. Other people and organizations in the state, with whom we share a common core of traditional values, are addressing these questions on a regular basis because social and ethical questions are their specialty. But this does not mean that the Mackinac Center's economic perspective is irrelevant to the important, soul-searching discussions now taking place about matters of character. Indeed, it is probably far more relevant than most people would assume at first blush.

Even in the most morally upright, character-conscious society, bad eggs are going to work their way into positions of power. The more power they have, however, the more harm they can do to everyone else. A president who lies, covers up his lies with more lies, and whose lying is not confined to private and personal matters, would be dangerous enough if he presided over a government that took and spent a mere 5 percent of our incomes. When the government he heads takes 40 percent or more and roots around in virtually every aspect of our lives, the harm a lying president can do is immensely magnified. His corruption becomes *our* corruption, and he depends upon corrupt associates to help him brush aside our criticism and remain in power.

Free markets and the limited government they imply can not guarantee that bad eggs won't get elected to public office, but the harm they can do to the rest of us is restrained by the limited power they possess.

If you're concerned about the erosion of character among public officials, you should start by serving as an example of good character yourself. You should speak out when elected officials betray your trust and hold them accountable at the ballot box. You should also work to confine government to its proper role in society—an objective you are helping to achieve in Michigan by supporting the Mackinac Center for Public Policy.!

**"Free markets and the limited government they imply can not guarantee that bad eggs won't get elected to public office, but the harm they can do to the rest of us is restrained by the limited power they possess."**

## IMPACT!

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# U. S. Supreme Court Concurs with Mackinac Center Labor Experts

**W**ith the help of Mackinac Center for Public Policy employment experts, the U. S. Supreme Court handed down on May 26 a historic victory for union workers who want to know how their forced dues are being spent by their unions.

The Court ruled in *Air Line Pilots Association v. Miller* that dues challenges need not be forced to go through union-controlled arbitration proceedings, but have the option to go directly to court to hold unions accountable for their spending claims.

The Mackinac Center filed a Friend of the Court brief (available at Web site

[www.mackinac.org/articles/acbNo97-428.htm](http://www.mackinac.org/articles/acbNo97-428.htm)) advising the Court to uphold the rights of employees in unionized workplaces to settle their claims in the forum of their choosing, whether in court or arbitration.

Arbitration is the preferred way to resolve disputes in many circumstances, but not those in which the union selects the arbitrator and sets the rules. An employee's option to sue creates an incentive for the union to assure that arbitration is conducted fairly.

Mackinac Center Director of Labor Policy and former National Labor Relations Board member Robert Hunter heralded the *Miller*



Labor Policy Director Robert Hunter outlines the process by which union workers can obtain an accounting of how their unions spend dues money.

decision as a "reaffirmation of employee rights" and added, "the Court has provided a powerful new tool for Michigan workers to make unions accountable to dues

payers, which will help protect workers from political exploitation."

The Supreme Court has ruled previously in *Communication Workers v. Beck* that those forced to pay union dues (the majority of union-represented employees in Michigan) cannot be forced to pay for a union's political or social agenda. Only dues that cover expenses directly associated with collective bargaining can be compelled.

Hunter is the author of the Mackinac Center reports *Compulsory Union Dues in Michigan* and *Paycheck Protection in Michigan*, and an upcoming primer on Michigan labor law. **!**

## Historic Teachers' Summit Endorses Systemic Change in Education

**O**n June 12-13, nearly three dozen educators nationally recognized for their talent and professional dedication gathered at the Mackinac Center for Public Policy headquarters in Midland to recommend systemic changes to the nation's educational system.

The first-ever National Summit of Teachers for Education Reform coincided with the 15th anniversary of the landmark report *A Nation at Risk*. The report, issued in 1983 by a national panel of policy makers, union officials, and education theorists called for reforms to the nation's failing government



Teachers decide at a breakout session to call for bold education reforms in their letter to the American people.

schools, but excluded insights from the teachers who work in those schools.

The summit marks the first time that teachers themselves have gathered to recommend fundamental reforms to

improve education such as increased parental freedom in choosing their children's schools, greater teacher accountability for what their students learn, and a return to traditional methods and subjects of teaching.

Attendees from 16 states drafted a 14-point action plan in an open letter addressed to the American people and signed by dozens of noted teacher activists, including 1993 National Teacher of the Year Tracey Bailey and 1991 New York State Teacher of the Year John Taylor Gatto.

Author and Mackinac Center Board of Scholars member Annette Kirk set the tone for the weekend event by sharing with the assembled teachers her recollections as a member of the National Commission on Excellence in Education, which drafted *A Nation at Risk*.

Keynote speaker Mayor Bret Schundler of Jersey City, See **"Summit"** on page 10

## **“Conyers”** from page 1

The 39-page report, *Reforming Property Forfeiture Laws to Protect Citizens’ Rights*, warns that current forfeiture laws which violate the American tradition of “innocent until proven guilty” threaten the due-process rights of all citizens.

The report recommends nine reforms including disallowing seizures of property until government can prove its owners are guilty of a crime, requiring police and other

agents to publicly justify forfeiture proceedings, and prohibiting law enforcement agencies from profiting from the sale of assets they seize.

In a front-page *Detroit Free Press* story, Conyers pledged to incorporate the Center’s recommendations into any new laws that are passed. His office issued a news release quoting him as saying, “The Mackinac Center for Public Policy has done a great public service

by pointing out an abuse of power and a defect in our law,” and “All U.S. citizens . . . owe the Mackinac Center an enormous debt of gratitude for this important endeavor in protecting their rights.”

Mackinac Center President Lawrence Reed said, “We appreciate Congressman Conyers’s leadership to protect citizens’ rights and we’re pleased to be working with him on a common objective—reform of both

Michigan and national forfeiture laws.”

News of the report was carried in many other Michigan newspapers and was also the subject of a column by George Weeks of *The Detroit News*. Kochan went on the air on several radio news programs and talk shows to explain how to curb abuses of seizure laws.!

## **“Contracts”** from page 1

professional flexibility in educating their students.

The study is the first ever to analyze all of the collective bargaining agreements of the hundreds of school districts in a state.

The 83-page work by attorney La Rae G. Munk, J. D., a former public school teacher and labor union president, contains labor contract and financial data from every Michigan school district. The analyses of contracts found that

- more than 90% limit the ability of school administration to appropriately match teachers to classrooms;
- more than 50% establish class size maximums;
- fewer than 5% allow any performance-based teacher compensation;
- most require tenured teachers to be evaluated only once every three years;
- all subject school employees to mandatory union dues payments; and
- none properly informs

teachers of their constitutional rights to refrain from paying union dues and joining a union.

More than 90% of the districts complied promptly with the Mackinac Center’s Freedom of Information Act request to furnish the contract documents. The law provides for penalties against government entities that withhold such information from the public.

The study recommends that school boards bargain for specific improvements in eight key provisions found in the vast majority of the labor agreements. They include

- strengthening “management rights” clauses to give school administrators more authority to deploy teachers and other resources where they can be most effective;
- avoiding “union security” clauses that make schools act as union dues collection agents; and
- taking advantage of laws that allow competitive bidding for



Study author La Rae G. Munk explains to school board members how to take advantage of a 1994 law that allows competitive bidding of teacher health insurance.

project manager for education and labor.

Michigan Association of School Boards Director of Labor Relations Sue Dumala praised the study in a *Detroit Free Press* news story, saying it contains “good information for novice board members.” The

Michigan Negotiators Association, a group that helps schools with collective bargaining, ordered copies of the report for each of its 400 members.

Associated Press versions of the story appeared in several Michigan newspapers, and numerous radio stations carried reports on the study and interviews with Munk. Officials from other states have asked the Mackinac Center how they can duplicate the study’s success in their states.!

employee health benefits, which are typically the second-largest school budget item.

“This study will help school board members approach the bargaining table with the same determination, skill, and understanding exhibited by the unions’ full-time, professional negotiators. The best contracts direct maximum resources to the classroom and create a more professional and rewarding workplace for teachers,” said Munk, Mackinac Center

# School Choice Ballot Committee Advances Mackinac Center Plan

**M**ackinac Center scholarship not only shifts public opinion toward the free-market perspective on regulation, taxes, education, and other issues, it results in concrete action with the potential to benefit Michigan citizens in powerful ways.

The latest example is School Choice YES! (SCY!), an independent organization formed to place the Mackinac Center's Universal Tuition Tax Credit (UTTC) proposal on the 2000 ballot.

Unveiled in November, the UTTC would help families afford better schools by allowing individuals or businesses that pay tuition for any K-12 student to subtract a dollar-for-dollar tax

credit from any of three state tax liabilities.

Gary Glenn, president of the Midland-based School Choice YES! said, "There are a dozen ways to advance school choice in Michigan, but we chose the Mackinac Center plan because it's the only one that's rock-solid in terms of economics, politics, and education."

A recent Gallup Poll found that the Mackinac Center model is by far the most popular variant of school choice, with 73 percent support among public school parents.

Originally from Idaho, Glenn demonstrated his ability to organize support for important causes when he successfully defended the rights of



Kids First America/Africa founder Angel C. Rocker urges Detroit African-American Baptist pastors to support a ballot initiative proposed by School Choice YES!

that state's workers against a heavily financed union proposal to limit their occupational choices.

Glenn and SCY! have already built a broad base of support among Michigan citizens, 66 percent of whom favor school choice, according to polls. A May 19 meeting in Grand Rapids between Glenn

and local black pastors spawned a historic school choice endorsement from African-American religious leader Dr. E. Edward Jones, president of the four million-member National Baptist Convention of America.

K-12 tuition tax credits also enjoy bipartisan support among Michigan politicians, including Democratic Congressman Jim Barcia, Democratic State Representative Bill Callahan, Republican candidate for lieutenant governor Dick Posthumus, and Republican Congressman Pete Hoekstra.

More information on School Choice YES! is available at **[www.schoolchoiceways.org](http://www.schoolchoiceways.org)** or by calling (888) 642-4482. !

## Editorials Pour Forth in Support of Center Research

**H**ighlights of the hundreds of last quarter's news media citations:

- Editorial endorsements, newspaper articles and columns, and radio talk show interviews poured forth after release of the asset forfeiture study. The *Lansing State Journal*, *The Oakland Press*, *The Macomb Daily*, *Midland Daily News*, and *The Jackson Citizen Patriot* all praised the Center's recommendations, which were also reported statewide by the Associated Press and on the front page of the *Detroit Free Press*. Adjunct Scholar Donald Kochan explained to radio listeners in Detroit, Port

Huron, Midland, and Saginaw that seizure laws should be changed to require that criminal guilt be established before private property is seized.

- Project Manager—Education and Labor La Rae Munk detailed how poorly written school labor contracts harm Michigan teachers and students to talk radio audiences in Detroit and Kalamazoo. Her *Detroit News* op-ed recommended specific improvements to Detroit-area school contracts. News of her recent study was also carried in the *Detroit Free Press* and in Associated Press radio and newspaper reports around the state.

- In a *Detroit News* letter, Director of Education Policy Daniel Cassidy explained that vouchers and other forms of school choice will remove financial and political barriers that today prevent many inner-city children from receiving a good education.

- Director of Labor Policy Robert Hunter was tapped by *Investor's Business Daily*, *The Detroit News*, WTCM radio in Traverse City, WOOD radio in Grand Rapids, and other media outlets to provide expert analysis of current high-profile labor problems between General Motors and Northwest Airlines and their unions.

- Education Research Assistant Matthew Brouillette explained in his op-ed published in newspapers around the state and to WJIM radio listeners in Lansing that massive increases in school spending have not translated to increased student performance.

- Senior Fellow in Economic Education Burton Folsom summarized for radio audiences around the country stories taken from his book *Empire Builders*, which describes the success of Michigan's early entrepreneurs and free-market policies.

See **"Support"** on page 10



# "Who's Who" of Business Leaders Join Advisory Boards

A "who's who" of Michigan business leaders who share a commitment to free-market policies has formed the Mackinac Center's new Southeast Michigan Board of Advisors and the Grand Rapids Area Board of Advisors.

The Boards of Advisors members are business and community leaders and Mackinac Center for Public Policy "ambassadors" who contribute to the Center financial support, policy advice, and help in establishing relationships with other potential supporters.

Each board meets twice annually at Advisors' Breakfasts. Vice President for Development James Kostrava said, "Many organizations have advisory boards consisting of little more than a list of names of people who never attend the meetings. Hardly anyone misses our

breakfasts. Each member knows that missing a breakfast means missing a rare opportunity to discuss and shape policy with most of his or her business peers."!

## Southeast Michigan Board of Advisors

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## Beerbower and Moore Keep Center Humming

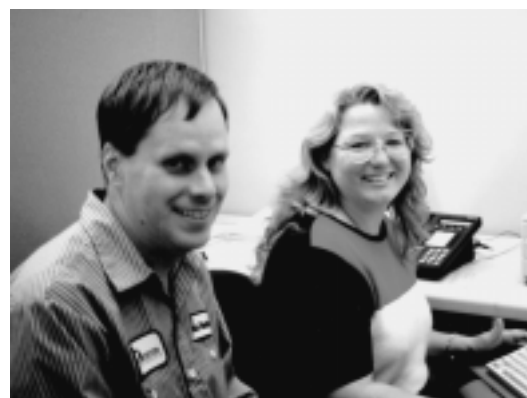
Two new employees are helping to meet the exploding demand for the Mackinac Center's growing body of scholarly research and the management requirements of its new \$2.4 million headquarters.

Cheryl Moore assists the dozens of legislators, journalists, teachers, and other Mackinac Center customers who call each day to request up-to-date information on important policy issues. She

is able to smoothly process inquiries using the thousands of issues files stored in the Center's extensive policy archives, which she updates and maintains.

Bruce Beerbower is responsible for the care and maintenance of the Mackinac Center's 17,000-square-foot office, research, and conference facility, which includes the Center's free market library that houses hundreds of volumes on economics, political theory, law, and

history. He also provides support for the many educational programs hosted at the Center, including the free, day-long Freedom in Education Training Seminars, which provide participants with strategies for advancing school choice in Michigan.!



Bruce Beerbower and Cheryl Moore help keep a 17,000-square-foot building and 22-person staff running efficiently.

## Center Research Guaranteed Reliable

**M**ichigan policy makers, journalists, and grassroots leaders have come to rely on Mackinac Center research to help them understand and apply the best scholarship on education, privatization, labor, and other vital issues to the state's most pressing problems.

Reliable and timely research is foundational to sound public policy. That is why every Mackinac Center report, policy brief, and study is backed by the Guarantee of Quality Scholarship (GQS), a written pledge of scholarly accuracy that is unique among public policy

organizations, either state-based or national.

Under the GQS, found inside the front cover of studies, reports, and briefs, the Mackinac Center will respond in writing to rare questions about a particular publication's accuracy. If an error is found to exist, it will be corrected immediately in the publication's electronic version at [www.mackinac.org](http://www.mackinac.org) and with an errata sheet included in future paper distribution.

The GQS communicates confidence in the work produced by the Center's professional staff and 50-member Board of Scholars, which includes many of the state's most knowledgeable

and widely respected experts.

The Center's continued dedication to reliable scholarship stands out at a time when the accuracy of the written word is under heightened scrutiny. Recent headlines have publicized embarrassing retractions—and subsequent resignations and dismissals—from a number of major newspapers and magazines.

"Today's technology allows virtually anyone with a computer to publish dubious claims to the world over the



No one else offers the Guarantee of Quality Scholarship.

Internet and call it research. The GQS is one way the Mackinac Center stands above the rest," said Joseph Lehman, director of communications. !

## Mackinac Center Draws on Skills of Brown and Montgomery

**B**rennan Brown and Daniel Montgomery are the Mackinac Center for Public Policy's new development assistant and graphic designer, respectively.

Brown is responsible for establishing and maintaining close contacts with the Mackinac Center's expanding membership base. He informs contributors and friends of upcoming studies, events, and reports; solicits their ideas; and ensures that members continue to be satisfied with the Center's work.

Brown attended Northwood University's



Brennan Brown stands in the Mackinac Center lobby next to a display listing the lead givers to the \$2.4 million headquarters building campaign he helped to cap off.

Midland campus, where he graduated magna cum laude in May with a bachelor's degree in economics and business management.

Montgomery applies his artistic skills to the diverse range of Mackinac Center publications, designing original artwork and distinctive layouts for the Center's books, reports, brochures, commentaries, and periodicals, including the forthcoming *Michigan Education Report* quarterly journal. He also contributes his graphical expertise to the Center's award-winning World Wide Web page ([www.mackinac.org](http://www.mackinac.org)).

Montgomery holds a bachelor of science degree in art



The Debate Workshop poster created by Daniel Montgomery was recently sent to every high school debate coach in Michigan.

education from Olivet Nazarene University in Kankakee, Illinois. !

## Visionary Innovator Gelman Supports New Policy Initiative

Entrepreneur, inventor, and Mackinac Center supporter Charles Gelman knows firsthand how to transform ideas into reality. Four decades ago his idea for an air sampling device was the seedling that has become Gelman Sciences of Ann Arbor, a multi-million-dollar, international firm specializing in microporous membrane filtration.

Five years ago, Gelman began to support another growing seedling—the Mackinac Center for Public Policy—that has become the nation's largest and most effective state-focused policy research institute.

Gelman's chief policy interest is the environment.



Gelman wants policy to be based on sound science, not the sound and fury of politics.

In addition to the Center's general operations, Gelman supports the nascent Science, Environment, and Technology (SET) Initiative.

When fully funded, SET will comprise a department of full-time science, environment, and technology policy experts modeled after the Center's successful education and labor policy departments. SET is designed to shape public policy based on sound science and respect for citizens' rights, not politics and special privilege.

Gelman, a member of the 1851 Society and Southeast Michigan Board of Advisors,

said, "I support the Mackinac Center because I believe job providers should be active in the public policy process. Leaving policy only to those with short-term, political goals is a recipe for bad laws

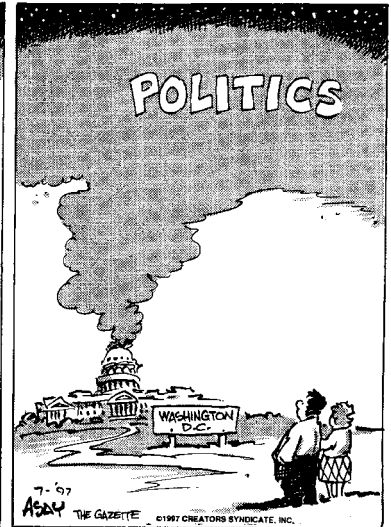
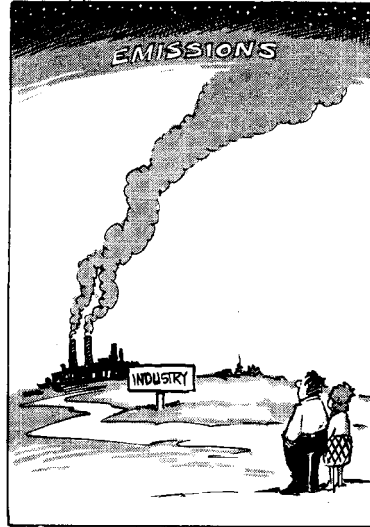
that hurt jobs and the environment."

Members of the 1851 Society contribute \$10,000 or more to the Mackinac Center.

Gelman and his wife, Rita, established the Gelman Education Foundation aimed at improving scientific education in secondary schools. The foundation also supports the Mackinac Center.

Gelman holds degrees in chemistry from Syracuse University (New York) and in public health from the University of Michigan. He founded Gelman Instrument Company in 1959, which became Gelman Sciences, from which he retired last year after serving as Chairman and CEO. He now heads Palladium Associates, a consulting and licensing firm. !

### IF ALL GREENHOUSE GASES WERE VISIBLE



## Lead by Example

One of the first things that "Management 101" students are taught is to lead by example. Great leaders know that it is always much easier to ask others to do something if they first demonstrate that they are willing to do it themselves.

This leadership style is embodied in the support that the Mackinac Center for Public Policy receives from

its Board of Directors. Our board members represent some of Michigan's top leaders in business and academia, and their leadership as directors gives the Center something every nonprofit organization longs to have: 100 percent financial participation from its board.

The completion of our new headquar-

ters building campaign provides the latest example of 100 percent participation.

At our last board meeting, I reported that we had raised all but \$42,000 of our \$2.4 million goal. I explained that we were having difficulty closing the books on this project because we had already solicited contribu-



James E. Kostrava, Vice President for Development

tions from many of our friends, some of whom we asked twice. By the end of the meeting, the leaders who form the Mackinac Center Board of Directors stepped forward to personally contribute the remaining funds needed to complete the campaign.

Our board members' leadership does not end there. They also leverage their influence with key leaders

See **"Example"** on page 11



## The Social Role of Private Property Rights

by Gene Smiley

**P**rivate property rights are the rights of a person to use his property in whatever way he chooses providing that he doesn't use force or fraud on any other person. One of the first economists to emphasize the importance of property rights was the Austrian economist Carl Menger. Writing in 1871, Menger noted that for most goods the quantities available were insufficient to meet everyone's needs. Potentially every consumer's interest was opposed to that of every other consumer's in the struggle to obtain some of the scarce goods. Menger wrote

*Property, therefore, like human economy, is not an arbitrary invention but rather the only practically possible solution of the problem that is, in the nature of things, imposed upon us by the disparity between requirements for, and available quantities of, all economic goods.*

Private property rights, then, are a social institution which tends to bring about peace and harmony in a society of free people. In fact, they are one of the main foundations of a free society. There can be no personal or political freedom without freedom in the use of one's property. Limiting one type of freedom limits all freedoms.

But the social role of private property rights extends far beyond this. From the early 19<sup>th</sup> century to well past the middle of this century, Americans had the highest and fastest growing incomes in the world. The major factor behind this rising

standard of living was their secure property rights.

Frequently it is suggested that the reason for this rapid growth was not Americans' property rights, but the fact that the United States was more technologically advanced than other nations. However, technological knowledge tends to flow easily between countries.

Consider, for example, Britain's failure to prevent the spread of the technical knowledge needed to mass produce cotton textiles. In 1789 Samuel Slater, a mechanic, immigrated to the United States with such knowledge, and with the capital of Moses Brown and William Almy began cotton textile production using British innovations. In 1810 a Boston merchant, Francis Lowell, observed British textile machinery on a trip through England. He memorized the designs and upon his return to the United States had a mechanic, Paul Moody, construct machinery from the plans he had put to memory. By 1850 the United States had become a leading cotton textile producer.

Or consider the late 19<sup>th</sup>-century steel industry. The technology developed to produce steel was no secret from producers in other countries. But the United States came to so dominate steel production that it produced more steel than the rest of the world combined. Andrew Carnegie, a Scottish immigrant, willingly tore down old steel plants to build ones incorporating the latest

technology because he was secure in the knowledge that they were his property. By the end of the 19<sup>th</sup> century the Carnegie Steel Company was the largest in the world.

### The Impetus to Invest

The existence of secure property rights and laws of contract provided the impetus for these and other Americans to work, create, and invest. Jonathan Hughes has written, "People were willing to make extreme sacrifices to acquire property rights, to engage in undertakings with distant pay-offs—from clearing lands to building steel mills—in the hope of personal or family gain from property ownership." As Hughes has noted, the framers of the Constitution considered private contracts so important that they were given precedence over the legislative powers of the states. (The Supreme Court reversed this in the 1930s when it allowed the federal government to make it illegal for citizens to own gold coins or bullion.)

The American system of secure private property rights has given the United States greater social stability than that of most other countries. The one great struggle in the United States, the Civil War, was fundamentally due to the perception by Southerners that their "property rights" in black slaves were threatened. Of course, Southern slaveholders had these "rights" only because they used the power of government to crush the blacks' rights to self-ownership.

In many countries labor unions became vehicles to promote social changes either through the political process or through revolution.

The dominant labor unions of the late 19<sup>th</sup> and 20<sup>th</sup> centuries, the National Labor Union, the Knights of Labor, and the American Federation of Labor, generally rejected radicalism. They chose an economic agenda of improving the wages and working conditions of their members rather than becoming a political party with political objectives.

The basic reason for this was that the workers themselves were property owners with an interest in maintaining society and the existing rights to property. They had reasonable expectations of accumulating additional property. Political agendas which argued for the alteration or destruction of private property rights and contracts were correctly seen as being against the interests of most workers.

In a mobile, growing society, private property rights and laws of contract become what Hughes calls the "social bond" bringing peace and stability. Much of the unparalleled growth, prosperity, and freedom which the citizens of the United States have enjoyed for more than 200 years is due to the existence of secure private property rights and laws of contract. !

*Adapted from The Freeman, May 1990.*

# FREE MARKET BOOKSTORE

## ***“Summit”*** from page 3

New Jersey, inspired the crowd of attendees with an account of his successful efforts to improve education in his state, drawing a standing ovation after he explained that “school choice is an issue of human rights.”

Gatto and Mackinac Center Director of Education Policy Daniel Cassidy will release the teachers’ 14-point letter to the American people at a September 22, 1998, news conference in Washington, D.C.!

## ***“Support”*** from page 5

- Director of Communications Joseph Lehman outlined the progress of the Center’s Universal Tuition Tax Credit proposal in news stories printed in *The Cadillac Evening News* and the *Denver Post*.
- An article in the September *American Spectator* by James Bovard cited the Mackinac Center’s Web page ([www.mackinac.org](http://www.mackinac.org)) for descriptions of the Michigan Education Association’s defense of unqualified teachers and use of deceptive contract negotiation tactics.!

## Viewpoint Commentaries

### **Teachers Deserve Good Benefits; Schools Deserve to Know What They Cost**

**July 1998 VP 98-20**

School districts being manipulated by union-controlled health insurance providers should look instead to less expensive alternatives to providing their teachers with high quality health care benefits.

### **Market-Oriented Approach to Farmland Preservation Best Bet for Michigan**

**July 1998 VP 98-21**

Over ninety percent of Michigan is rural, yet environmental alarmists want government to restrict the use of land to curb the loss of farm acreage, creating a solution far worse than the perceived problem.

### **Home School Heroes**

**July 1998 VP 98-22**

Children whose parents take an active role in their educations are among the most academically successful. The thousands of Michigan parents who teach their children at home should be applauded for demonstrating the ultimate in parental involvement.

### **Dow Didn’t Sue Powerful Competitors; He Outsmarted Them**

**July 1998 VP 98-23**

Government interventionists argue that antitrust laws are needed to protect the public from Microsoft, but a lesson from Michigan history shows that brainpower and some old-fashioned free-market competition can break even the most powerful cartels.

### **Take Out a Contract on Detroit Metro**

**August 1998 VP 98-24**

A nationwide survey of air travelers recently ranked Detroit Metro Airport dead last in quality and convenience. Contracting out the airport’s management to a private firm—as other cities have done—could solve Metro’s woes.

### **The Injustice of Environmental Justice**

**August 1998 VP 98-25**

The Environmental Protection Agency’s latest edict on “environmental justice” discriminates against poor minorities by discouraging industries from bringing good-paying new jobs to the disadvantaged residents of inner city neighborhoods.

### **Teachers and School Choice**

**August 1998 VP 98-26**

Increased competition among schools would not only improve education for all children, it would reward dedicated teachers who excel in the classroom with good benefits and greater job satisfaction.

### **In Wake of Daimler-Chrysler Merger, Michigan Needs Labor Law Reform**

**August 1998 VP 98-27**

Competition for jobs among states and other countries is heavy in the global marketplace, but Michigan’s labor market is burdened by a policy of compulsory unionism that damages the state’s long-term potential for prosperity and economic growth.

### **Billy Durant and the Founding of General Motors**

**September 1998 VP 98-28**

Billy Durant wouldn’t let his daughter ride in a car because he thought they were too dangerous. So he took advantage of Michigan’s free-market business climate to found General Motors and make safer cars himself, ninety years ago.

### **The Civil Rights Issue of the ’90s**

**September 1998 VP 98-29**

Nostalgia for the 1960s civil rights movement runs strong in the 1990s, and polls show that Michiganders believe that government recognition of parents’ right to choose their children’s schools is today’s civil rights struggle.

### **What Indianapolis Can Teach Michigan**

**September 1998 VP 98-30**

Detroit and other Michigan municipalities can learn a powerful lesson from the city of Indianapolis, which has used free-market competition to improve the quality of over seventy-five government services and dramatically slash costs to taxpayers.

### **School Boards Should Fix Problems in Collective Bargaining**

**September 1998 VP 98-31**

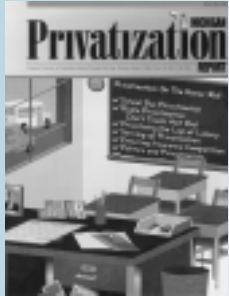
Politicians promise to help children learn better by passing new laws and spending more money, but Michigan school districts could improve education themselves simply by negotiating better contracts with teacher unions.



# UPCOMING EVENTS

## Journals

### Michigan Privatization Report



**MPR98-03**  
**\$3.00**

*MPR* raises the learning curve with a special back-to-school issue on education

and privatization, including feature articles on school unions and privatization, how privatization could help Detroit schools, and private management of school cafeterias. Other features discuss privatizing the anti-drug program DARE and competitive contracting of teacher health care benefits. 20 pages.

## Studies & Reports

### Reforming Property Forfeiture Laws to Protect Citizens' Rights

**S98-03**      **\$5.00**

Freedom depends upon the scrupulous observance of citizens' rights to own and use private property, but Michigan is witnessing an explosion of "asset forfeiture," which allows government to violate the very property rights it is supposed to protect.

Hundreds of asset forfeiture laws—many intended to stop illegal drug trafficking—give state and federal law enforcement agents the power to seize property even without proof of the owners' guilt.

This report calls on policy makers to implement nine reforms to strengthen the property rights of Michigan citizens, including removing financial incentives for government to seize property, eliminating legal hurdles to citizen challenges of property forfei-

ture, and requiring government agencies to publicly justify every property seizure.

The recommendations will help ensure that police can continue to catch criminals while law-abiding Michigan citizens enjoy the benefits of limited government, individual liberty, and protection from unjustified and arbitrary seizure of their personal possessions. 39 pages.

### Collective Bargaining: Bringing Education to the Table

**S98-04**      **\$10.00**

This first-ever study of the hundreds of school labor contracts in any state analyzes Michigan's 583 school districts to provide school boards with a blueprint for improving educational quality, enhancing teacher morale, and directing more resources to classrooms—simply by negotiating better contracts with teacher unions.

The study recommends that school districts bargain for specific improvements in eight key provisions found in the vast majority of the labor agreements. Recommendations include strengthening "management rights" clauses to give administrators more authority to put the right teachers in the right classrooms, removing union security clauses that force schools to act as dues collection agents, and replacing unfair seniority-based salary schedules with performance-based pay

scales that reward the efforts of outstanding teachers.

The study also describes the historical and legal framework of teacher unionization in Michigan, analyzes seven landmark court rulings that affect collective bargaining issues, and explains what school districts should and should not negotiate into their labor contracts.

Three appendices compare costs and benefits of various health care plans and present contract and financial data from the survey of every Michigan school district. 83 pages.

## How to Order

**VIEWPOINTS:** *Viewpoints on Public Issues* are two-page commentaries on current Michigan policy issues. Three or four are published each month. Individual *Viewpoints* are 50¢ each. Please call for bulk discounts.

For telephone orders, please call the Mackinac Center at (517) 631-0900. The Center accepts Visa or Mastercard for your convenience. Please have your card and item title(s) handy when calling. If you do not have the Mackinac Center for Public Policy's current Publications catalog with a complete listing of all Mackinac Center publications, please request your **free** copy when ordering.

### "Example" from page 8

around the state to open doors for the Mackinac Center. With their help, we have assembled two new boards of advisors (see story on page 6).

Such outstanding leadership by example has led to the completion of our building project in less than two years: a testimonial to the dedication of the Mackinac Center's

directors and to all of you who are likewise inspired to support and perpetuate our important work. To the generous friends who were part of this historic campaign, thank you very much.!

## U P C O M I N G

**MACKINAC CENTER**  
FOR PUBLIC POLICY

## E V E N T S

### National Summit of Teachers for Education Reform News Conference

September 22  
Washington, D. C.

### Annual High School Debate Workshops

September 22  
Grayling

September 23  
Jackson

September 24  
Novi

September 28  
Grand Rapids

September 29  
Midland

### President's Council featuring Indianapolis Mayor Steve Goldsmith

October 1  
Grand Rapids

### Leadership Conference

for research institute executives  
October 8-10  
Midland

### Mackinac Center Board of Scholars Summit

October 30-31  
Midland

Call (517) 631-0900 for more details.

# Reed Chosen to Lead Nation's Oldest Free-Market Institute

**M**ackinac Center President Lawrence Reed has been elected chairman of the Foundation for Economic Education (FEE), the nation's oldest educational organization dedicated to promoting free markets and individual liberty.

Twenty-two prominent economists, businessmen, and scholars who comprise FEE's board of trustees voted to name Reed to the prestigious position on May 18, 1998, at FEE's New York

headquarters. Reed joined the board in 1994.

"I can think of no one better suited to chair our board of trustees," said FEE President Donald Boudreaux. "Larry's commitment to the cause of liberty combines with his proven leadership at the Mackinac Center to make him the ideal choice to continue our mission of educating people



Lawrence Reed discusses Britain's privatization revolution with Lady Margaret Thatcher at FEE's 50<sup>th</sup> anniversary celebration in 1996.

about the principles of a free society."

Founded in 1946 by Leonard Read, FEE is known for its roster of leading economic thinkers. Reed joins the list of such past FEE scholars as economists Ludwig von Mises, Henry Hazlitt, and Israel Kirzner in advancing civil society through free-market research and education.

Reed's column in *The Freeman*, FEE's monthly journal, is read by over 30,000 people in 71 countries.!

# Fischer Labors to Inform Michigan Workers of Their Rights

**A**ttorney Mark Fischer is the Mackinac Center for Public Policy's new labor research assistant.

Fischer analyzes legislation, court decisions, and administrative rulings that affect the rights and responsibilities of Michigan employees, including the state's one million union workers.

Fischer draws on his years as a management consultant to research employment issues



Fischer's recent *Viewpoint* on the Daimler-Chrysler merger explained the need for government to be a neutral party in establishing labor law.

such as compulsory unionism, collective bargaining, and occupational safety. He puts his knowledge to work answering hundreds of inquiries from employers and workers requesting information about how to exercise their civil rights and apply free-market principles to labor disputes.

Fischer is a member of the state bar of Michigan and received his Juris Doctor from the Thomas M. Cooley Law School in Lansing,

where he graduated cum laude in 1997. He also holds a master's degree in international management.

Mackinac Center Director of Labor Policy Robert Hunter said, "Mark's depth of knowledge and experience in employment issues make him ideally suited to help policy makers, employers, and workers apply Mackinac Center ideas to improve Michigan's labor climate."!

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