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Great Lakes State Could Be Even Greater, Study Says

Michigan has made tremendous strides over the past decade toward restoring the ideals of individual liberty, limited government, and private initiative that powered the transformation of the state from a swampy, nineteenth-century wilderness into a thriving, hospitable community.

In those 10 years, the Mackinac Center for Public Policy has played a leading role in helping state policy makers cut onerous taxes, privatize costly government services, and eliminate burdensome regulations. Now a new Center report, *Keeping Michigan on Track: A Blueprint for Governor Engler and the 90th Legislature*, shows how Michigan can build on these successes to become an even better place to live, work, and raise a family.

In the report, the Mackinac Center's full-time professional staff and 41-member Board of Scholars offer recommendations to keep Michigan policy moving in a free-market direction. The 34-page publication, released in January and sent to state officials, policy makers, and legislators, details 41 specific

proposals involving property rights, labor law, education, economic growth and development, and transportation policy.

Mackinac Center research has shown, for example, how so-called civil asset forfeiture laws and regulatory "takings" of private property have eroded Michigan citizens' constitutional rights to own and use their land and possessions. The report reiterates the need to end these abuses by requiring compensation for owners whose property loses some or all of its value as a result of government regulation and establishing greater hurdles to arbitrary government "forfeitures" of property.

Hundreds of thousands of Michigan workers—including teachers—are still legally forced to pay union dues or fees each year to keep their jobs. Mackinac Center

proposals would make it easier for them to exercise their rights to resign their union memberships, receive refunds for dues their unions spend on political and other causes, and take home a greater percentage of their paychecks.

Parents of some 30,000 students are grateful for the opportunity to choose one of the state's 139 charter schools to send their children to, but the vast majority of families clamoring for more educational options have been left out in the cold. Tuition tax credits would help all families choose the best schools for their children. The report also proposes other reforms to improve public education, such as relaxing state certification requirements that bar many talented and qualified teachers from entering the classroom.

See **"Even Better"** on page 4

"Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day."

—President Thomas Jefferson



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Lawrence Reed
President

The Decline of Trust in Government

With so much talk these days of scandal, incompetence and failed programs, trust in government is on the ropes. To some people, this development is lamentable. They are busy writing columns and editorials about the need to “renew our faith in democratic institutions.” But this may be a case where the general population is smarter than the pundits.

A number of recent polls testify to a fading faith in government. One from the American Enterprise Institute and the Roper Center showed that barely more than 20 percent of Americans “trust government in Washington to do what is right ‘most of the time’ or ‘just about always.’” That’s down from about three-quarters of Americans in 1963.

The steep decline in trust in government since the mid-1960s is proof that large numbers of Americans are awake and learning something. Politicians who promised the sky delivered the proverbial mess of pottage instead. Remember the assurances of how hundreds of billions of tax dollars siphoned through Washington would solve poverty? The result would be laughable were it not so tragic—so obviously tragic that a president of the same party as Franklin Roosevelt signed a bill in 1996 to end the federal entitlement to public welfare.

What’s lamentable here is that too many politicians lie, cheat, steal, promise more than they intend to deliver, and otherwise misbehave. It is *not* lamentable that Americans lose faith in them when they do those things. It is *laudable*, because it is common sense being appropriately applied.

After all, what does it mean to “trust” someone or something? It means that the object of your trust has earned your respect and confidence through high standards of reliability, truthfulness, and performance. No one, not even government, should be trusted unless and until behavior justifies it.

After all, what does it mean to “trust” someone or something? It means that the object of your trust has earned your respect and confidence through high standards of reliability, truthfulness, and performance.

James Glassman of the American Enterprise Institute cites the encouraging results of this poll question: “Which statement comes closer to your view: ‘The government is responsible for the well-being of all its citizens and it has an obligation to help people when they are in trouble,’ or ‘People are responsible for their own well-being, and they have an obligation to take care of themselves when they are in trouble.’” In 1983, 43 percent of respondents replied that the government is responsible and 46 percent said people are responsible. In the 1997 poll, however, the results were 16 percent for government, 66 percent for people.

While people are trusting government less, they are learning to trust themselves more, and that is a refreshing development. !

Hunter Helps Enact Paycheck Protection for 41,000 State Employees

Michigan state employees in unionized workplaces are finding it easier to understand and assert their legal and constitutional rights to freedom of speech and association, thanks to sweeping new rules enacted by the state Civil Service Commission on December 18, 1998.

The rules, drafted in part and advanced by commission member and Mackinac Center Director of Labor Policy Robert P. Hunter, equip over 41,000 unionized state employees to make informed decisions regarding their financial or philosophical support of a union.

Adopted measures include employee "paycheck protec-



Thanks to Robert P. Hunter, state employees will no longer have union dues or fees taken from their paychecks without prior written consent.

tion," which requires state departments to obtain prior written authorization from their employees before they can deduct any union dues or fees from employee paychecks. Other protections

guarantee the right of state employees to immediately resign from their union at any time. Some unions, such as the Michigan Education Association, limit the times they accept resignations to specified "window" periods.

State employees who are compelled under a collective bargaining agreement to pay union dues or fees can now more easily challenge their union's fees and limit the fees to only those costs associated with a union's bargaining duties.

The new rules also require state departments to post notices in employee workplaces informing all employees of their legal and constitutional rights and options in unionized work environments.

Unionized private-sector workers may soon enjoy similar new protections of their legal rights. In January, State Senator Bill Schuette introduced a "pay-check protection" bill based on a proposal authored by Hunter in the Mackinac Center study *Paycheck Protection in Michigan*. Action on the bill is expected later this spring.

The four-member, bipartisan Civil Service Commission sets wages, hours, and working conditions for all of Michigan's 65,000 state employees. Governor Engler appointed Hunter, a former National Labor Relations Board member, to the commission in 1996.!

... And Now, a Word from the Free Market Perspective

Mackinac Center research should not only be seen, it should be heard. That is the purpose of *Free Market Moments*, the weekly program broadcast on radio stations across the Great Lakes State.

Free Market Moments was created five years ago to reach radio audiences with free-market research and perspectives they might not otherwise encounter. Not everyone reads the newspapers where Mackinac Center for Public Policy research and commentary are already plentiful.

Each of the 52 programs produced annually is a 90-



Development Officer Catherine Martin is the voice of *Free Market Moments*.

second taped narrative based on a current economic policy topic. *Free Market Moments* broadcasts for a given month often reinforce the messages contained in the Center's monthly written commen-

tary series, *Viewpoint on Public Issues* (see page 6).

Mackinac Center Policy Writer and Editor David Bardall is the primary author of the approximately 200-word transcripts. The programs are recorded at WMPX-AM in Midland thanks to a generous donation of studio, staff, and production time by station owner and Mackinac Center

President's Council member Tom Steel.

Twenty AM and FM and commercial and public radio stations currently broadcast the commentaries on various schedules in their markets. If your favorite station does not air *Free Market Moments*, call the program director and suggest that the station take advantage of this free public service of the Mackinac Center.!

Thousands of listeners tune in to *Free Market Moments* at the Center's Web site (www.mackinac.org) and on the following stations:

- | | |
|--|---|
| <ul style="list-style-type: none">• Grand Rapids WBYW-FM• Mt. Pleasant WCFX-FM• Mt. Pleasant WUPS-FM• Cadillac WATT-AM• Alpena WHSB-FM• Rogers City WELG-FM• East Tawas WHST-FM• Oscoda WCLS-FM• West Branch WBMI-FM• Frankenmuth WKNX-AM | <ul style="list-style-type: none">• Port Huron WHLS-AM• St. Ignace WMCK-FM and WCKC-FM• Gaylord WSNQ-AM• Gladwin WGDN-AM• Ironwood WJMS-AM• Wyoming WYGR-AM• Benton Harbor WHFB-AM• Houghton WCCY-AM• University Center WUCX-FM• Midland WMPX-AM |
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Mackinac Center Research and Commentary Saturate the State

Aldai Stevenson is said to have quipped, “A journalist is someone who separates the wheat from the chaff and then prints the chaff.” Fortunately this is not always the case, as shown by the more than one thousand annual Mackinac Center for Public Policy print media citations. A small sample of last quarter’s media highlights include

- Three successive op-eds touting the benefits of the Center’s Universal Tuition Tax Credit, including one by Senior Vice President Joseph Overton and Senior Policy Analyst Gary Wolfram, ran in *The Detroit News*. The *Saginaw News* reported yet another endorsement of the school choice plan, this time by Michigan Clergy for Excellence in Education.
- The Center’s release of 41 specific education, property rights, transportation, economic development, and labor law recommendations to Governor Engler and the 90th Legislature was widely covered by Associated Press. Stories ran on radio, television, and in more than 20

papers including Sunday editions of the *Lansing State Journal*, *Macomb Daily*, and *Saginaw News*, and also the *Flint Journal* and *Monroe Evening News*.

- Director of Labor Policy Robert Hunter’s *Viewpoint* recommending “paycheck protection” as a way to protect workers’ union dues from abuse was reprinted in papers including *The Detroit News* and *Oakland Press*. The *Jackson Citizen Patriot* ran a lengthy news story on Hunter’s proposal.
- Nine newspapers carried news stories about the Center’s study recommending privatization of Social Security to preserve retirement income for millions of Michiganians. Senior Advisor Kent Davis and other staff discussed his study on radio talk shows on stations in Detroit, Lansing, and Kalamazoo.

- Adjunct Scholar Mark Perry’s *Viewpoint* explaining the folly of UAW-endorsed policies that discriminate against “foreign” cars inspired a column in the



Senior Vice President Joseph Overton (left) debates former legislator Lynn Jondahl on the need for school choice on *Metro Live* television, broadcast in Grand Rapids, Lansing, and Saginaw.

Lansing State Journal and was reprinted in over a dozen papers including a Sunday *Flint Journal*. Perry was also a guest on five talk shows on radio stations including WAAM in Ann Arbor and Detroit stations WXYT and WJR.

- Several editorials favorably cited Mackinac Center research, including *The Detroit News* on the effects of government attempts to control “urban sprawl,”

Oakland Press on the need to consider the cost of environmental regulations, *Petoskey News-Review* on foreign aid’s effect on Michigan, and two in the *Jackson Citizen Patriot* on the the benefits of competitive contracting at Detroit Metro Airport and the need to reform laws that allow government seizure of property on the mere suspicion of criminal activity.

- The *Detroit Free Press* reprinted Assistant Director of Education Policy Matthew Brouillette’s *Viewpoint* recommending school choice instead of mayoral takeover as a way to improve Detroit schools. His comments on the cost of reducing class size were part of a front-page *Free Press* story. His *Viewpoint* that explains how relaxing teacher certification requirements could increase the number and quality of good teachers inspired columns in the *Grand Rapids Press* and the Benton Harbor/St. Joseph *Herald-Palladium*. Michigan Education Association officials refused to debate Brouillette live on WKZO radio in Kalamazoo.!

“Even Better” from page 1

Policy makers can spur economic growth and fuel job creation by adopting proposals to further reduce taxes, eliminate regulations that strangle entrepreneurship, and jettison unfair and ineffective state programs such as the Michigan Economic Growth Authority, which unsuccessfully at-

tempts to pick marketplace winners and losers.

Highways could be safer and built and maintained at lower costs to taxpayers if Center proposals including increased competitive bidding for road repair and construction and greater application of value engineering con-

cepts in road design were adopted.

Keeping Michigan on Track features many more recommendations that point policy makers to further Mackinac Center research on important issues such as privatization, labor, taxation and regulation, welfare, and education. The

proposals were summarized in radio and television news reports and in more than 20 newspapers. The sound reputation of the Center’s research has led Governor Engler to say, “When the Mackinac Center speaks, we listen.”

See page 11 to order the report.!

Labor Policy Department Volunteers Time to Assist Teachers

Mackinac Center research helps millions of Michigan citizens when it is translated into sound policies that promote freedom and economic growth, but that's not enough for some Center professionals. Director of Labor Policy Robert Hunter and Labor Research Assistant Mark Fischer are volunteering their time and expertise as attorneys to represent two public school teachers in challenges to their union.

High school teacher Frank Dame of West Branch wanted to resign from the Michigan Education Association (MEA) in April 1998 to reduce his union fees to cover only the costs of the MEA's collective bargaining activities. The MEA told him that it only accepted resignations in August and that he must



Mackinac Center labor attorney Mark Fischer helps teachers exercise their legal right to not pay for union political spending.

continue to underwrite all union activity—including political spending he disagreed with—until then.

With Fischer's assistance, Dame successfully resigned in August then filed an unfair labor practice charge in October against the MEA for

refusing his April resignation. "I believe that the union was violating my First Amendment rights every day by restricting my right to resign," said Dame.

At press time, the Michigan Employment Relations Commission (MERC) had not yet ruled on the charge. A ruling in Dame's favor could potentially give tens of thousands of teachers and other MEA members greater freedom to resign their union memberships when they choose.

Cheryl Loss, a Head Start teacher in Coldwater, wanted advice on how she and her co-workers could "vote out" the MEA as their union, which they believed was not serving their interests. Hunter and Fischer helped the employees file for a secret-ballot election to "decertify," or remove, the

MEA, then personally traveled to Coldwater to answer their questions.

"I didn't trust [MEA] so I did research of my own and came across the Mackinac Center," said Loss. "Michigan people know what their rights are" thanks to the Center, she said.

Although one-third of the employees ultimately voted to remove the MEA, the union was retained as their exclusive representative. Since last December's election, serious questions have arisen regarding the union's intimidating conduct toward voters. The Center's labor team helped Loss and her fellow employees file charges against the MEA with the goal of obtaining a new and less biased election. MERC has not yet ruled on the charges. !

Legislators Chew on Agricultural Products and Policy

Over 30 legislative aides, policy makers, and elected officials concerned about farmland loss were glad to hear some good news about Michigan's \$40-billion agricultural industry at the Mackinac Center's January Issues and Ideas luncheon forum in Lansing.

Speaker Dan Wyant, director of the Michigan Department of Agriculture, shared facts and statistics about the state's second-largest industry, explaining how it continues to lead the nation in production of seven commer-



Michigan Department of Agriculture Director Dan Wyant outlines the need for policies that don't unfairly restrict or encumber food production.

cial crops, including cherries, beans, and blueberries.

Wyant also fielded questions from the crowd of attendees, who raised concerns about "urban sprawl," a problem exacerbated by government policies that can contribute to sprawl and work against agriculture.

Mackinac Center research shows that municipalities worsen sprawl when they subsidize new streets and utilities and when they enact zoning ordinances that set minimum lot sizes or restrict agricultural activities.

Just under 10 percent of Michigan is urbanized; however, most of the state's

urban growth has in recent years occurred in the most productive agricultural areas, underscoring a need for voluntary land preservation programs.

Issues and Ideas luncheons are regular forums designed to equip government officials with the best understanding of legal, economic, scientific, and philosophical principles to help them enact sound solutions to public policy problems. !

Status Quo Defenders Attack Mackinac Center and School Choice Plan

The Mackinac Center's Universal Tuition Tax Credit will help hundreds of thousands of Michigan parents choose the safest and best schools for their children, but three organizations that represent teachers, school board members, and parents are spending their members' money to publicly attack the Center and school choice.

The Michigan Education Association (MEA), Michigan

Association of School Boards (MASB), and Michigan PTA (MPTA) have spent thousands of dollars printing and distributing materials intended to counter growing public support for school choice. In addition to the poll results shown in the accompanying charts, a recent *Detroit Free Press* poll showed that 77 percent of Detroit parents support tuition tax credits.

Instead of illuminating the debate on this crucial issue, all three organizations unfor-

tunately have printed erroneous and misleading statements about the Mackinac Center's school choice plan and in some cases about the Center itself.

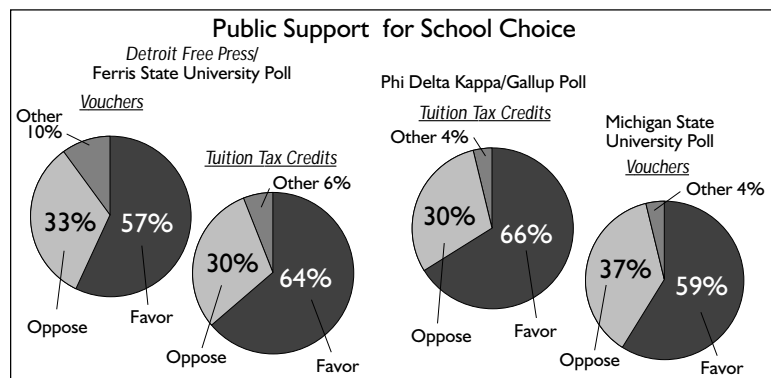
Leading the attack on the Center itself is MEA, Michigan's largest labor union of cooks, janitors, bus drivers, and teachers. MEA devoted the front cover and more than two full inside pages of its December *MEA Voice* to an attack on the Mackinac Center that was devoid of analysis of the Center's school choice plan, but full of hyperbole about our presumed motivations and support. The tabloid-sized publication, financed by compulsory union dues, was sent to

approximately 140,000 MEA members and others.



The December *MEA Voice* devoted 3 full-color pages, including the cover, to attacking the Mackinac Center. Starting last fall, tens of thousands of MEA members began receiving unfiltered information direct from the Mackinac Center when they began to receive their free subscriptions to the new *Michigan Education Report* newspaper.

"It's sad that MEA officials choose to attack the Mackinac Center instead of explaining why they think parents should be prohibited from choosing their children's schools. It's an old trick—if



Editors Give Mackinac Center Research High Marks

Part of the Mackinac Center for Public Policy's mission is to be "the most respected and influential source of public policy research, analysis, and education in Michigan." Judging by the results of a recent survey of

newspaper editors, we are well on the way to fulfilling that mission.

Journalists access Mackinac Center research through our studies, journals, books, news releases, and weekly radio programs, but probably the most common means is through our *Viewpoint on Public Issues* commentary series. Each month we send nearly every Michigan editor, news and talk show producer and host, and select beat reporters three or four *Viewpoints* on timely state policy topics.

Now in their twelfth year, the two-page commentaries use

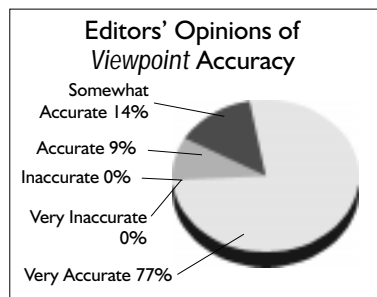
evidence and scholarly analysis to demonstrate the benefits of free-market economic policies. Each year *Viewpoints* reach millions of people by being reprinted hundreds of times in Michigan (and national) newspa-

pers, generating dozens of news stories and sparking television and radio news and talk show interviews of *Viewpoint* authors.

The frequency of *Viewpoint* newspaper reprints and interview requests has grown almost continually over the last eleven years, especially as measured by the increase in placements on the opinion pages of Michigan's largest daily newspapers including *The Detroit News* and *Detroit Free Press*.



Thousands of journalists, government officials, and Mackinac Center friends and supporters receive *Viewpoints*. Countless more are downloaded from our Web page (www.mackinac.org).

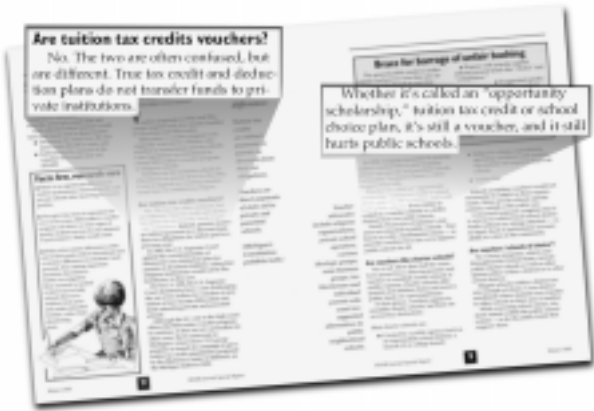


Accuracy is a crucial part of journalists' perception of Mackinac Center research.



you can't defend your own ideas, attack someone else and their ideas," said Joseph Lehman, vice president of communications for the Center.

When Mackinac Center commentaries or news stories are printed in newspapers around the state, MEA has at times responded by purchasing advertising space in those papers to attack the Center and make misstatements about Center proposals. MEA also devotes space on its Web site to attacks on the Mackinac Center and its 1998 collective bargaining study.



MASB's anti-school choice document contains contradictory statements on consecutive pages.

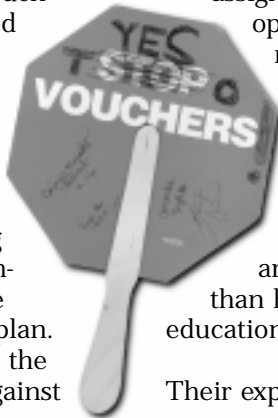
MASB has had good relations with the Mackinac Center on issues including collective bargaining and the high cost of teacher health insurance sold through a multi-

million-dollar MEA subsidiary. But a recent MASB "special report" confuses rather than enlightens the school choice debate. The eight-page, glossy document contains blatant contradictions about

tuition tax credits, and even encourages readers to "use negative and repetitive messages" and employ "slogans with popular appeal" when discussing vouchers. MASB is funded by dues paid from the tax monies received by member school districts.

MPTA is circulating a document containing errors about the Center's tax credit plan. The errors misstate the plan's protection against overregulation of schools and the fact that tuition tax credits do not "divert" public money.

Sadly, these three organizations are out of



After hearing School Choice YES! President Gary Glenn give a MPTA keynote speech on the benefits of school choice, students recruited to carry anti-school choice signs outside his talk used markers to reverse the signs' meanings and autograph them before giving them to Glenn. (School Choice YES! is promoting the Universal Tuition Tax Credit, not a voucher plan.)

step with many of their own members' and the public's concerns over quality education. Their rigid advocacy of the government school assignment system, opposition to choice, misstatements about the Mackinac Center and its proposals, and conflation of vouchers and tuition tax credits are harming rather than helping children's education.

Their expensive attacks and desperate methods are strong evidence that the Mackinac Center is making a real impact on public opinion and policy in Michigan. !

Improved Viewpoint Design Garner's More Media Exposure

To extend *Viewpoints'* impact even further, we decided to revamp the commentaries in ways that would make journalists more likely to use them for reprints, news, research, and interviews. How did we do it? We went straight to our customers.

In 1998, the Mackinac Center conducted a telephone survey of nearly 300 editors of Michigan daily and weekly newspapers. Thirty-seven questions were designed to reveal ways to improve *Viewpoints*.

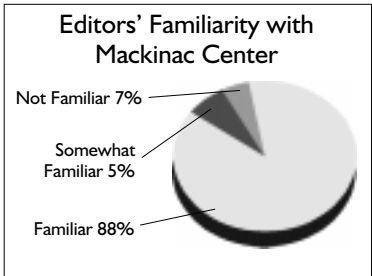
Based on journalists' responses, we designed and

launched in February a brand-new *Viewpoint* containing the four new features they wanted most: slightly shorter length, a prominent summary box, a convenient word count, and a reproducible chart or photo. We also added a rendering of our one-year-old, \$2.4 million headquarters building to communicate a sense of our stability and permanence.

The results? At press time, we were still receiving February articles from our news clipping service, but we noticed an immediate 20 percent increase in the number of weekly newspaper

reprints and radio and television interview requests. The final results are sure to show even greater impact.

Perhaps the best news from our editor survey, however, is the degree to which the Mackinac Center research "brand name" is recognized and respected. The vast majority (77 percent) of respondents rated *Viewpoints* as "very accurate," and not a single journalist described them as "inaccurate." Only a fraction (7 percent) said they were "not familiar" with the Mackinac Center. (See charts.) These results suggest that we are doing the



After just eleven years, the Mackinac Center reputation is well known by those with the most influence over what gets printed in Michigan's newspapers.

right things to achieve our mission of being "the most respected and influential source of public policy research, analysis, and education in Michigan." !

Orville D. Merillat: A Life of Vision, Service, and Generosity

It is with great sadness that the Mackinac Center for Public Policy staff and Board of Directors note the passing of a great friend and benefactor, Mr. Orville D. Merillat, on January 15, 1999, at the age of 82.

Orville and his wife Ruth, who survives him, are legends in the pantheon of great Michigan entrepreneurs and philanthropists. From their workshop nearly a half-century ago, Merillat Industries, Inc., based in Adrian, Michigan, grew to become America's largest kitchen and bath cabinet maker. "Orv," as his friends called him, was especially proud of the innovative "trust and share incentive plan" he designed and which provided his employees with opportunities to supplement their base incomes and share directly in the company's success. They generously shared their personal wealth

with many worthy organizations and founded the renowned Christian Family Centre in Adrian. Their son Richard serves on the Mackinac Center's Board of Directors.

The Merillats' support for the Mackinac Center goes back nearly nine years and includes substantial sums given to assist general operations, major policy initiatives, and the recent headquarters building campaign. The members of the Center's staff who knew Orv all recall many delightful meetings with him, at which his Christian beliefs and passion for liberty always inspired.

At the Mackinac Center's 10th anniversary celebration on June 5, 1998, Orv and Ruth were honored with the "Champions of Freedom Award." Their portrait now hangs in the Center's head-



This portrait of Ruth and Orville Merillat is displayed at Mackinac Center headquarters beside their Champions of Freedom Award plaque.

"As entrepreneurs, the Merillats have created many jobs and greatly enhanced the prosperity of Michigan citizens. Through their philanthropy they have generously given to the community and advanced civil society.

"Through their support of the Mackinac Center for Public Policy, they have invested in the ideas that will lead Michigan to an even freer and more prosperous future. The Merillats have given of themselves and helped mightily to make Michigan great."

We offer our condolences to Ruth and the Merillat family. And we rejoice in the great example that Orville Merillat's wonderful life will continue to be for all those who knew him and the many, many more people who will benefit from his life's work for decades to come.!

quarters building next to a plaque bearing this inscription:

"This award is presented in recognition of a lifetime of accomplishment and faithful dedication to the principles of freedom and self-reliance.

Everyone Loves the Underdog

Everyone loves to cheer for the underdog. It's the stuff on which most tear-jerking dramas are based. The qualifier is, however, that the underdog must be perceived to have at least a chance of winning.

The Mackinac Center for Public Policy story is truly a "David and Goliath" tale. How can a modest research institute based in Midland, Michigan, challenge all of the powerful, entrenched, and well-heeled proponents of statism? It does so by

promoting principles even stronger than statism: free enterprise, limited and accountable government, and respect for private property.

There are countless individuals and organizations with a vested interest in keeping the machinery of government not just pumping and



James E. Kostrava

churning, but growing. In 1992, for the first time in U. S. history, the number of federal, state, and local government employees (18.2 million not counting military) exceeded the number of manufacturing employees (18 million).

Government employees may understand basic economics principles such as incentive and competition—and even agree theoretically with their benefits—but still resist applying those principles to their workplaces. Those employees fear the possible

negative impact on their personal interests—their jobs. They often consider privatization a threat not because they don't think it will work, but because they're afraid that it *will*.

Even Mackinac Center members sometimes feel helpless to eliminate government-erected barriers to initiative in their businesses and personal lives. It is easy to adopt a resigned "you can't fight city hall" attitude.

Mr. and Mrs. America simply See "**Underdog**" on page 9

"That's Already Been Settled"

by Earl Zarbin

Solicitations through the mail for one cause or another are endless. Most I ignore, pitching them aside unopened. My wife, however, looks at all the mail. She reads everything, including all requests for money. Lately, there was an appeal to which she wanted to contribute some cash. This was a lobby in Washington, D. C., trying to get Congress to amend a law so that funds it appropriated for the arts would not go to pornographers or other purveyors of disgustment.

When my wife said we should make a contribution, my reaction was: "No, it's a waste of money. The people behind that are fighting the wrong thing. If they were fighting to repeal all federal aid to the arts, I probably would contribute something."

"That's already been settled," my wife retorted.

"What's already been settled?"

"Congressional funding of the arts."

She maintained the issue now was to make certain the funds were not used for vulgar purposes such as displaying as art someone's bottled urine or photographs of homosexuality. Certainly I could agree tax money should not be used for those purposes any more than they should be used to support three-cushion billiard parlors. But the need was not lobbying to ban the use of federal funds to support pornography or disgustments: rather, the need was to ban

stealing from billiard players (and everyone else) to support the arts.

On the surface, it appears the question of social welfare programs has been settled. Along with theft-supported giveaways to the arts, we have Social Security, Medicare, Medicaid, aid to education, *ad nauseam*. However, there is no assurance these programs will last forever. A late example of this was Congress's repeal of the law requiring Medicare recipients with qualifying incomes to pay higher taxes for the financing of catastrophic illness. Congress reacted after hundreds of thousands of Social Security recipients made known their displeasure. What if hundreds of thousands—or millions—of Americans under age 62, or 60, or 50, made known their displeasure with the entire thieving system of Social Security? Would Congress sit still? Or would it repeal the social stealing approved by Congress in 1935?

Similarly, if millions of Americans rallied against subsidies for irrigation water, electrical production, and all other federal theft programs, would not Congress respond? You bet. If the people made known they would vote out of office anyone who failed to repeal stealing as Congress's favorite pastime, the entire transfer payment system could come tumbling down.

Indeed, ask individual citizens if they support theft. I think most would say they do not—even for so-called good causes. They prefer to decide for themselves

whether something is worthy of their personal financial aid. What I suspect many of them do not perceive is the connection between committing theft themselves and Congress (or state legislatures or city councils) doing the same thing through the enactment of laws and their enforcement with the power of the police.

Many citizens might agree there is a need to help others pay rent, buy food, receive medical care, and become educated, but they would rebel and stiffen their backs if approached directly by a man with a gun in hand to demand they turn over cash in their pockets for these purposes. Yet the majority of them tolerate the same conduct if the theft is enacted into law and the stealing is accomplished by government agencies.

Clearly, the masses of people have been deceived in their understanding of what government should be and what it has become. It should restrict itself to protecting life, liberty, and

"Underdog" from page 8

want freedom and prosperity and are willing to work hard to get and keep both. That's why the Mackinac Center for Public Policy is so important. The Mackinac Center may seem like today's underdog, but it is one that has an increasingly good chance of winning. The Mackinac Center takes on tough issues such as education, taxation, regulation, property rights, the environment, and labor and speaks with authority

property; instead, it is the main agency for intrusion into virtually every aspect of living, threatening the well-being of the people by spending too much and by inflation.

If my wife is correct—the triumph of the social welfare state in these United States has "already been settled"—then I might as well contribute to such narrow and unproductive causes as combating the use of federally collected tax money to finance the public display of bottles of urine as art. But I think she is wrong—the only thing that has been settled is that the masses of people have been temporarily blinded and deceived by the siren song of those who pretend the world is better off when subjected to an elite in control of coercive forces. To me, nothing has been settled. If this puts me out of step, I at least know that I still tramp to my own beat. !

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like no one else can. Through scholarly research the Center makes a powerful case for sound policy that elected officials cannot ignore. Your ongoing support—both financially and by helping us to spread the word about the Mackinac Center—will ensure our continued success. !

James E. Kostrava is the Mackinac Center's Vice President for Development.



Education Policy Is Topic of 12th Annual Mackinac Center High School Debate Workshops

Hundreds of students from dozens of schools will learn arguments and techniques to debate the official 1999 high school debate resolution:

“Resolved that the federal government should establish an education policy to significantly increase academic achievement in secondary schools in the United States.”

Sept. 29 Jackson
Sept. 30 Livonia
Oct. 5 Grand Rapids
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For information on how to register or sponsor students and teachers from your school, call Vice President of Operations Kendra Shrode at (517) 631-0900.

Viewpoint Commentaries

Trying to Define a Foreign-Made Car Will Drive You Crazy

January 1999 VP 99-01
The UAW and other unions routinely urge Michiganians to “buy American,” but the growth of the global economy has forever blurred the lines between “foreign made” autos and those “made in the USA.”

A Grand (Hotel) Lesson in Free Enterprise

January 1999 VP 99-02
Critics of the free market charge entrepreneurs with having a ruthless and unhealthy preoccupation with money, but the often-profitless history of Mackinac Island’s Grand Hotel demonstrates that free enterprise is frequently about more than dollars.

School Elections Should Be in November

January 1999 VP 99-03
Irregular school board and bond election dates confuse voters, decrease turnout, and enable narrow special interests to unduly influence public school governance. Consolidating all school elections on the November ballot would alleviate these problems.

IMF Bailouts: Foreign Aid or Recovery Delayed?

January 1999 VP 99-04
The International Monetary Fund’s efforts to bail out failing foreign economies with American tax dollars harm not only those economies but also Michigan workers whose jobs depend on exported goods.

Black History Month: The Crusade of Sojourner Truth

February 1999 VP 99-05
Battle Creek resident Sojourner Truth’s journey from slave woman to one of the nineteenth century’s most eloquent champions of liberty and self-reliance helped make America freer for all citizens.

Working Works in State-Based Welfare Reform

February 1999 VP 99-06
The federal government may have lost the War on Poverty, but welfare reform in Michigan is winning an increasing number of the battles by emphasizing work and responsibility over dependence.

Must Teachers Be Certified to Be Qualified?

February 1999 VP 99-07
Michigan law requires teachers to be state-certified before they’re allowed to teach in a public school. Relaxing those requirements would allow many otherwise qualified and talented educators to enter the classroom.

George Washington’s Unimpeachable Character

February 1999 VP 99-08
George Washington’s uncompromising moral leadership carried Americans through the Revolutionary War, a Constitutional Convention, and the turbulent first years of national independence. Two hundred years after his death, Washington continues to inspire us.

Can Mayors Solve School Problems?

March 1999 VP 99-09
Detroit Mayor Dennis Archer may soon be empowered to take control of the city’s failing school district away from its board, but will exchanging one set of politicians for another really improve public education?

Saginaw Children’s Zoo: From Privation to Privatization

March 1999 VP 99-10
Saginaw Children’s Zoo has gone from a decrepit and sparsely attended amenity to a popular, impressive attraction in just three years—thanks to the city’s decision to transfer zoo ownership to a private group.

Worried to Death

March 1999 VP 99-11
Journalists often sensationalize tragedies such as the recent food poisoning outbreak linked to a Michigan processing plant, but the world is actually much safer today than at any time in history.

Intuition and Good Intentions Are Not Enough to Help Disadvantaged Workers

March 1999 VP 99-12
Many well-meaning politicians and citizens support raising Michigan’s minimum wage, but evidence shows that government-mandated wage increases harm mostly the very workers they are supposed to help.

Journals

Michigan Education Report



MER99-01 \$3.00

MER reports on charter school accountability, federal aid for Michigan public schools, three new polls that show growing public support for tuition tax credits, and much more. Two Michigan Education Association members debate whether school choice will benefit teachers, and commentaries focus on homeschooling, business techniques for improving education, and school choice as a civil rights issue. 12 pages.

Michigan Privatization Report



MPR99-01 \$3.00

MPR examines state-funded recreation and entertainment with feature articles on the successful privatization effort that rescued Saginaw Children's Zoo from insolvency, subsidized sports stadiums in Detroit, privatization of Gettysburg National Military Park, and the auctioning off of state-owned land. Other articles look at the private management of Detroit golf courses, state fair subsidies, and privatization of the arts. 20 pages.

Studies & Reports

Saving Retirement in Michigan: Responsible Alternatives to Social Security

S98-07 \$5.00

Social Security is going bankrupt, threatening the financial security of millions of Michigan citizens. Estimates show that by 2015, the government-funded pension system created in 1935 will no longer collect enough in taxes to pay the benefits promised to elderly retirees.



Privatization of Social Security—allowing individuals, not government, to invest their retirement savings—has worked well in countries including Chile and Great Britain, where retirees now earn greater benefits than they received under the government-run systems.

This study recommends that the Michigan Legislature call on Congress to either privatize Social Security or allow Michigan to opt out and design its own private pension plan for its citizens. 21 pages.

Keeping Michigan on Track: A Blueprint for Governor Engler and the 90th Legislature

S99-01 \$5.00

The close of the twentieth century finds Michigan in a position that seemed impossible barely a decade ago: record-low unemployment, a thriving economy, growing educational



opportunities, and a sense of accomplishment and high spirits. But much can be done to make Michigan an even better place to live and work.

This report's five sections offer the Governor and the new Legislature 41 specific recommendations that will strengthen property rights protection, reform labor law to protect worker rights, improve education for Michigan children, spur economic growth and development, and enhance the state's transportation infrastructure. 34 pages.

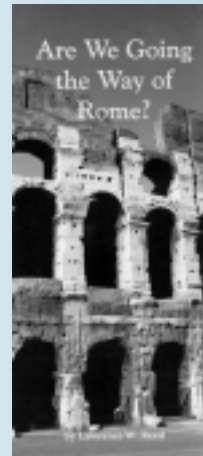
Monographs

Are We Going the Way of Rome?

by Lawrence W. Reed

ST94-02 \$1.00

This transcript of a popular speech delivered by Mackinac Center for Public Policy President Lawrence Reed more than 100 times in the last 18 years contains a very provocative and timeless message. The ancient Roman civilization decayed largely because Romans sacrificed liberty for the false security of the welfare state. Parallels between ancient Rome and recent American history offer important warnings about our nation's direction. 8 pages.



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Report Recommends Early Retirement for Social Security

A new Mackinac Center for Public Policy report details how private investment of Social Security payroll taxes could greatly boost retirement benefits for millions of Michigan citizens in danger of being short-changed by the current system.

The December report, *Saving Retirement in Michigan: Responsible Alternatives to Social Security*, calls on the Michigan Legislature to pass a resolution urging Congress to either privatize Social Security or let Michigan withdraw from the federal retirement system to design a more beneficial plan for its

citizens. Oregon and Colorado have passed similar resolutions and six other state legislatures are considering them.

Social Security privatization involves allowing individuals to move all or part of their 5.26-percent (retirement portion only) payroll taxes into privately owned, individually managed accounts. Mackinac Center Senior Advisor and report author Kent Davis presents data that reveal how private investment of as little as 2 percent of payroll taxes would boost workers' retirement benefits by 9 to 35 percent over what Social Security provides.

Privatization would also leave enough money in the Social Security system to pay promised benefits to current retirees and help finance the transition to a better plan for younger workers.

Michigan ranks 40th in expected Social Security

returns among the 50 states: Without privatization, each worker stands to lose an average of \$580,000 over his lifetime. Chileans faced similar problems when they privatized their government-funded retirement system in 1980. Now, Chilean retirees receive benefits three times higher than those from the government system.

The report cautions against one form of "privatization" that involves the federal government investing retirees' pension funds in the stock market, an approach advocated by President Clinton. "Direct government investment versus individually owned investment would lead to an unprecedented politicization of the American economy," Davis said. "Bureaucrats and politicians, not workers and retirees, would be calling the shots."

See page 11 to order the report. !



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