

MACKINAC CENTER FOR PUBLIC POLICY

101 RECOMMENDATIONS TO REVITALIZE MICHIGAN

WITH
AN INTRODUCTION TO
THE OVERTON WINDOW OF
POLITICAL POSSIBILITY

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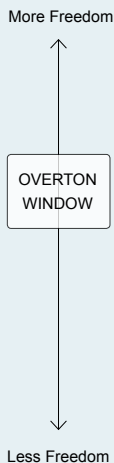
Editor's note: A version of this essay was previously published at www.mackinac.org.

Michigan's economy has been moribund for so long that one could be forgiven for thinking no one knows how to turn things around. But that's not true. The ideas that can revitalize Michigan's economy are not secrets; you are holding 101 of them.

So why haven't lawmakers enacted more of them? Because ideas take time to produce changes in policy. Yesterday's ideas that politicians considered politically impossible can become tomorrow's public policy.

The migration from mere ideas to law of the land can be described by a model called the Overton Window. This is the term my colleagues and I gave to a theory of change developed by the Mackinac Center's late vice president, Joseph Overton. After Joe died in 2003, I built a presentation around his idea, and I still use it to show how think tanks can shift public policy.

Joe shared his abstract concept with me in the mid-1990s. He observed that any collection of public policies within a policy area, such as education, can be arranged in order from more free to less free (or alternatively, from less government intervention to more). To avoid comparison with the left-right political spectrum, he arranged the policies from bottom (less free) to top (more free).



At any one time, some group of adjacent policies along the freedom spectrum fall into a “window of political possibility.” Policies inside the window are politically acceptable, meaning officeholders believe they can support the policies and survive the next election. Policies outside the window, either higher or lower, are politically unacceptable at the moment. If you shift the position or size of the window, you change what is politically possible.

Many believe that politicians move the window, but that’s actually rare. In our understanding, politicians typically don’t determine what is politically acceptable; more often they react to it and validate it. Generally speaking, policy change follows political change, which itself follows social change. The most durable policy changes are those that are undergirded by strong social movements.

For example, prohibition was a policy change driven by a social movement that did not prove strong enough to sustain the policy. Certain environmental policies that have proven durable are backed by strong social movements that favor those policies — or at least the idea they represent.

When social and political forces bring about change, the window of political possibility shifts up or down the spectrum and can also expand to include more policy options or shrink to include fewer. The window presents a menu of policy choices to politicians: From their point of view, relatively safe choices are inside the window and politically riskier choices (or bolder ones, if you prefer) are outside.

Lawmakers who support policies outside the window are one of two kinds — true leaders who have the rare ability to shift the window by themselves, or politicians who risk electoral defeat because they are perceived as out of touch. This explains why key lawmakers in 2009 and 2010 were reluctant to support a massive federal health care bill seen as unpopular with the people. Officeholders knew a vote outside the window would subject them to the political Furies that are playing out at the time of this writing.

The Overton Window doesn't describe everything, but it describes one big thing: Politicians will rarely support whatever policy they choose whenever they choose; rather, they will do what they feel they can do without risking electoral defeat, given the current political environment shaped by ideas, social movements and societal sensibilities.

That's why it's important for the Mackinac Center and others to educate citizens on the nation's founding principles of limited government and free markets. Public policies rooted in those ideas produced freedom and prosperity unmatched by any other society in history. The same policies can return Michigan to prosperity now. A people animated by our nation's founding principles will shift the window of political possibility toward greater freedom.

The politicians will ultimately follow.

I'm proud of the 101 powerful ideas developed by my colleagues and summarized in this pamphlet. I hope you will discuss them with your friends and encourage your elected representatives to consider your views on them.

Joseph G. Lehman

President, Mackinac Center for Public Policy

April 2010

101 RECOMMENDATIONS TO REVITALIZE MICHIGAN

Michigan is blessed with a wealth of the human and natural resources integral to building vibrant commerce and vigorous communities in the 21st century. At the moment, however, counterproductive public policies have made it harder for our industries to compete nationally and internationally and have reduced our state's attractiveness to investors and entrepreneurs.

In addition, Michigan is not immune to the gradual erosion of equity and basic human freedom that accompanies a steady growth in the power and scope of government. Related to this, our government's ability to properly perform many critical functions, including education, has been jeopardized by policymakers' attempts to do too many things. This lack of focus has even led to confusion among policymakers over whether government exists to serve the people or vice versa.

There's a lot of work to do to reverse this, but there's good news. Once growth- and freedom-friendly policies are in place, recovery is likely to occur much more quickly than most people imagine.

For policymakers and voters serious about restoring freedom and economic vitality in the Great Lakes State, the Mackinac Center presents the following 101 recommendations.

This report is a compendium of work authored by Mackinac Center policy analysts and compiled by Senior Legislative Analyst Jack McHugh. The brief recommendations inevitably omit some nuance and detail. These are provided more fully in the online articles cited with each recommendation.

GOVERNMENT OPERATIONS AND SPENDING

- 1 End mandatory collective bargaining for government employees who already enjoy civil service protections. » www.mackinac.org/2309
- 2 Eliminate the Michigan Economic Development Corporation. » www.mackinac.org/10896
- 3 Privatize some state prisons. » www.mackinac.org/7083
- 4 Lower government employees' compensation to the average rate for private-sector workers performing comparable work. » www.mackinac.org/8207
- 5 Eliminate state arts grants. » www.mackinac.org/1852
- 6 End the Michigan Economic Growth Authority. » www.mackinac.org/7099
- 7 Close down the 21st Century Jobs Fund, a business-subsidy and government-ownership program. » www.mackinac.org/7123
- 8 Replace conventional health insurance plans for government employees with health savings accounts. » www.mackinac.org/9358
- 9 Fund public universities primarily through a standard per-student grant or voucher, with a university's research financed in a separate line item. » www.mackinac.org/7703
- 10 Devolve State Police road patrols to county sheriff departments. » www.mackinac.org/5373
- 11 Eliminate state subsidies to the cooperative extension service and to Michigan State University's agriculture experiment station. » www.mackinac.org/5325#AES
- 12 Eliminate state film production subsidies. » www.mackinac.org/10733
- 13 Stop paying Amtrak an annual state subsidy. » www.mackinac.org/7402
- 14 Eliminate Medicaid spending not mandated by federal regulations. » www.mackinac.org/6580
- 15 Prohibit providing government employees pension, health care and other fringe benefits that exceed the average of benefits provided in the private sector. » www.mackinac.org/10839

- 16 Eliminate — or cut in half — “Merit Awards,” “Promise Grants” or other non-need-based college scholarships financed by tobacco lawsuit proceeds. » www.mackinac.org/7602
- 17 Require local bus systems subsidized by state road tax dollars to generate at least 20 percent of their operating expenses from fares paid by riders. » www.mackinac.org/9688
- 18 Enact smarter sentencing for nonviolent offenders. » www.mackinac.org/8845
- 19 Adopt a constitutional amendment similar to 2007 Senate Joint Resolution E, which would require setting aside 4 percent of projected revenue when adopting annual state budgets. » www.mackinac.org/9913
- 20 Repeal laws that mandate binding arbitration in labor disputes between local government and police or firefighter unions. » www.mackinac.org/8328
- 21 Require every state department and agency to post an expense register online that is at least equivalent to the one currently provided by the Michigan Department of State. » www.mackinac.org/9854
- 22 Repeal the state’s “prevailing wage” law, which prohibits awarding government construction contracts to the lowest bidder unless it pays above-market wages. » www.mackinac.org/8907
- 23 Pending repeal of the state’s prevailing wage law in total, repeal it for schools. » www.mackinac.org/3844
- 24 Pending repeal of the state’s prevailing wage law, revise it into a “median wage” law focusing on low-wage, rather than high-wage, workers. » www.mackinac.org/8935
- 25 Abolish special incentives to turn food or plants into fuel. » www.mackinac.org/9269

TAXES

- 26 Eliminate the Michigan business tax and replace it with less spending. » www.mackinac.org/10595
- 27 Pending repeal of the Michigan business tax, immediately end the 22 percent MBT surcharge. » www.mackinac.org/9919

- 28** Do not increase, and consider decreasing, the state's cigarette tax. » www.mackinac.org/10005
- 29** Constitutionally cap state spending and revenue at the rate of inflation plus population growth by adopting a "taxpayer's bill of rights" similar to the core components of the 2006 "Stop Overspending" proposal. » www.mackinac.org/7973

ENVIRONMENTAL LAWS AND REGULATIONS

- 30** Adopt a constitutional amendment that requires state and local governments to compensate property owners for "regulatory takings," which lower a property's value by regulating the owner's use and enjoyment of the property. » www.mackinac.org/7446
- 31** Establish that "operational memorandums," guidelines and other guidance documents generated by state agencies do not bind a regulated entity unless they are promulgated as rules under the state Administrative Procedures Act. » www.mackinac.org/7808
- 32** Repeal the ban on directional drilling for oil and natural gas under the Great Lakes. » www.mackinac.org/9712
- 33** Halt proposed state mercury-emission limits that are stricter than required under federal law. » www.mackinac.org/8093
- 34** Roll back a recently enacted regulatory regime that unnecessarily diminishes Michigan's comparative advantage in abundant, fresh water. » www.mackinac.org/9138
- 35** Prohibit the enforcement of state environmental regulations that are more stringent than those required by federal law unless the regulations are specifically adopted in legislation by the governor and the Michigan Legislature. » www.mackinac.org/6956

OTHER REGULATIONS

- 36** Restore the governmental separation of powers by preventing the Legislature from delegating rule-making authority to regulatory agencies. » www.mackinac.org/6352

- 37** Eliminate most of the 200 occupational licensure mandates, which are primarily protectionist in nature. » www.mackinac.org/5570
- 38** Repeal a recent law that essentially restores the monopoly of old-line electric utilities and imposes “renewable energy” mandates on electric companies.
» www.mackinac.org/9467
- 39** Shut down persistent bureaucratic efforts to draft and impose “ergonomic” regulations.
» www.mackinac.org/7783
- 40** End all permitting and licensing functions in individual departments — including the Department of Environmental Quality — and reconstitute them in a new and separate department whose only function is to issue permits.
» www.mackinac.org/8054
- 41** Repeal the “minimum wage” law, which makes it illegal to pay a person less than \$7.40 per hour, regardless of voluntary agreements between an employer and employee.
» www.mackinac.org/7003
- 42** Pre-empt local governments from adopting so-called “living wage” ordinances, which typically raise the minimum wage that must be paid by businesses holding substantial city contracts.
» www.mackinac.org/1705

LABOR LAW REFORM

- 43** Adopt a “right-to-work” law that prohibits collective bargaining agreements from requiring employees in the public and private sectors to support or belong to a union as a condition of employment.
» www.mackinac.org/8943
- 44** Eliminate government-run employment agencies, which unfairly compete with private staffing-service businesses.
» www.mackinac.org/9869

- 45** Prohibit unions from taking money from an employee's paycheck without the worker's explicit consent whenever the withdrawal is not directly related to the costs of collective bargaining or the associated overhead.
» www.mackinac.org/5192
- 46** Outlaw the use of "project labor agreements" on any construction using state funds.
» www.mackinac.org/4221
- 47** Require annual financial disclosure reports and independent audits of government employee unions and affiliates.
» www.mackinac.org/3944
- 48** Ensure that internal union grievance procedures don't discourage members from attempting union reform.
» www.mackinac.org/9789
- 49** Repeal wage laws that prevent hourly workers from trading overtime earnings for comparable time off ("comp time").
» www.mackinac.org/2902
- 50** Suspend the collective bargaining privileges of school union units that engage in illegal strikes.
» www.mackinac.org/10092

EDUCATION REFORM

- 51** Adopt a constitutional amendment authorizing a universal tuition tax credit of up to half of the state's per-pupil spending allotment to support the education of a child attending the school of his or her family's choice. » www.mackinac.org/362
- 52** Require school districts to contract school transportation, food and custodial services through open and competitive bidding.
» www.mackinac.org/9012
- 53** Place new school employees under a defined-contribution, 401(k)-type pension plan, rather than a defined-benefit system.
» www.mackinac.org/8089
- 54** Require districts to offer school employees health savings accounts along with conventional health insurance plans.
» www.educationreport.org/8827

- 55** Let high school students take mandatory high school courses from community colleges.
» www.educationreport.org/11653
- 56** Other than those grants required by the courts or by federal law, eliminate all “categorical grants” for state-specified school spending items and use that money to increase unencumbered per-pupil foundation allowances.
» www.mackinac.org/8584
- 57** Eliminate intermediate school districts.
» www.mackinac.org/5678
- 58** Expand public school choice programs to allow all students in all districts, not just those students within a certain proximity, to attend public schools outside their districts.
» www.mackinac.org/3272
- 59** Adopt a “Michigan Teachers’ Bill of Rights” that frees individual teachers from standardized union contracts and gives them the choice to be judged and compensated based on their performance.
» www.mackinac.org/1660
- 60** Repeal teacher certification requirements.
» www.mackinac.org/1651
- 61** Revise the Michigan Teachers’ Tenure Act to allow school districts to adopt a full-fledged teacher merit-pay system.
» www.mackinac.org/9804
- 62** Eliminate the restrictions on the number of charter schools that can be authorized by state universities.
» www.educationreport.org/8043

OTHER STATE AND MUNICIPAL REFORMS AND PRIVATIZATIONS

- 63** Repeal the tax-exempt status of Blue Cross Blue Shield and the associated limitations on its ability to sell non-health insurance products. » www.mackinac.org/4493
- 64** Sell Cobo Hall. » www.mackinac.org/6915
- 65** Get government out of the golf business.
» www.mackinac.org/7824
- 66** Privatize underused state parks. » www.mackinac.org/7399

- 67 Stop stealing from the future through state and municipal deficit-spending schemes. » www.mackinac.org/8360
- 68 Reform, restructure and sell portions of the Michigan State Housing Development Authority. » www.mackinac.org/9191
- 69 Privatize a variety of state human resources operations. » www.mackinac.org/5025
- 70 Sell the Department of Natural Resources' MacMullan Conference Center. » www.mackinac.org/4740
- 71 Privatize municipal parking garages. » www.mackinac.org/6917
- 72 Privatize state highway rest areas. » www.mackinac.org/11577
- 73 Privatize management of the Mackinac State Historic Parks. » www.mackinac.org/6605
- 74 Eliminate Department of Agriculture "market development" programs. » www.mackinac.org/6570
- 75 If gambling is expanded through "racinos" or other formats, auction the licenses. » www.mackinac.org/6498
- 76 Repeal protectionist auto dealership laws that prohibit car buyers from negotiating directly with manufacturers or auto brokers. » www.mackinac.org/504
- 77 Level the state's regulatory playing field between banks and credit unions. » www.mackinac.org/7573
- 78 Don't allow municipal governments to increase public, education and government channel fees ("PEG fees") on cable television companies. » www.mackinac.org/9944
- 79 Recognize in the Michigan Constitution the right of every person to provide for his or her own health care. » www.mackinac.org/11650
- 80 Strengthen the law providing an emergency financial manager for insolvent municipalities and school districts by expanding the manager's powers and legal protections. » www.mackinac.org/7451
- 81 End state revenue-sharing to local governments wherever the money is not constitutionally mandated. » www.mackinac.org/6618

- 82** Let Detroit save itself by fundamentally reforming the city's government and business climate, rather than pursuing further rounds of flashy, government-subsidized projects. » www.mackinac.org/7453
- 83** Let Detroit save itself and better serve its residents through a comprehensive program of privatizing city services. » www.mackinac.org/3148
- 84** Let Detroit save itself by repealing the city's income tax, downsizing the city's bureaucracy and rolling back the regulatory burden on city businesses to a level similar to cities of comparable size. » www.mackinac.org/7349
- 85** Amend the state constitution as needed to privatize the University of Michigan. » www.mackinac.org/6506

PROSPERITY AND FREEDOM

- 86** Reform asset forfeiture laws that give state agents the power to seize property without proof of the owner's guilt in a criminal trial. » www.mackinac.org/792
- 87** Use performance-based contracting to outsource foster care services to private social service agencies. » www.mackinac.org/9195
- 88** Prohibit governments from competing unfairly with private businesses by requiring government enterprises to account for tax-dollar cross-subsidies and to pass a "yellow pages" test. » www.mackinac.org/7830
- 89** End "Cool Cities" grants and encourage reductions in urban over-regulation instead. » www.mackinac.org/5926
- 90** Prohibit involuntary unionism of home-based day care workers and home-care workers who receive government subsidy checks. » www.mackinac.org/11149
- 91** Eliminate, or make voluntary, "student activity fees" imposed on students at state universities and colleges. » www.mackinac.org/8363
- 92** Repeal the state law that prohibits the sale of fuel and other products at a price "grossly in excess" of the presumed normal price. » www.mackinac.org/3859

- 93 Repeal the “bad driver tax” imposed by so-called driver responsibility fees. » www.mackinac.org/5405
- 94 Repeal regulations, such as campaign finance “reforms,” that tilt the playing field in favor of incumbent officeholders. » www.mackinac.org/9938
- 95 Stop imposing public bans on private actions, such as restaurateurs’ allowing their patrons to smoke. » www.mackinac.org/8053
- 96 Prohibit public entities and their membership organizations, such as the Michigan Municipal League, from lobbying other public entities to impose higher taxes. » www.mackinac.org/8194
- 97 Strengthen and enforce the provision in the Michigan Constitution since 1851 prohibiting the state from owning nonpension-related stakes in private companies. » www.mackinac.org/7371
- 98 Stop expanding, and roll back, existing state inducements to “rent-seeking” behavior, in which businesses lobby government for unfair advantages in the marketplace. » www.mackinac.org/9997
- 99 Rediscover the true meaning of patriotism. » www.mackinac.org/6680
- 100 Limit government to its core missions to ensure that they are performed properly and well. » www.mackinac.org/6713
- 101 To meet complex human needs and build a better society, prefer the voluntary institutions of civil society — that network of private groups, community associations, religious organizations, families, friends, co-workers and their heartfelt interactions — to political society and the coercive instruments of government. » www.mackinac.org/5297

For more information on this and other Mackinac Center resources, contact Senior Communications Director Michael Jahr at 989-631-0900 or jahr@mackinac.org.



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ABOUT THE MACKINAC CENTER FOR PUBLIC POLICY

The Mackinac Center for Public Policy is dedicated to improving the understanding of economic and political principles among residents, public officials, policymakers and opinion leaders. The Center has emerged as one of the largest and most prolific of the more than 50 state-based free-market "think tanks" in America. More information about the Mackinac Center and its work can be found at www.mackinac.org.

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