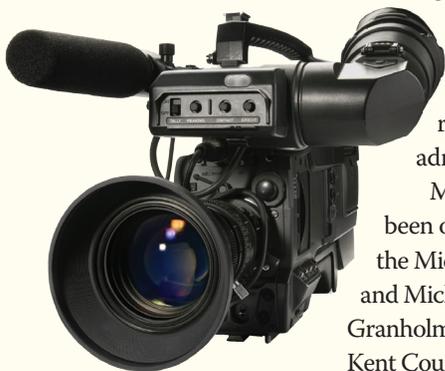


Center Upends State Incentive for Suspicious Film Studio Deal



In her 2010 State of the State address last February, Michigan Gov. Jennifer Granholm dramatically listed the new business endeavors in the state she saw as instrumental to the state's economic recovery. Her speech read like an economic victory lap for the administration.

Many of the new projects highlighted had been offered generous state tax breaks from the Michigan Economic Development Corp. and Michigan Film Office. Among other projects, Granholm referenced "Hangar42," a new film studio in Kent County. In doing so, she drew Mackinac Center analysts' attention to a large state incentive deal.

She could not have known that four months later, a firestorm fueled by Mackinac Center findings would lead to an attorney general investigation, a felony charge, a lawsuit, the resignation of a key Lansing staffer and possibly the loss of a state senate bid.

Mackinac Center Fiscal Policy Director Michael D. LaFaive and Communications Specialist Kathy Hoekstra were tipped off that the Hangar42, being refurbished at a former Lear plant in Walker, Mich., may not have been worth the \$45 million it reportedly sold for. Digging into the deal's inner workings, they learned that the building had sat on the market for months while listed for under

see "Film Studio" Page 6

Exploiting a Window of Opportunity

It's not every day that a signature idea of a think tank becomes the title of a best-selling novel. So when we got wind earlier this year that radio and television talk show host Glenn Beck was working on a political thriller with the Overton Window as its main plot element, we knew we had a unique window of opportunity.

The Overton Window of Political Possibility is a theory of change developed in the 1990s by the Mackinac Center's late vice president, Joseph Overton. The "window" represents the narrow range of policy options acceptable to policymakers at any point in time. Contending ideas, Overton observed, shift the window toward, or away from, liberty. His point was to show how think tanks can influence public policy.

After Overton died, Mackinac Center colleagues renamed his theory "The Overton Window." Joe Lehman, then-executive vice president of the Mackinac Center and a long-time colleague and friend of Overton's, taught and presented the theory to hundreds of participants of the Center's Leadership Conferences and at workshops around the country.



"The theory explains how think tanks like ours promote ideas that shape the environment in which lawmakers act," Lehman would explain. "Today's unacceptable ideas become acceptable. Yesterday's acceptable policies become unacceptable. You change ideas to shift the Overton Window of Political Possibility. Shift the window, and you change policy."

The fact that a media giant's best-selling novel would bear the title "The Overton Window" seemed the very embodiment of Overton's theory on the power of ideas. In the book, a concept birthed at "a think tank in the Midwest," as Beck's

see "Window of Opportunity" Page 9

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"GREAT segment. One of the most intelligent conversations I've heard on talk radio."

Genevieve Wood, broadcaster, media commentator and vice president of Leadership for America Operations at the Heritage Foundation, regarding Mackinac Center President Joe Lehman's discussion of the Overton Window on the Glenn Beck Program.

PRESIDENT'S MESSAGE

The Real Work Is After the Election



Joseph G. Lehman
President

People sometimes ask if the Mackinac Center gets busier around election time. My answer is: "Not really. The real work is keeping the rascals accountable after they get elected."

The Mackinac Center has two main functions. First, we analyze public policy and recommend new policies consistent with free-market principles. We do this because overwhelming evidence indicates such policies are the most likely to foster a free, virtuous and prosperous society.

Second, we get the word out. We do this because the world's best studies and reports would be worthless sitting on a shelf collecting dust. We educate and inform as many of the most influential people we can, including lawmakers, journalists and tens of thousands of residents who are the most civically engaged and interested in free-market ideas.

Both functions fill gaping voids. We can't rely on our public universities or government itself to recommend much in the way of limiting government's size and power, so we do it. Since the legacy news media has a proclivity to promote policy ideas that require ever more government, we have essentially become our own media outlet by publishing journals, newspapers and video reports; conducting seminars for students, teachers and policymakers; and creating unique databases of public documents, including legislative voting records, school spending, school performance data and public employee union contracts.

We even find real-life stories that illustrate the government failures our studies predict, just like the investigative reporters that newspapers once had on staff.

There is no shortage of candidates' rhetorical fealty to free-market principles before elections, but there is a scarcity of free-market action after elections. Even liberal President Barack Obama sold his massive takeover of health care by claiming it would reduce health costs and not force anyone to leave a health plan they liked. Neither claim is true. Conservatives are likewise guilty of overpromising and under-delivering when they campaign as free-marketers but then won't restrain spending or stand up to unions and other big-government promoters.

Keeping promises isn't automatic for most lawmakers. They need to be kept in line by their constituents — and that's where the Mackinac Center's information and educational outreach comes in.

One legislator complained that when we published his voting record alongside our analysis of the policy he supported, constituents demanded he explain his vote. I replied that we were doing him a favor — how else would he have the opportunity to explain if no one told the folks back home how he voted?

A lawmaker's chief of staff lamented that we could cost his boss re-election by publishing his voting record. I replied that getting his boss re-elected wasn't our job, but it was our job to provide the free-market perspective along with a record of legislative actions.

When I ran into two Republican legislators recently, I asked what they liked best about the Mackinac Center. They told me we "keep them honest" and provide "accountability." One added that sometimes Republicans don't even introduce "bad bills," because they know the Mackinac Center will "come down on them."

Of course, it isn't so much the Mackinac Center who "comes down on them," it's engaged residents armed with our policy research, Michigan-Votes.org voting records and Michigan Capitol Confidential news and investigative reports. Whether your candidates win or lose in November, remember it won't much matter if you don't keep them accountable to their promises. I

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MACKINAC CENTER LEGAL FOUNDATION

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

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MICHAEL D. JAHR Editor DANIEL E. MONTGOMERY Graphic Designer

Granholm's Role in Day Care Unionization Exposed

Despite Gov. Jennifer Granholm's year-long, glaring public silence on the stealth unionization of Michigan's home-based day care providers, all roads seem to lead to her office.

For more than a year, Mackinac Center Communications Specialist Kathy Hoekstra has been investigating the mechanism by which Michigan's private, home-based day care providers were forced into a public employees union. Along the way, Hoekstra uncovered several nuggets that hinted the scheme was hatched at the top of the administration, in collusion with the United Auto Workers and the American Federation of State, County and Municipal Employees. When she discovered a little-viewed video online, Hoekstra's suspicions were confirmed.

The video was from 2008 and showed Gov. Granholm speaking at AFSCME's 38th international convention. In light of her office's later insistence that they merely complied with the unionization request procedure, the governor's boast in the opening lines of the video was quite startling:

"In Michigan because of the partnership between AFSCME and the governor's office, this means that 45,000 new AFSCME members, quality child care providers, will be on the ground providing care to children."



Gov. Granholm has been quiet at home about her role in the unionization of child care providers, but she bragged openly about "the partnership" between AFSCME and her office at the union's 2008 convention.

Hoekstra incorporated this portion of Gov. Granholm's speech into a video that laid out the rest of the evidence that points to the governor's administration as being complicit with the UAW And AFSCME in conjuring up a way to turn private business owners and independent contractors into public employees for the sake of boosting union ranks.

The video made a big splash in the blogosphere as well as Detroit radio waves. WJR 760AM's Frank Beckmann interviewed Mackinac Center Legal Foundation Director Patrick Wright, who said, "This footage forever ties this scheme to the executive branch." **I**

Center Analyst Debunks MSU School Consolidation Study

In August, several newspapers around the state headlined a new Michigan State University study claiming taxpayers could save \$612 million by combining school districts. Editorial boards opined on the topic for weeks. There was only one problem: The MSU report was completely erroneous.

The study, authored by MSU Education Policy Center senior scholar Sharif Shakrani, appears to have contained a significant amount of plagiarized material. While reading the study, Mackinac Center Education Policy Director Michael Van Beek discovered that entire paragraphs in the report were near-verbatim matches of text from other sources, and that only one source was cited at all. MSU says it's investigating.

If that weren't bad enough, Van Beek found that the study's methodology was haphazard and

overly simplistic. It used results from a study of 12 district consolidations in rural New York and applied those findings to the entire state of Michigan. One author of the original New York study called this attempt "extremely naïve."

Aside from these serious problems, the report's savings predictions are still exaggerated. Although the author states that charter public schools shouldn't be part of the consolidation debate, with his calculations included charter spending. The study also failed to consider capital costs, which usually increase after districts consolidate.

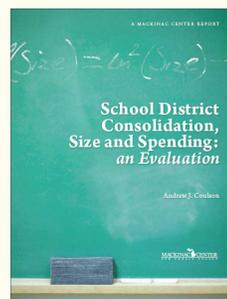
Since Van Beek pointed out the apparent plagiarism, two different versions of the study have reappeared on MSU's website, both of which tried to

add some of the missing citations. But the study's author dismissed the problems, telling Michigan Capitol Confidential: "This is for the newspapers. It is not for scholarly publication."

Studies can influence public policy, regardless of who writes or publishes them. Fortunately, groups like the Mackinac Center help

keep poorly conceived and sloppily researched studies out of the debate.

For a more comprehensive look at the issue, see "School District Consolidation, Size and Spending: an Evaluation," a 2007 study by Andrew Coulson, director of the Center for Educational Freedom at the Cato Institute and a Mackinac Center adjunct fellow, at www.mackinac.org/8530. **I**



MichCapCon.com: Breaking Stories on Tea Party Shenanigans, Municipal Finance Mischief and More

The daily mission of Michigan Capitol Confidential, the Mackinac Center's online news service, is to provide readers with a unique, free-market perspective on politics and policy news. The big-picture mission of MichCapCon.com is for this information to be used to drive substantive and much-needed progress.

Three examples from July show Michigan Capitol Confidential is accomplishing both missions.



Source: AnnArbor.com
Michigan Capitol Confidential broke the story of the city of Ann Arbor constructing a pricey sculpture while laying off firefighters.

A mainstream news narrative throughout the last several years portrays Michigan's local governments and schools as hapless victims of a state economy that can no longer afford to properly fund the vital services that they provide. MichCapCon.com readers have regularly found a more complete picture, in which many of these public bodies are still paying substantially more than what other states are, and what the marketplace will bear, for the same services.

But nothing drives the point home like a water sculpture.

On July 22, MichCapCon.com Senior Capitol Correspondent Tom Gantert wrote an article headlined "The Art of the Ann Arbor City Budget." Gantert reported that while the city of Ann Arbor was laying off firefighters as a way of balancing a budget overspent by several million dollars, the city was also paying \$850,000 for a water sculpture to sit outside a new police and courts building.

That morning, the Drudge Report picked up the story and posted a MichCapCon.com link on its page. Over the first two days, more than 272,000 individuals from across the country had checked out the story. Many other national bloggers and news outlets picked it up as well, including Instapundit, Neal Boortz, The American Spectator, USA Today and more.

Mike LaFaive, director of the Mackinac Center's Morey Fiscal Policy Initiative, was quoted in the article, noting that local governments too often "cry poverty" and make threats to "dismiss firefighters" while protecting "golf courses, wave pools and art."

Both the Fox News Channel and the Fox Business Channel interviewed LaFaive about the water sculpture the day after the article appeared. The Fox News Channel had invited the Ann Arbor mayor to appear and provide a counterpoint to LaFaive, but the mayor backed away from the opportunity.

With articles like these, Michigan Capitol Confidential has helped change the terms of debate about whether local governments have enough of the taxpayers' money and whether they spend it wisely. And all local governments are now on notice that somebody is watching and will notice if they try to fund arts and crafts while claiming that they need to cut public safety programs.

Political operatives in Oakland County trying to muck up the state's elections also have MichCapCon.com to worry about. On July 28, with a solid news tip from Michigan blogger Jason Gillman of Traverse City, MichCapCon.com broke a story that has led to a criminal investigation.

Gillman discovered and told MichCapCon.com that the political director of the Oakland County Democratic Party, Jason H. Bauer, appeared to have notarized nine of the statements of identity for candidates seeking ballot access with the mysterious "The Tea Party" political party that sprung up this summer as a result of a secretive petition drive. Gillman noted that his discovery was the "smoking gun" that proved the long suspected belief that the embryonic political party was a manufactured creation of partisan Democrats and not a genuine expression of the grassroots tea party movement taking place in Michigan.



Fiscal Policy Director Michael LaFaive discusses "Sculpturegate" on Fox News on July 23, 2010.



An attempt by Oakland County political operatives to place faux "Tea Party" candidates on the ballot was exposed by Michigan Capitol Confidential and led to a criminal investigation.

The revelation was picked up by news outlets all over Michigan and across the nation. Gillman appeared on WJR 760AM's Frank Beckmann Show and credited MichCapCon.com and its staff by name for helping him to make his discovery into something that got the attention it deserved.

The office of Oakland County Clerk Ruth Johnson then began investigating and discovered that at least one candidate statement of identity notarized by Bauer may have had the signature of the candidate forged as well. She produced a signed statement from the person who was the supposed candidate declaring no knowledge of his candidacy, no desire to be a candidate, and an eagerness to discover who was using his name and identity improperly.

A grand jury has since been assigned by Oakland County to look into the matter, and Bauer has resigned. In their updates to the mainstream media about the progress of this investigation, both Johnson and Oakland County Executive L. Brooks Patterson have credited Michigan Capitol Confidential for pointing everyone in the direction of the wrongdoing.

As a result of other work MichCapCon.com did in July, the public may also get to know exactly how their tax money is allocated to political operatives.

Currently, an exemption in Michigan's Freedom of Information Act allows state lawmakers and the governor's office to conceal the names and salaries of the political appointees that they hire and supervise. MichCapCon.com ran repeated stories exposing this special exemption, noting that while the Legislature is often willing to voluntarily release the information, the governor has refused to do so and invokes the FOIA exemption as cover.

MichCapCon.com put a question to each of the candidates for governor, asking them to state whether they would sign a bill to repeal the exemption, and also whether they would voluntarily turn over the information if asked. Every candidate except House Speaker Andy Dillon answered in the affirmative.

With Dillon's loss to Lansing Mayor Virg Bernero in the August primary election, this means that the nominees for governor from both major parties are on record pledging to repeal the exemption due to pressure from MichCapCon.com's stories. **I**



Gubernatorial candidates Virg Bernero (D) and Rick Snyder (R) both told Michigan Capitol Confidential that they support expanding Michigan's Freedom of Information Act to state lawmakers and the governor's office.

This issue of Impact provides opportunities to access content directly using your smartphone.

Look throughout Impact for these Quick Response codes, scan with your smartphone, and watch exciting video clips, like this coverage of [sculpturegate](#).

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FILM STUDIO from Page One



Communications Specialist Kathy Hoekstra interviews developer Jack Buchanan Jr. in the Hangar42 Studio.

\$10 million. How could the value of the building leap from less than \$10 million to more than \$40 million overnight?

The massive price increase is important because, as local media reported, the studio's new owner was in line to receive an "assignable" tax credit (one he could sell for cash) equal to 25 percent of his "investment." If the price was goosed up, so too would be the subsidy available to the buyer. In this case, the higher price brought a whopping \$10 million credit.

Hoekstra and LaFaive left no stone unturned in their effort to discover the status of the tax credit application and the nature of the real estate deal. Neither representatives of the Michigan Film Office nor the MEDC would confirm or deny approval of the Hangar42 tax credit application. Worse, neither the buyer nor key seller would return phone calls when the Mackinac Center analysts sought answers.

Ultimately, Hoekstra and LaFaive were forced to go public with the questions they couldn't answer through dogged research. The Center raised the questions May 20 with a Hoekstra-produced video and LaFaive-penned essay.

Grand Rapids-area media immediately picked up on the story, with same-day coverage on two TV stations (WOOD-TV and WZZM) and in The Grand Rapids Press. Press reporter Chris Knappe aggressively leapt into the story and continued the investigation into many angles on a local level.

One such story included state Rep. Robert Dean, who sent his chief of staff to investigate the hold-up in the film office tax-credit approval. Not long

after that "intervention," an online video turned up in which that same aide was boasting of his own early involvement in the Hangar42 deal. The staffer was asked to resign shortly thereafter.

This same lawmaker later lost his primary bid for state senate and publicly blamed the loss on the developing Hangar42 scandal.

The fallout continued with several builders filing liens against the property owner for payment of work they completed but were never paid for. The contractors, whose companies performed construction-related work on the Hangar42 property, insisted they were told payment would come once the state tax credits came through. The matter is now the subject of a lawsuit by 11 contractors who want the property sold in order to get at least \$2 million in compensation for their supplies and services.

In the meantime, Hoekstra and LaFaive continued to try to obtain documents from the state regarding the Hangar42 tax credit application, as well as simply confirm the application's existence. Finally, on June 17, after stalling tactics and excuses by state agencies, the Mackinac Center called on both the Legislature and law enforcement to formally investigate the deal. U.S. Rep. Pete Hoekstra quickly followed the Center's lead. Later that same day, Michigan Attorney General Mike Cox announced he had indeed opened a criminal investigation into the Hangar42 deal.

That investigation has resulted in one criminal charge of false pretense, announced on Aug. 2 against the buyer of the property. He's due back in court in November for a preliminary hearing. According to the Attorney General's office, the investigation is ongoing.

All the while, bills to require more transparency with film office dealings had been languishing in the Michigan House Tax Policy Committee. The Mackinac Center's investigative work, combined with the diligence of other reporters, drove many news outlets around the state to put pressure on



Before retiring, Michigan Film Office Director Janet Lockwood acknowledged Hangar42 was a disappointment.

legislators to once again take up and pass these measures. Several newspapers, including The Detroit News, cited the Mackinac Center's investigation as reason for more film office transparency.

Also amidst all of this, Michigan Film Office Director Janet Lockwood announced her retirement after 18 years at the helm. She claimed her retirement had been in the works since January 2010, long before the Hangar42 scandal erupted.

Before her departure, however, the Center obtained an e-mail exchange between Lockwood and others in the MEDC regarding Hangar42. Lockwood told the recipients that she felt "completely responsible" for having encouraged the governor to include Hangar42 in her State of the State address, and offered to deflect the blame from the "front office." But the final words of Lockwood's e-mail were perhaps the most telling: "So disappointing, it looked so promising. But it's not. This time I am agreeing with the Mac Center." I

Scan to view video



Budgets, Bargaining and Biofuels

What began as analysis of savings figures in a Michigan State University study on school consolidation quickly turned into a national media story about plagiarism and flawed methodology. A **Kalamazoo Gazette** story on Aug. 15 outlined the study, authored by Sharif Shakrani, senior scholar at MSU's Education Policy Center. The Gazette also mentioned Mackinac Center analysis that found that school district consolidation savings would be minimal and that privatizing noninstructional services is one of the best ways to save schools money. Education Policy Director **Michael Van Beek**, in examining Shakrani's work, found large sections of apparently plagiarized material as well as questionable findings. **The Grand Rapids Press** and **AnnArbor.com** on Aug. 19 reported on the plagiarism concerns, followed a day later by **The Detroit News**, **Detroit Free Press**, **USA Today**, **Lansing State Journal**, **Traverse**

City Record-Eagle and **WLNS-TV6** in Lansing. **The State News**, MSU's campus newspaper, reported Sept. 1 that an internal MSU review is ongoing.

Van Beek's series exploring school funding myths was cited by **The Grand Rapids Press** on July 20, while his analysis of the East Lansing teachers contract was mentioned in the **Lansing State Journal** the same day. Paul W. Smith, a talk show host on **WJR AM760**, mentioned the myths series in a **Detroit News** column July 30, and Van Beek's Op-Ed on the same topic appeared in the Aug. 7 **Oakland Press**. An Aug. 10 **Detroit Free Press** column cited the Center's school insurance database in calling for teachers to pay their fair share of their own health insurance costs. **Michigan Public Radio** on Aug. 12 invited Van Beek to explain why Michigan public schools do not lack funding.

A **Michigan Capitol Confidential** story about the city of Ann Arbor's decision to spend \$850,000 on public art while at the same time announcing budget cuts that included layoffs for firefighters reached millions of readers when it was posted at the **Drudge Report** July 22. (See related story, Page 4.)

LaFaive also wrote an Aug. 19 Op-Ed for the **Detroit Free Press** about the failures of the Michigan film subsidy program. **The Grand Rapids Press** on Aug. 2 and **WZZM TV13** in Grand Rapids on Aug. 4 detailed charges being filed in the Hangar42 movie studio deal, a story LaFaive and Communications Specialist Kathy Hoekstra broke in May after a months-long investigation. **The Detroit News** July 8 cited **James Hohman**, fiscal policy analyst, who found that two years and millions of dollars in subsidies later, there were 10 percent fewer film-related jobs in Michigan than when the program started. **I**

Debate Workshop 'Grand' Prize Winners

Grand Rapids has long been known as the "furniture capital" of the nation, but it's also the capital of Michigan when it comes to students winning the Mackinac Center's High School Debate Workshop essay contest.

In the past five years, nine students in the Grand Rapids area have won \$1,000 college scholarships from the Mackinac Center, including the only double-winner. Each fall, the Center conducts high school debate workshops around the state to help debaters prepare for their upcoming season. Students who write an opinion-style essay about the topic — picked annually by the National Forensics League and argued nationwide — can win one of four scholarships worth \$1,000 toward college.

Following the 2005 workshops, Catherine Leiber and Ryan Orzechowski of Grand Rapids Catholic Central and Daniel Overbeek of Grand Rapids Northview won, writing on the topic of privacy and security. Jessica Wilson of Grand Rapids Forest Hills Central won two years in a row, 2007 and 2008, writing about national service and public health assistance for sub-Saharan Africa. Ian Blodger of Lowell also won in 2008.

In 2009, sophomores Samuel Ryskamp and Paul Freswick of Grand Rapids Zion Christian both won on the topic of alternative energy, and earlier this year Erik Kraayeveld and Scott Holsema, then juniors at Zion Christian, won after writing about social services and poverty.



Four Grand Rapids Zion Christian Debate Workshop essay winners were acknowledged at the Oct. 6, 2010, Workshop at Grand Valley State University.

Holsema said this year's topic — America's military presence around the globe — "renewed my vigor and challenged me to consider U.S. foreign policy."

Lisa Russcher, debate coach at Zion Christian, said her students look forward to the workshop each year and find it a valuable experience.

Scholarship winners have gone on to attend King's College (New York), University of Michigan, Hillsdale College, Denison University (Ohio), Johns Hopkins University (Maryland), Baldwin-Wallace College (Ohio), Grand Valley State University, John Carroll University (Ohio) and Central Michigan University.

Wilson, now studying medicine at Denison University, said she recommends debate for all high school students, regardless of what career path they want to follow.

"It teaches you to think things out and organize your thoughts," she told Michigan Education Report in 2008. **I**

Passion and Mettle

Dulce Fuller says she learned the importance of liberty from her father, a general surgeon who left his native Cuba for the United States in the 1940s.

“I am completely a product of my upbringing. My father just loved this country and embraced it completely,” the Birmingham resident and business owner says. “I think I have his passion for freedom and limited government.”

Following the Cuban revolution, more of her extended family left behind friends and homes to come to this country, Fuller says.

“They each, in their own way, made their escape,” she says. “They came with literally the clothes on their back. They had to start over.”

Fuller tells that story by way of explaining what motivates her to work on behalf of freedom and limited government in Michigan, including supporting the Mackinac Center for Public Policy. A member of the Mackinac Center’s Detroit-area Board of Advisers since 2004 and a longtime generous donor, Fuller joined the Center’s Board of Directors in April.

On Oct. 14, 2010, Fuller and her husband, Ted, served as co-chairmen of “An Evening with the Mackinac Center for Public Policy,” a program featuring guest speaker L. Brooks Patterson, Oakland County executive. Over 200 people attended this first-time event at the Townsend Hotel in Birmingham.

Fuller also is chairman of the Southeast Michigan Committee for Heritage, part of The Heritage Foundation’s community-based network of business and civic leaders, as well as owner of the Birmingham boutique Woodward & Maple Inc.

The Mackinac Center program and similar gatherings are important ways for people who share the values of liberty, limited government and self-reliance to come together in Michigan, Fuller says.

“I say that we have to make some noise,” she says. “We are altogether too polite. It’s exciting to me to see these Tea Party activists. It’s marvelous that we’re finding our voice and our mettle.” **I**



Dulce Fuller

Be Freedom’s ‘Hometown Connection’!

Every day, we at the Mackinac Center hear from Michigan residents who care deeply about this state and are gravely concerned about its future.

In the last issue of IMPACT, I shared with you a few of the many encouraging comments we have received from Michigan residents who believe in free markets, personal liberty and limited government.

The Mackinac Center has excellent resources on these issues, but many people in Michigan who would enjoy our work are unfamiliar with us. To best help Michigan, the Mackinac Center needs to connect with these folks in their hometowns.

With this in mind, the Mackinac Center has been reaching out to Michigan communities.

Let me share a few examples. The Mackinac Center has met twice yearly with leaders in seven regions to share the latest impact of our work. The members of these Boards of Advisers are from Grand Rapids, Traverse City, Holland/Zeeland, Metro Detroit, Ann Arbor, Battle Creek/Kalamazoo and the mid-Michigan area. In response to these leaders’ suggestions earlier this year, we invited them to bring

their friends and colleagues to our October meetings. Through such gatherings, we will build strong ties with many more like-minded people.

To bring the Mackinac Center to Metro Detroit, we are holding An Evening with the Mackinac Center in Birmingham on Oct. 14 — less than a week away as of this writing. The event will feature Oakland County Executive L. Brooks Patterson, who will speak on “What Michigan’s Next Governor Can Learn From Oakland County.” It should be a dynamite topic from a dynamic chief executive, and we expect more than 230 people to attend!

The building excitement over this event is due to individuals like Dulce Fuller (see article above): freedom fighters who are passionate about introducing their friends and neighbors to the Mackinac Center.

But we need to reach out to many more folks in Michigan who believe in the same principles we do.

Would you help us connect with like-minded people in your hometown? If so, call me at (989) 631-0900, or e-mail me at white@mackinac.org. Let’s make freedom ring! **I**



Darryl M. White,
Vice President for
Advancement



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

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

WINDOW OF OPPORTUNITY from Page One

protagonist described, had reached the attention of one of the nation's top opinion leaders. Clearly, the publicity generated by the book would provide the Mackinac Center numerous opportunities to explain to a national audience the power of our ideas to advance sound public policy.

In anticipation of the countless thousands of people likely to search online for information on the book, Center staff created a dedicated Web page and secured related domain names, such as theovertonwindow.com. The page included a brief definition of the Overton Window, lengthier essays on the theory, a section addressing frequently asked questions, an interactive window and examples of Mackinac Center materials that advance ideas in the way the Overton Window describes. The Washington Post included a link to the site in its review of Beck's book.

Using search engine optimization techniques, we improved search rankings to ensure placement in the top five search results on Google and other engines. We updated and enhanced the Overton Window Wikipedia entry, created a facebook page and purchased Google and facebook ads to steer readers to Mackinac Center resources.



In a June 15 column posted on AOL News, Beck wrote, "The Overton Window is a political theory developed by the late Joseph Overton, a brilliant public policy strategist and ardent free-marketer."

While this preparation was taking place, Beck's team was working out the details to have Lehman appear as the Overton Window "resident expert" on both the nationally syndicated radio show, *The Glenn Beck Program*, and the Glenn Beck show on Fox News. The combined audience would be between 10 million and 12 million viewers and listeners.

In May, Beck's creative director sent Lehman an advance copy of *The Overton Window*. Based on pre-order sales, the book was already a best-seller, even though it would not be released until June 15.

On June 9, Lehman travelled to New York City to be an in-studio guest on Beck's radio program. During the live, 11-minute segment, Beck said, "It is amazing to me that people don't know what the Overton Window is, because we use it instinctively."

The interview was carried live on 400 radio stations nationwide, including 15 in Michigan. The interview could also be viewed online at GlennBeck.com. Subscribers to Beck's "Insiders Extreme" were e-mailed a more robust video version of the radio interview and a separately produced video that included segments where Lehman explained the Overton Window and discussed it in the context of school choice. Subscribers were also e-mailed a transcript of the radio interview.

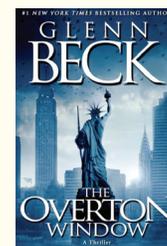
Later that day, Lehman recorded a segment for Fox News that aired on June 16. Keeping with the program's style, Lehman explained the theory using a pointer and animated graphics that showed the spectrum of possible education and welfare policies. During the six-minute segment, Lehman and Beck exchanged ideas about how the Overton Window concept applied to political debates old and new. On June 17, GlennBeck.com featured additional footage of Lehman discussing the history of the Overton Window.

In the final segment, posted on the Fox News website, Beck and Lehman discussed "Overton's Revenge," the concept that politicians will pay a price if they stray outside the window. Lehman returned to the digital screen to explain how facts and logic, appeals to morality, emotional appeals and other factors contribute to the shifting of the window.

The response to this publicity bonanza was phenomenal. TheOvertonWindow.com drew nearly 30,000 unique visitors and led to more

than 1,500 new Mackinac Center subscribers, from throughout Michigan and from New Hampshire to Hawaii. Contributors old and new sent checks to help the Center capitalize on the unprecedented publicity.

Lehman did follow-up interviews around the state and around the country. Columns highlighting the role of the Mackinac Center appeared in publications as diverse as *National Review Online* and the *Detroit Free Press*.

**Beck Writes**

A concept developed by the Mackinac Center's Joe Overton inspired Glenn Beck's best-selling novel.

The marketing effort proved a prime example of cooperation within the free-market movement. The Mackinac Center partnered with the State Policy Network, the Institute for Justice, the Franklin Center, the Heritage Foundation, the Evergreen Freedom Foundation, the Pacific Research Institute and others to maximize the impact and reach the most people with our message. At least a dozen sister organizations prominently posted a link to theovertonwindow.com on their home pages, raising its visibility, directing traffic and improving the search rankings. Several e-mailed members about the page and Lehman's appearances. In the same vein, the Overton Window page and follow-up e-mails included a link to the State Policy Network's directory of state-based think tanks to introduce out-of-state visitors to the free-market think tanks in their states.

What began as a simple think tank theory of explaining how ideas affect culture ended up becoming a media phenomenon itself. As Lehman told Beck's radio audience, "There's nothing that Joe Overton would have liked more than to know that one of his concepts was making it smack dab in the middle of popular culture." **I**

What Did You Do For Liberty Today? By Lawrence W. Reed

When a woman asked Ben Franklin as he was departing the Constitutional Convention in 1787, “Well, Doctor, what have we got — a Republic or a Monarchy?” the old sage replied, “A Republic, if you can keep it.” Franklin knew that even the best words on paper can never resolve the age-old struggle between liberty and power. People must understand liberty’s fundamentals, practice and preach them, pass them on to the next generation, and even sacrifice their lives for them on occasion. Use this checklist to help make sure you’re doing your part for freedom (*put a check mark next to any that apply*).

- _____ I raised it in a conversation and hopefully turned on a light in at least one person’s mind.
- _____ I defended it when it was challenged by error.
- _____ I improved my own knowledge of the literature of liberty so as to become a better advocate.
- _____ I wrote a letter-to-the-editor in defense of liberty, limited government or personal responsibility.
- _____ I recommended a good article, book or film that advances values consistent with a free and civil society.
- _____ I sent a personal check to an organization I know to be working for the advancement of liberty ideas.
- _____ I resisted temptation to subvert liberty by accepting something from government that didn’t belong to me and that required the government to take from someone else.
- _____ I took action to clean up my own act so that I can be a solid exemplar of the virtues necessary for a free society to flourish.
- _____ I checked out at least one textbook my son or daughter was assigned in school, explained to my children any fallacies I found and complained to the school about any that were especially egregious.
- _____ I told at least one of my representatives that if he or she ever voted for more government again, I would pull out all the stops to see him or her defeated in the next election.
- _____ I told my college alma mater that if they didn’t start hiring faculty who know how to present and defend the case for free enterprise and create some intellectual balance on campus, they’ll never, ever, get another dime from me.
- _____ I did nothing at all for liberty, except enjoy the fruits of it while leaving the battle for its restoration and preservation to others. I was essentially a liberty freeloader today.

Lawrence W. Reed is president emeritus of the Mackinac Center for Public Policy and president of the Foundation for Economic Education (www.fee.org) based in Irvington, N.Y., and Atlanta, Ga.



What We Do For Liberty: Pass it on to the Next Generation

2010 Interns from left to right: Jonathan VanDerhoof, Wesley Reynolds, David Dietsche, Clint Townsend, Michael Mayday, Alana Lazowski, Shelli Cammenga, Dustin Anderson, Eric Imhoff

VIEWPOINTS



'The Overton Window': Made in Michigan

July 2010 V2010-19
The title of a new best-selling novel, "The Overton Window," draws on a concept created by the late Joseph Overton, formerly senior vice president of the Mackinac Center.

<http://www.mackinac.org/13075>

Are Public Schools Underfunded? No

July 2010 V2010-20
Figures disprove claims that Michigan public schools are "underfunded."

<http://www.mackinac.org/13076>

Tax Hikes Kill Jobs and Tax Cuts Create Them

July 2010 V2010-21
New economic projections suggest Gov. Jennifer Granholm's proposed tax increases will destroy thousands of jobs and billions of dollars in wages.

<http://www.mackinac.org/13077>

MEA Lawsuit on Retiree Benefits Misguided

August 2010 V2010-2
A Michigan Education Association lawsuit arguing that public school retirees' health benefits are a right protected by the Michigan Constitution flies in the face of a century of court decisions.

<http://www.mackinac.org/13341>

Oakland County Gives Local Governments Something to Shoot For

August 2010 V2010-23
Michigan's Public Employment Relations Act constrains municipal government and costs taxpayers money, but Oakland County has shown that there are effective ways to work around it.

<http://www.mackinac.org/13343>

The Unequal Funding Myth

August 2010 V2010-24
One of the common myths in public education is that funding between districts is not equitable. Proposal A was meant to greatly reduce funding disparities and has succeeded; spending differences between districts is smaller than ever before.

<http://www.mackinac.org/13344>

Average Teacher Salaries Relative to State Per Capita Personal Income



The School Employee Concession Myth

September 2010 V2010-25

School employees on the whole have not saved taxpayers money through contract concessions and have remained relatively shielded from Michigan's economic downturn. Michigan's teachers are the nation's highest-paid when compared to state wealth.

<http://www.mackinac.org/13567>

The Sales Tax and Lottery Myth

September 2010 V2010-26
Over the last 15 years, the portion of total school revenues from the 6 percent state sales tax and the state-run lottery has steadily decreased. In 1995, they contributed 32 percent and 5 percent, respectively. In 2010, they're expected to make up just 21 percent and 3.5 percent of all school funds.

<http://www.mackinac.org/13568>

The Unstable Funding Myth

September 2010 V2010-27
For the past century, funding for public schools has moved in one steady direction — up. Despite some policies that make school budgeting more difficult than it needs to be in Michigan, school funding has proven to be remarkably stable.

<http://www.mackinac.org/13569>

Common School Funding Myths

September 2010 V2010-28
Public school funding in Michigan is complex, often generating myths about how the various pieces fit together. An ongoing series by Mackinac Center Education Policy Director Michael Van Beek examines these myths and separates fact from fiction.

<http://www.mackinac.org/13570>

JOURNALS

Michigan Capitol Confidential

MCC2010-02
Key stories: Public employee pay, stimulus spending, wind energy, Michigan film subsidies.

www.michigancapitolconfidential.com/13141



STUDIES

Environmental Regulation in Michigan: A Blueprint for Reform

S2010-04
Russ Harding, senior environmental analyst and director of the Property Rights Network, lays out the problems Michigan faces in attracting and retaining jobs due to faulty environmental permitting and regulatory abuses and how to correct those problems.

www.mackinac.org/13789

VIDEO

Sculpturegate

Michael LaFaive, director of the Morey Fiscal Policy Initiative, on Fox News discussing the city of Ann Arbor's plans to spend \$850,000 on a sculpture to be placed across the street from a fire station — after the city announced budget cuts and firefighter layoffs.

www.mackinac.org/13236

The Foundation Allowance Myth

A look at how the foundation allowance works and the myths surrounding public school funding.



www.mackinac.org/13362

The Overton Window

Mackinac Center President Joseph G. Lehman discussing the Overton Window with talk show host Glenn Beck on his radio and television programs.

www.mackinac.org/12996

Scan to view video



www.mackinac.org/12951
www.mackinac.org/13214

The Granholm-AFSCME Partnership

Evidence — including footage of Gov. Jennifer Granholm at a 2008

AFSCME rally — shows the executive office was in fact deeply involved in the forced unionization of home-based day care providers.

www.mackinac.org/13310

New Education Transparency Law Follows Mackinac Model

One of the chronic frustrations of Michigan taxpayers has been understanding how money is spent in Michigan public schools. The Headlee Amendment and Proposal A are two landmark pieces of Michigan constitutional reform that were inspired in part by public concern that escalating property taxes never seemed enough for the public education establishment.

In response to this concern, Mackinac Center analysts have led the charge in encouraging school districts to make their spending information available online, as well as posted information gathered through research and Freedom of Information requests. The state appears to be following our example, with recent legislation requiring school districts to put key information online.

The new requirement includes

union contracts, annual budgets, breakdown of expenditures, health insurance information, association and lobbying fees and a list of compensation packages of their superintendent and employees making more than \$100,000.

Unfortunately, only about half of Michigan school districts have complied with the state's requirements so far. Nevertheless, the impact is already being felt. For example, WJRT TV-12 in Flint used this newly available information to report on the Harbor Beach school district's superintendent, whose total compensation package exceeded \$300,000. In a district of only 600 students, this alarmed many local residents, and the Harbor Beach board of education is now trying to explain its use of taxpayer dollars in this manner.

This new transparency requirement comes on the heels of

a year-long push by the Mackinac Center to encourage school districts to post their checkbook registers online. Nearly every newspaper around the state weighed in on this issue and commended the Mackinac Center's effort. So far, about 85 school districts have voluntarily made their registers publicly available.

Some members of the state Legislature are doing their part and opening up their budgets to the public as well. Reps. Tom McMillin, Justin Amash, Kevin Elsenheimer and Marty Knollenberg have all published the names and salaries of their legislative staffs online. In fact, the Democrat-controlled House also publishes online the spending accounts of each of its members.

A more transparent government is a first step toward a more responsive and fiscally responsible government.

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You don't have to be a school professional to have access to some of the Center's most-used research areas.

Much of the day-to-day life of Michigan's public schools is shaped by districts' union contracts, spending choices and available revenues. Michigan School Databases, hosted by the Mackinac Center, provides a revealing look at Michigan's public school districts.

District Collective Bargaining Agreements

This database contains PDF copies of each Michigan district's collective bargaining agreements for teachers, bus drivers, aides, office staff and other employees. Union contracts spell out not just salaries and benefits, but also information about class size, employee evaluations, school calendars, and more. Also available: District-specific contract summaries and analysis.

District Health Insurance Information

This database contains information about 2008-2009 district-provided employee health insurance. Users can find the insurance providers, plan types and titles, number and type of employees enrolled, monthly premium costs and the amount employees contribute to the premium for nearly every district in the state.

District Revenue and Expenditure Report

These data are taken from the National Public Education Finance Survey and show major categories of revenue and expenditure for each public school district for fiscal 2004 through fiscal 2008. The figures appear as both dollar amounts per category and dollar amounts per pupil. Each district is compared to the state average.

District Checkbook Register Report

Part of the Mackinac Center's ongoing government transparency project "Show Michigan the Money," this database links users to the checkbook registers of the school districts that publish such data online. Users can track districts' expenditures check by check at these sites. More districts are expected to publish their registers online in the months to come.

District Categorical Grant Report

In addition to per-pupil revenues, Michigan school districts receive grant money for specific purposes independent of total student enrollment. The categorical grants database lists the amount each district received in fiscal 2007 in categories as diverse as "at-risk students," "math readiness" and "bilingual education." The database permits district-to-district comparisons.

Find it at mackinac.org/10361

It's easier than ever to stay connected with the Mackinac Center!

By using new social networking tools, not only are you able to tailor-design the information you want to receive, but you're also able to link up with other freedom lovers from Michigan and across the nation.

Use this reference guide to get started.



This Week at Mackinac email signup:
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