

# One-Shop Stopping

**Do Wal-Mart and Home Depot spell the end of "community"?**

**A report on the superstore wars.**

**By Nick Gillespie**

**"T**here's nothing wrong with NIMBY if it's going to *destroy* your backyard," intones Douglas I. Foy, the executive director of the Conservation Law Foundation, "New England's legal watchdog for the environment."

But Foy is not talking about your typical Not-In-My-Backyard target—a nuclear waste dump or a landfill or an incinerator. He's railing against a less obvious villain—superstore retailers such as Wal-Mart and Home Depot. These chains, says Foy, build gigantic stores on oversized lots and drive out all competitors so people *must* shop there. "Sprawl-busting," he declares, "is NIMBY at its best."

Foy is speaking at a conference called "Superstore Sprawl or Vital Communities: Citizens Can Choose," held last December



Vox populi or vocal minority? Anti-superstore activists claim that big discount chains such as Wal-Mart and Home Depot, far from providing cheap goods and services, hound local retailers out and promote a shallow "drive-by culture."

in Boston and co-sponsored by the Conservation Law Foundation, the National Trust for Historic Preservation, and the Preservation Trust of Vermont.

He is a study in restrained anger. He's mad about the rate of development in Sherborn, the Boston suburb he calls home. "You can't sit in your front yard" any more because of the traffic, he says. Sprawl brings an "ugliness that trashes our neighborhoods" and "threatens our children's safety."

He apologizes for driving to the conference rather than taking public transportation. "The single most damaging environmental problem we are party to is driving," asserts Foy. Because sprawl kills opportunities to shop on foot, we have, he laments, become a nation of "car potatoes."

For a second, I wonder if I have wandered into a meeting of National Buggywhip stockholders by mistake. But I'm definitely in the right place:

"Bargain shopping that costs the community its soul is no bargain," says Richard Moe, president of National Trust for Historic Preservation, a congressionally chartered nonprofit group whose mission is "to foster an appreciation...of American cultural heritage...and to preserve and revitalize the livability of our communities."

Our "sense of community is at risk in America today," warns Moe. Once superstores locate at the edge of town, he says, the downtown empties out and moves to strip malls. "I've yet to see a strip mall that has a sense of community," he says, coaxing a bitter laugh from the audience of about 130 people.

The "struggle" against sprawl "is about maintaining quality of life," Anne Leary, co-founder of Villagers for Responsible Planning and Save Historic East Aurora, tells the crowd. Leary has led the charge against Wal-Mart in East Aurora, New York, a small town about 20 miles southeast of Buffalo. "It's about the druggist who will bring your prescription at 11 p.m. when your kid is sick and will pick up milk and bread for you on the way home." Despite such service, says Leary, the small-town druggist can't compete with the big chains.

**F**oy, Moe, and Leary are prominent voices in a burgeoning anti-superstore movement. Opponents of mega-retailers charge that, far from providing cheap goods and services, discount chains such as Wal-Mart and "category killers" such as Home Depot actually destroy communities by hounding local merchants out of business, building stores far beyond "the human scale," and promoting a shallow "drive-by culture."

To combat "sprawl—the poorly planned, land-gobbling, automobile-oriented development that typically occurs on the outskirts of cities and town [and] contribute[s] to the physical and economic decline of many traditional and historic downtown business districts"—superstore opponents support stringent land-use measures and other legislation that would greatly restrict commercial development. Over the past few years, activists have opposed—sometimes successfully, sometimes not—plans for new Wal-Mart, Home Depot, and other "big-box" retail stores in states as far-flung as California, Colorado, Florida, Illinois, Iowa, Maryland, Nebraska, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, and Virginia.

The opposition to Wal-Mart and other "superstore Goliaths" has been fiercest in New England, the part of the country most prideful of its regional solidarity and its quaintness. In 1993, the Massachusetts towns of Greenfield and Westford kept Wal-Mart out after highly publicized and bitterly contested fights. Over a dozen similar fracasces have cropped up in Connecticut, Maine, and Rhode Island, as well.

Vermont remains the only state in the contiguous United States that is virgin territory for the Bentonville, Arkansas-based retailer (Kmart and several other superstore chains are present). Just when Wal-Mart was set to open up shop in the Green Mountain State—in a scaled-down store in St. Johnsbury—the deal fell through. More recently, Gov. Howard Dean laid down the law to visiting Wal-Mart executives, telling them they were welcome only if they played by the state's rigid zoning and planning rules.

Since they perceive themselves as locked in a life-or-death struggle, it's not surprising that the activists' rhetoric tends toward the extreme: One told me that "mega-stores gut the hell out of a town." And it is often explicitly anti-Wal-Mart; that's one of the costs of being the country's most successful retailer. Wal-Mart, with more than 2,000 stores in the United States alone, is "the exemplar of...corporate colonialism, which is to say, organizations from one place going into distant places and strip-mining them culturally and economically," one opponent told *The Wall Street Journal*. "We're not anti-Wal-Mart," another explained to the *Baltimore Sun*, "we are anti-pig." In 1993, the National Trust declared the entire state of Vermont to be "endangered" by "Sprawl-Mart."

There is a certain irony to the vilification of Wal-Mart as corporate colonizer: Until recently, the chain, started in 1962 by congenial, jes'-plain-folks entrepreneur Sam Walton, was lauded for bringing national brands at low prices to small-town America—in fact, Wal-Mart *symbolized* small-town America. And, despite its size, it still keeps its headquarters in Bentonville and still holds true to its middle-America image and marketing strategy.

Such attributes fail to blunt criticism, however. Syndicated columnist Ellen Goodman has turned the anti-superstore movement into a science fiction morality play. The activists, she has written, "are really fighting 'sprawl-marts,' huge traffic magnets at the intersection of highways, black holes that can suck businesses and everyday social life out of small communities....[T]he resistance...is sustained by people who do not want to become part of the drive-by culture, who do not want to pave paradise and put up a parking lot for a Wal-Mart." "Sprawl-marts," then, aren't merely different ways of doing business. They are instead part outer-space invader, part elemental force, countered only by what Goodman calls a "small and ardent resistance movement." It's *Star Wars*, with Sam Walton as Darth Vader.

**T**he underlying logic of the anti-superstore movement is aptly summarized by the Boston conference's title: Superstore Sprawl or Vital Communities. You can have one or the other, the "sprawlbusters" maintain, but never the twain shall meet. "Sprawl" is inherently bad, the activists say, because it is out of control and wasteful of "social resources"; it escapes contain-



Land-use laws provide superstore opponents with their strongest weapons. In a 1993 referendum, residents of Greenfield, Massachusetts, voted down a variance that would have let Wal-Mart set up shop on the outskirts of town.

ment and direction by definition. Superstores, and the sprawl that comes with them, are simply too big to digest—they overwhelm the competition and the landscape alike. They replace personal interactions among townspeople with cutthroat corporate economics.

“What we are really fighting,” Elizabeth Michaud, the founder of the Westford Stop Wal-Mart Committee, announces to the conference, “is the apathy and isolation in America.” Apathy and isolation, say the activists, are the terminus of auto-dependent superstore sprawl.

A “vital community,” in contrast, is planned and zoned, small and beautiful, personal and enduring. Freelance writer and superstore opponent Milly McLean, in describing Wickford, Rhode Island, fills in the details: “A family can live in a Victorian house...just off the main street. Their 8-year-old daughter can walk two blocks along a sidewalk to a decent public school....[T]he family can walk to a grocery store, a drugstore, a bookstore, several banks, a marina, restaurants, and a variety of specialty stores.”

Sometimes, the vision of a vital community takes the form of unabashed nostalgia: “I think we have to go back to the way towns were developed in the 17- and 1800s” one Wal-Mart protester told *The Washington Post*. More commonly, there is a sense of freezing the world in its tracks. “It’s not that I don’t want *any* development or growth,” one conference-goer told me. “It’s just that things are fine the way they are *now*.”

Given such sentiments, it isn’t surprising that the activists take

a dim view of the competition, change, flux, and novelty inherent in free-market enterprises. “How do you get under the boiler plate of ‘free enterprise’?” asks Ron Powers, the moderator of the Boston conference. Powers, who teaches writing at Middlebury College in Vermont, won a Pulitzer Prize for criticism in 1973 and an Emmy for news commentaries in 1985.

“Does free enterprise mean the right to *suppress* other merchants?” he asks rhetorically. “When a grocery store has to go into a Sam’s Club to buy its [stock], how can we call that free enterprise?” thunders Edward B. Shils, the George W. Taylor Emeritus Professor of Entrepreneurial Studies at the University of Pennsylvania’s Wharton School. “It may be legal, but it’s morally wrong,” says Shils, who describes himself as “an academician who has a love affair with small business.”

“You can argue that every business has a right to do business,” says economist Thomas Muller of Fairfax, Virginia’s META Consulting Group, “but not to come into your town and be disruptive!” That disruption will be more than strictly economic, warns Shils: “People will move into the community to take these jobs and then you’ll have costs for low-income housing. You’ll import problems.”

For the activists, there is no such thing as creative destruction—the never-finished process by which a market-based society renews itself. Forget about the good stuff markets deliver—lower prices, greater variety and quality, more options for worker and consumer alike. There is instead a focus only on what Powers refers to as “the darker side of efficiencies”: the bankruptcies, the dislocations, the difficulties in keeping up. When things change, they inevitably change for the worst. The activists remind me of *National Review*’s *cri de guerre*: “*National Review* stands athwart history, yelling stop.” Although many of the anti-superstore crowd doubtlessly would cringe at the comparison (the political bent tends to be left-liberal), they are in fact true conservatives. They are suspicious of the new ways, fond of the old.

The question facing the superstore opponents is how best to keep things as they are—or make them they way they “should” be? There’s no doubt that land-use laws provide anti-superstore activists with their strongest weapons for putting the kibosh on new and unwanted development. Consider the advice of Albert Norman. Two years ago, Norman helped organize the successful We’re Against the WAL committee in Greenfield, Massachusetts, which channeled its energies into zoning challenges. Since then, he’s become the Paul Revere of the anti-superstore movement, publishing a newsletter called *Sprawl-Busters Alert* and working as a paid consultant for groups around the country.

Writing in *The Nation* last year, Norman explained the power that zoning laws give to activists: “In our community, [Wal-Mart] tried to push its way onto industrially zoned land. It needed a variance not only to rezone land to commercial use but also to permit buildings larger than 40,000 square feet. This was the ‘hook’ we needed to trip the company up. Rezoning required a Town Council vote (which it won), but our town charter allowed voters to seek reconsideration of the vote, and ultimately, a referendum. All we needed was the opportunity to bring this to the general public—and we won.”

Speaking at the Boston conference, Norman notes that,

"Courts have thrown out plans for gas stations because of a surfeit of like enterprises." The same should hold true for superstores, he says. An audience member seconds the emotion: "We should be telling these superstores up front, 'You have to comply with our local, state, and federal laws and zones.'"

These are not the brightest days for central planning schemes, but the anti-superstore activists absolutely bear-hug notions of comprehensive land-use planning. You need to have "an underlying plan" for development, Carrie Johnson, a member of the Arlington County, Virginia, Planning Commission, tells the conference. "We're not just stopping the individual mislocated retailer, we're advancing a concept of planning reform," says Anthony C. Wood, director of the Ittleson Foundation. "You have to plan," concurs Dwight Merriam, a lawyer who has chaired the American Planning Association's Law Division. Merriam even jovially ends his conference presentation by showing a slide of a cartoon that invokes a faux-biblical commandment: "Thou shalt plan."

Interestingly, the embrace of zoning and comprehensive land-use planning is founded partly on a recognition of its past failings. "In the 1960s and '70s, planners copped out with large, uniform zones," says Jonathan F.P. Rose, a developer based in Katonah, New York, who works only in downtown areas. Rose's conference presentation details his firm's renovation of Denver's May Building, an aging hulk left over from the 19th century. They put a few big retailers, including clothing discounter TJ Maxx, on the first couple of floors, then threw in some office space, as well as low-income and market-level housing. Although some in the audience seem uncomfortable with the notion of providing aid and comfort to a national discount chain, Rose posits this as a win-win situation: Retailers get access to lots of foot traffic and preservationists maintain a historic building. What Rose laments is the lack of federal credit enhancement for mixed-use buildings. The answer to bad planning is more planning: *This time we will finally get it right!*

The faith in comprehensive planning works hand in fist with a concept of "community" (as opposed to individual) rights. There

is little talk of individuals in the anti-superstore movement, except as "victims" of the out-of-town chain retailers. Instead, there is an emphasis on community-level decision making. "*Communities* must decide for themselves," says the National Trust's Richard Moe. "They must decide." The will of the community, however, can't be expressed through choices such as shopping at Wal-Mart or a locally owned store. It can only be gleaned through more formal methods, such as town council votes, planning and zoning board meetings, and referenda.

In Greenfield, Massachusetts, dubbed the "birthplace" of the anti-superstore movement by *Governing* magazine, there seemed to be a bit of confusion about what form community decision making should take. In 1993, developers asked for zoning variances so Wal-Mart could build a 121,267-square-foot store on the edge of town. A non-binding referendum to allow the variances passed easily. Then a majority of the Town Council voted in favor of granting the variance (the land was originally zoned for industrial use). But the town's charter also allowed for a binding referendum on the matter, which Al Norman's anti-Wal-Mart group pushed for. Sixty percent of registered voters turned out for the referendum and the plan for the new store lost by 9 votes, 2,854 to 2,845 (Greenfield's total population is 17,000).

The result, says Norman, "was a repudiation of the assumption that of course people would want another discounter in town." People on the losing end are not as sanguine: "The vote has split the town," says Selectman Bernard McGarrah, who was in favor of the Wal-Mart. "A smoldering resentment lingers."

**S**uperstore *Sprawl or Vital Communities* is, without doubt, a brilliant way to frame the discussion. The phrase has a catchy cadence and populist ring. It rolls off the tongue and pops the question in a way that precludes too much reflection. *Your money or your life? Sprawl or community?* There is, the question implies, a single obvious answer.

And yet the dichotomy embedded in the phrase is fundamentally false. There is no simple either/or answer when you're talking about complex human interactions and competing definitions of community. Although superstore opponents talk as if the distinction between sprawl and vitality is obvious, that's far from the case.

For instance, the activists fail to address the most basic point of the issue: People *like* these new stores. Wal-Mart, et al., aren't forcing people at gunpoint to shop their aisles. "It's worth remembering that America doesn't hate Wal-Mart," insists Leonard Berry, director of the Center for Retail Studies at Texas A&M. "There is obviously more than a little resentment in some communities towards Wal-Mart. But America doesn't hate Wal-Mart; America *shops* at Wal-Mart."

To be sure, Berry is something of a company man. The Center for Retail Studies is, he volunteers, funded by large retailers. "Wal-Mart is one of the 40 corporate sponsors, as is Kmart, Home Depot, and most of the companies on your list," he says with a resigned chuckle. But his observation is demonstrably true. When he notes that "no other company comes close to the success [Wal-Mart] enjoys today," the point is inarguable.



For the activists, there is no sense of creative destruction—the never-ending process by which market-based societies renew themselves.

NEWSLETTER: ALBERT NORMAN  
BUTTON ART: JONNIE WALKER-ROHS

A more accurate—if equally contentious—way to frame the argument is to compare evolving, self-rejuvenating communities that adapt to the needs of their citizens and ones that embody what F. A. Hayek called the “fatal conceit”: the belief “that man is able to shape the world around him according to his wishes.”

In this sense, the anti-superstore activists are the enemies of vitality, not its champions. By seeking to preserve things as they are—or were—they squelch spontaneous developments that arise in response to the myriad, often inchoate needs and desires of individuals.

If the activists falsely oppose superstore sprawl to vital communities, they also misrepresent what happens to a town's economy when a mega-retailer opens its automatic sliding doors. The trends that have turned customers off to downtown shopping areas were in place long before chains such as Wal-Mart, Kmart, and Target (all of which opened in 1962) arrived on the scene.

“We started seeing the demise of downtowns in the 1920s and '30s, when cars started to become more popular. Basically, it began when people gained mobility,” says Kenneth Stone, an Iowa State University economics professor who has studied the impact of Wal-Mart on towns in the United States and Canada. “Especially after World War II, you started seeing people migrating out of cities and then shopping closer to where they lived. The advent of shopping malls in the '50s and '60s really took people out of the downtowns,” says Stone.

For the anti-superstore activists, wide-scale mobility was the beginning of the breakdown of “livable communities.” The automobile looms large in the activists' worldview as a symbol of American alienation. Cars, after all, allow people to scatter and form associations based on individual needs and desires, as opposed to living within a static, immobile community. And, as with the superstores they drive to, Americans like cars—and always have. In fact, by 1930, there was one car for every 1.3 households.

Does a Wal-Mart or another superstore inevitably spell doom for local merchants? Iowa State's Stone—who says he neither likes nor hates the chain—notes that overall sales in local areas will increase at least for the first couple of years. If you're selling something different from what Wal-Mart's offering, you'll probably be helped. If you're selling the same things, you'll probably lose sales if you don't reposition yourself, says Stone. “The truth is, a lot of local merchants have become better merchants because the level of competition has been raised.”

John L. Gann Jr., head of an Illinois-based consulting firm that assists older businesses, agrees with Stone. He says the anti-superstore activists are essentially local protectionists who would rather compete in a political forum than in a commercial one.

Gann, who has worked with downtown areas in seven states in the industrial midwest and northeast, says that Wal-Mart and similar big retailers might put inefficient shopkeepers out of business, but the real problem is that many traditional, independent merchants aren't providing the service, the hours, the parking, or the merchandise people want. “A lot of shoppers today prefer a large selection and chain stores with names and reputations they know,” says Gann.



Happy shoppers or unwitting dupes? The activists fail to address the most basic point of the issue: People like these superstores.

And, despite claims that mega-stores are unstoppable “retail juggernauts,” Gann notes, “When Wal-Mart or whoever opens a store, they make an investment in their store, their merchandise, their personnel, and what have you. They don't have one customer. Every customer they get, they have to win. And then they have to persuade people to keep coming back.”

Stone's and Gann's comments help explain what I encountered during my trip to Boston. After the Superstore Sprawl conference is over, I take the opportunity to check out some nearby towns that have had conflicts over mega-retailers moving in. It's Sunday, and I'm in Quincy, a suburb a few miles south of Boston, at the future home of a contested Wal-Mart. The site is just flat ground at this point, with nothing but a rusty front-end loader indicating future development. Across the road is a condominium complex.

“It's going up and I think it'll help out,” says a real estate agent. She's there to meet a prospective buyer at the condo development. “You know, the town was going downhill, practically deserted. But it's coming back the past few years. People squawk a lot, but things usually work out OK. My husband and I both think it's good when [superstores] come in. But then again, growth is good for me. And for my husband. He's a contractor, so he was really happy when Home Depot came to town in '92. The smaller stores charge an arm and a leg for a few hammers and nails.”

Across town, the Home Depot parking lot is about three-quarters full. The store is truly gigantic—it's like walking into an airplane hangar. It is packed with customers and salespeople, with the sights and sounds of heavy business: registers ringing, P.A. announcements, calls for price checks, the hum of customers' conversation.

Behind the service counter are two workers whom I'll call Judy and Janice. They are adamant about the benefits of Home Depot. “We both used to work at Grossman's [another big chain store] up the expressway,” says Judy. “But it charges too much for everything. It's going under.”

“When we heard they were opening up the Home Depot,” says

Janice, "we applied right away. This is a better store. It's cheaper and it's better. It's helped a lot of people." They won't discuss pay, but they assure me they are getting a better deal here than they were at their previous jobs.

In the parking lot, I almost bump into a man and his son loading floor tiles into a truck. "See these?" he says, pointing to the tiles. "These cost about half of what they are most other places. I wouldn't even be redoing the bathroom floor otherwise." The amount of extra activity generated by lower prices is worth reflecting on. Most of the anti-superstore activists are zero-summers of one stripe or another, claiming that there is a fixed amount of economic activity in a given area. But it's true that as costs fall, people buy more, remodel more, go out more.

But I am skeptical of my experience so far, if only because it all too perfectly confirms the pro-superstore theory. A real estate agent, superstore workers, and customers—this is a self-selecting sample. Of course these people would like superstores. So after Home Depot, I drive down the road a mile to Curry Hardware, a small store squeezed into a corner lot so cramped that it's tough getting in and out of the parking area. These people, I figure, should have a different take.

But the three salesmen I talk with inside are having none of it. "You know, when Home Depot opened up, we were really worried," says one. "They made us change our attitude. Now, we work to serve the customers better."

I mention a banner hanging at Home Depot, one boasting "Nobody Beats Our Service." "Yeah, right," the salesman laughs. "They can't compete with us on service." Besides training the

help to be more responsive to customer needs, he says, the owner opened up on Sundays for the first time and varied the store's product line to stay competitive. "We get some customers who see us on the way to Home Depot, and we get some who get tired of Home Depot." Overall, he says, sales are up, and his boss has even added employees.

After Quincy, I'm off to Avon, further south of Boston and home to an actual Wal-Mart. The lot is about half full, which strikes me as skimpy for the Christmas season. A huge U.S. flag blows in the wind and a banner stretched across the building spells out Wal-Mart's basic formula for success: "We Sell for Less, Satisfaction Guaranteed." The chain seems big on banners. Inside, there's one over the checkout lines proclaiming, "You Are the Boss!" Another proclaims that the store is hiring and paying "competitive" wages.

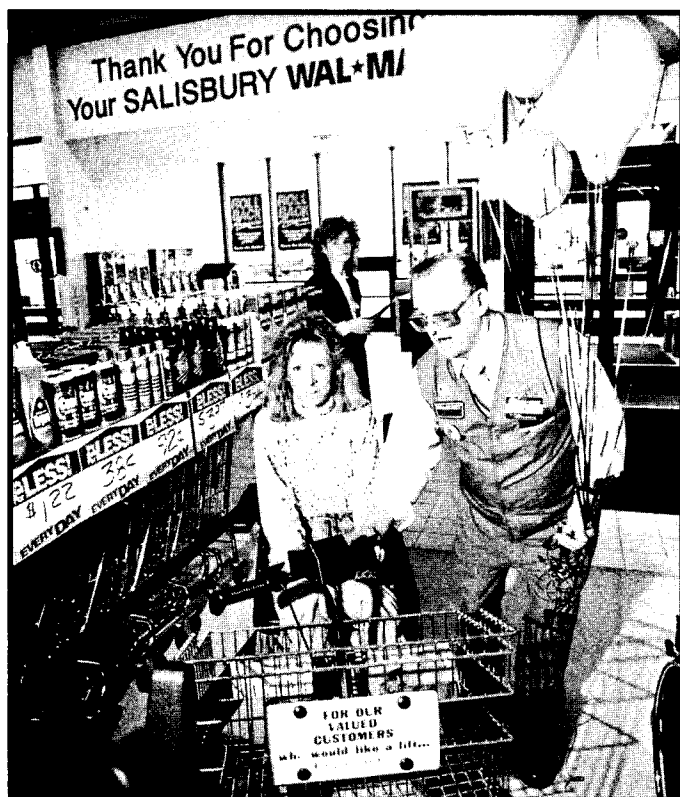
There is, it seems, everything here: clothing, books and magazines, toys, gifts galore, hardware, and automotive products. An item I'm interested in doesn't have a price tag on it, so I ask a saleswoman to help me out. "How do you like working here?" She tells me that it's just fine. She had been unemployed before, and the hourly wage of \$5.75 pays better than her last job did. She puts in about 20 hours a week on a flexible schedule, which works out since she has a child and does babysitting on the side as well.

In the checkout line, the woman in front of me asks me to move ahead of her. "I don't want my friend to see what I'm buying her," she explains. When I ask her if she likes Wal-Mart, she nods vigorously. She doesn't have a car, so she doesn't come here that often. "But when I do," she says, "I pick up everything I want for a long time. It certainly made Christmas shopping easier—and cheaper."

**W**ho should decide where that woman can and can't shop? The community, say the anti-superstore folks. But kicking decisions up to the community level always sends a shiver down my spine. After all, who gets to decide what exactly the "community" is, much less who should speak for it and where its best interests lie? Communitarianism always assumes that a group has a collective will somehow at odds with the choices made by individuals expressing themselves through voluntary activities, associations, and transactions.

In Greenfield, the townspeople employed that almost mythic mechanism of direct participation—the town vote. What could be more democratic, more attuned to vox populi? Do we want a Wal-Mart or not? Let's put it to a vote. While such direct democracy seems more American than apple pie, it actually contains the seeds of mob tyranny. If the people get to OK every new enterprise, could they legitimately vote an existing business out of town? Or an unpopular family? Once the democratic process is extended to private-sector issues, it becomes very difficult to define meaningful limits.

James Buchanan, the 1986 Nobel prize winner in economics, is critical of winner-take-all approaches that, by design, frustrate individual preferences. When Greenfield, for instance, held its referendum on Wal-Mart, only one outcome was certain: A segment of the town would not be able to satisfy its preference, ei-



"Every customer [Wal-Mart, et al.] get, they have to win," says business consultant John L. Gann Jr. "And they have to persuade people to keep coming back."

AP WIDE WORLD PHOTOS



ther for having the store or not.

In *Liberty, Market, and State*, Buchanan argues that, since individuals are the ultimate arbiters of "value," of what is important and meaningful to themselves, democracies work best when they allow as many people as possible the option of satisfying their preferences.

"A situation in which individual preferences are met...[is] superior to a situation in which preferences are overruled," writes Buchanan. "Consider [a] simple referendum example, one in which the preferences of a majority for alternative A are satisfied, while the preferences of a minority for alternative B are overruled. Clearly such a result is...inferior to one in which alternative A could be chosen for members of the majority and alternative B could be chosen for members of the minority." Consequently, Buchanan argues that to preserve not only liberty but equality, as many aspects of life as possible should be left outside a winner-take-all political process.

Anti-superstore activists would, no doubt, argue that megaretailers are simply incompatible with the "common good," that they would fray the economic fiber of the community to the breaking point. Those claims, however, rest upon fiction (the "common good") and misinformation (local retailers can't compete). Following Buchanan's line of thought, the optimal outcome would be to let the superstores in, and then individual townspeople could patronize whatever businesses they chose. "In a way," says John Gann, the Illinois-based business consultant, "the anti-Wal-Mart people don't have anything to worry about. If they don't go to Wal-Mart, it won't stay open very long."

**A**nother argument: Let us suppose that superstores make things easier and cheaper only because, as Claudia Wu, legal counsel for the National Trust, puts it, "The zoning we have nowadays makes it totally impossible to replicate the communities we want." If we had "better" zoning could we, as the activists claim, once again have the kind of compact, mixed-use communities that existed before the advent of "rational" planning?

The answer will not comfort sprawlbusters. While there's little doubt state and local planning and zoning laws hugely influence development, they are essentially negative devices that can prevent specific types of development, not engender them, says Bernard Siegan, professor at University of San Diego School of Law and author of the recently reissued 1972 classic *Land Use Without Zoning*. "It's possible to succeed with elaborate mixed-use schemes, but they're fraught with difficulties and they almost never hold up over the long term. If they work at all, the planners have been lucky, since it isn't the planners who decide what works. It's people out in the market."

The major difficulty for planners is, at rock bottom, one of information, says Siegan. What do—or will—people want at a given time, in a given place, for a given cost? This information is so widely dispersed throughout an economy that no individual or group can collate it all, especially under the constraints most planners face.

Planning, says Siegan, is inevitably a political process about making a town or city conform to somebody's particular idea of what it should be. But even when planners can push their plans

through, it is virtually impossible either to gather all the necessary information to create a successful plan or to make people follow it. Private developers do a better job, notes Siegan, because they can focus more specifically on market (as opposed to political) factors—and even they fail often enough.

Among planners, says Siegan, "There's a sense of 'Stop the world. This is the way things should be.'" That's understandable, he says, but that kind of thinking leads to a stagnant society. Think of plasterers, he analogizes. When drywall came in, it wiped them out. So what are you going to do—not use drywall, even though it makes things cheaper and lets more people buy and rent houses?

**T**he anti-superstore activists' zest for comprehensive land-use planning is ultimately an embrace of stasis, of maintaining things just-so. That sentiment, of course, isn't new to anti-superstore activists. Neither is the rhetoric used to express it. The contemporary anti-superstore movement is hugely reminiscent of an earlier tussle.

In the 1920s, chain stores were the pariah of the day, particularly the A&P grocery stores (at its height, A&P operated over 15,000 shops in the United States). Chains, because of larger economies of scale and increased efficiencies in distribution, tended to sell a wider variety of goods at cheaper prices, which cut into local merchants' profits. The chains were new, different, and very successful.

As chains began to dominate the commercial landscape, they, like the superstores of today, came under attack as destructive and evil. Louis D. Brandeis attacked them along "human scale" lines: "I have considered and do consider that the proposition that mere bigness cannot be an offense against society is false, because I believe that our society, which rests upon democracy, cannot endure under such conditions." A chain-baiting radio personality exhorted Americans, "Wake up! We can whip these chain stores.... We can drive them out in thirty days if you people will stay out of their stores." A 1922 book, *Meeting Chain Store Competition*, offered this analysis: "Every retailer who has to meet chain store competition...needs no one to tell him what a chain store is. To him, it is a cut rate competitor managed from the outside by a soul-less corporation."

Chain baiting, although ultimately unsuccessful, had consequences. As Harvard Business School professor Richard S. Tedlow notes in his 1990 book, *New and Improved: The Story of Mass Marketing in America* (from which the previous examples are drawn), "In 1933, some 225 anti-chain bills were introduced in 42 state legislatures; 13 were passed. Chain taxes had been passed in 27 states by 1939, although not all were still in force that year." It also prompted longer-lasting federal antitrust legislation aimed at reducing the chains' advantages; the laws had the effect of raising prices to the average consumer. (The American Booksellers Association is currently using one of those laws, the Robinson-Patman Act, to sue several publishers for allegedly granting bookstore chains "discriminatory" discounts.)

Those laws ultimately had less effect on the chains than the rough and tumble of the marketplace. The history of A&P, as dominant an economic force as has ever existed in the United

States, is instructive. Despite being the nation's second-largest non-industrial company in 1950, by the early '80s, "A&P occupied a position in the American business economy in no way comparable to its situation three decades earlier," writes Tedlow. Sears is another example of a leader who lost the way. Indeed, today Kmart is going through a prolonged financial crunch, and financial analysts are beginning to wonder if Wal-Mart's fortunes are reversing.

Or consider my wife's paternal great-grandfather. During the Depression in southeastern Ohio's sparsely populated Jackson County, he started selling vegetables from a pushcart. He beat out more established stands by selling cheaper and going to where people lived. After long hours, a lot of hard work, and a little bit of luck, he created a local supermarket chain and became the big kid on the block. No sooner had he reached the top of the heap, though, than Big Bear and Kroger blew into town. From the '40s through his death in the early '70s, he was locked in mortal combat with bigger competitors. The chains offered more goods at lower prices and, damnit to hell, they had what seemed like endless money for advertising and promotions.

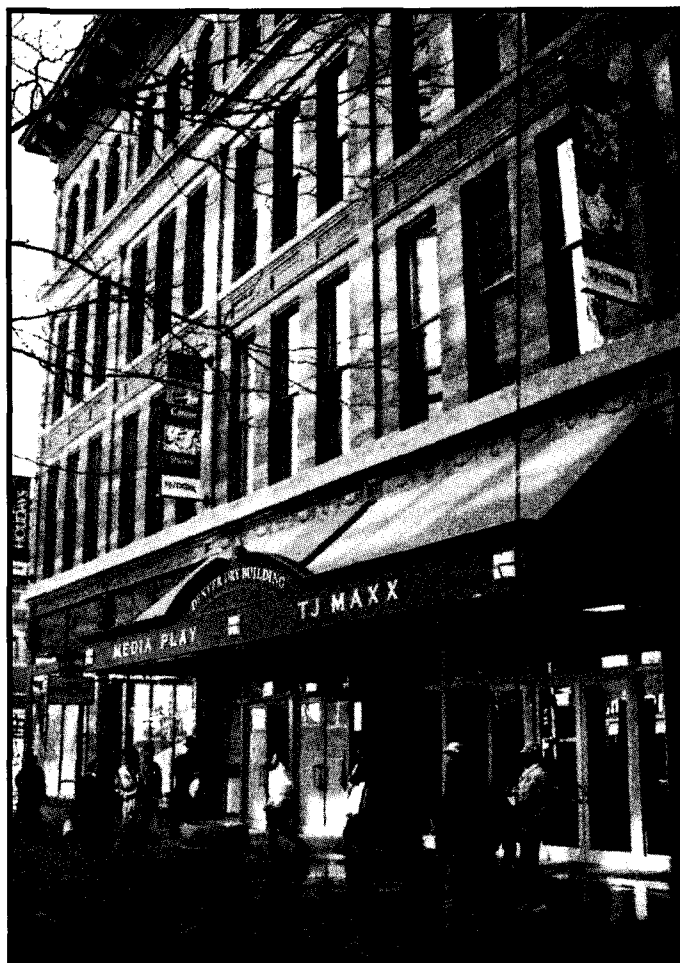
He was, I'm told, a Christian man, but his last words are rumored to have been, "Get that effin' Big Bear if it's the last thing you do." It didn't work out that way at all. His family eventually got out of the supermarket business and into other things. It wasn't easy, it wasn't simple, but it had a certain finality to it. Along with the rest of the county, his descendants buy their groceries from Big Bear and Kroger now. It's hard to say who's worse off that way.

A confession: I am a child of sprawl. I grew up in New Jersey, a state synonymous with sprawl. (Indeed, one wag wrote to the Burlington, Vermont's *Free Press*, that if Wal-Mart came in, the state's slogan might as well be "Just like New Jersey, only colder.") My hometown, Middletown, is about 50 miles south of Manhattan and a few miles inland from the ocean. *Middletown*—the blandness, the obviousness, the generic quality of the name evokes the image of a small, idyllic American town.

Despite the geographic suggestiveness of its name, however, the town is not in the middle of anything other than its own teeming sprawl. My town's character, you see, hasn't been harmed by sprawl—it *is* sprawl. Driving through it, a glib traveler might well see it as the epitome of the nameless, faceless, featureless suburbia you hear so much about in rants from city dwellers, rural folk, and, well, suburbanites.

There is a long history to Middletown—founded in 1664, the place is crisscrossed by Revolutionary War retreat routes and dotted by 19th-, 18th-, and even 17th-century buildings and graves—but you would have to know where to look to see that history's presence. In 1960, a few years before my family moved there, Middletown's population was about 40,000. Nowadays, it's almost double that. The town's two main arteries are clogged with strip malls, chain stores, and parking lots. It literally has no single center, no one "Main Street." My parents' house, bounded once by a dense, impenetrable woods, now abuts an old-folks' home and commands a view of an increasingly busy highway. Not exactly Mayberry, RFD.

But to write off such a place as dead or sterile is to validate



A win-win situation? Developers rehabbed Denver's historic May Building and designated space for offices, low-income and market-level housing, and chain stores, including clothing discounter TJ Maxx.

the phony logic of Superstore Sprawl or Vital Communities. My hometown is sprawling yes, but vital, too. My parents, along with many other residents, balked some at the idea of development, but they also appreciate and benefit from it. Within a two-mile drive, my parents can choose from a cornucopia of goods and services that weren't available even 20 years ago. Within a quarter of a mile, they can walk to stores that didn't exist 10 years ago. My parents, who in old age are no longer as mobile as they once were, have neighbors, friends, and merchants (some of the chain-store variety) who help them out. And they do the same in return. Surely, that is a "vital" community.

Change, flux, and contingency may be inevitable and salutary (especially when responding to unobstructed market forces), but like most forms of growth, they are rarely painless. It is surely asking too much that creative destruction seem creative to all the people it affects. But it is even more absurd to try to maintain the status quo (or an idealized version of the past) in the face of evolving desires, products, and technologies. In seeing sprawl as the enemy of vitality, the anti-superstore activists turn a blind eye to the very ways that people keep their communities alive.

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# Slash and Burn?

By Rick Henderson

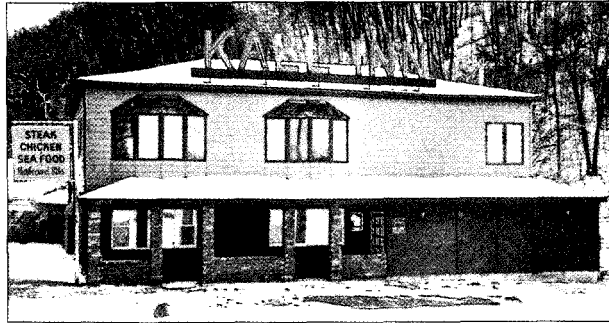
The regulatory revolt takes the Hill.

**T**HIS SUMMER, THE KALL Inn, owned by the Kahle family and situated near the town of Kieler in the southwestern corner of Wisconsin, hopes to celebrate its 50th year of operation. Since 1957, the 25-table restaurant has been located in a former fish market, a mile and a half from the main highway on the opposite side of the Mississippi River from Dubuque, Iowa. Bass fishing lures most visitors to the sparsely populated area, but Wayne and Mary Kahle, who have run the inn since 1965, offer another attraction—fine dining that draws customers from as far away as Chicago, some 175 miles east.

In March of last year a Department of Natural Resources inspector notified the Kahles that it was illegal to continue drawing water from the inn's well, which is located beneath the kitchen. The water wasn't contaminated. In fact, it is much purer than needed to pass safety standards. At the most recent inspection, nitrate levels were only 6 percent of the legal maximum. The well is protected by a cement sleeve and cap that have been in place since 1972.

But to comply with the federal Clean Water Act, the state DNR gave the Kahles three choices: 1) Construct some type of above-floor extension of the well cover that would be directly in the traffic pattern of the kitchen staff. 2) Spend at least \$10,000 to dig a new well away from the building. 3) Or close the restaurant.

The Kahles can't understand why they've been targeted for such scrutiny. "It's not fair," says Mary. "A health hazard is one thing," says Wayne. "But all [the DNR] says is that we're 'not com-



The Kall Inn: The family-owned restaurant may become a casualty of federal regulations.

plying.'" State Rep. Duane Johnsrud, recently appointed by Gov. Tommy Thompson to chair the DNR, is pushing state regulators to lay off. But the regulators are driven by federal requirements, and it isn't clear that the state can back off without federal permission.

The Kahles' story isn't unusual; it has become typical. And their story helps explain why Democratic congressional barons were unceremoniously tossed out of office last November. The Washington establishment routinely defends the type of nutty regulations that do nothing to protect public health or safety but can bankrupt entrepreneurs like Wayne and Mary Kahle.

As Rep. John Mica (R-Fla.) said at a February 22 Capitol Hill press conference, "You can't wake up each day, put your feet outside your bed, and complete your day without violating some type of rule—particularly if you're engaged in business or industry or any type of productive activity." Republican leaders in Congress, backed by conservative and moderate Democrats and some bomb-throwing backbenchers of both parties, are pushing a regulatory rollback that could dramatically shrink the power of bureaucrats and begin to relegate "Imperial Washington" to the history books.

Freshman Rep. David McIntosh (R-Ind.), chairman of the House subcommittee on regulatory affairs, sees the war

against regulation advancing simultaneously on three fronts: preventing scheduled regulations from taking effect; changing the regulatory process so that new government rules are less burdensome; and reviewing (and in some cases eliminating) existing red tape. Despite the fervent opposition of the White House, left-wing Democrats, and outside apologists for the regulatory state, the impulse to deregulate is gaining strength.

**E**VERY PRESIDENT SINCE GERALD FORD has asked Congress to subject regulations to cost-benefit analyses before putting them on the books and has set up internal review panels to cut red tape. The only notable deregulations occurred under Jimmy Carter (interstate trucking, airlines, railroads) and Ronald Reagan (oil, natural gas). In each case the White House had enough allies on Capitol Hill to override the typical legislative impulse to pass lots of laws and then let regulatory agencies take responsibility for enforcing them.

The Bush administration, however, dropped three of the biggest regulatory bombs ever: the 1990 Americans with Disabilities Act, the Clean Air Act amendments of 1990, and the 1991 civil rights act. Bill Clinton added the Family and Medical Leave Act in 1993. His administration promulgated 4,866 regulations last year; it took 64,914 pages of the *Federal Register* to explain them.

On February 24, the House of Representatives clearly indicated that times have changed. Over the promise of a presidential veto, the House passed a moratorium on existing regulations by a nearly veto-proof margin of 276 to 146. The moratorium, which would affect many of the 4,300 regulations scheduled to be implemented between November