

Cars, Jobs and the Pursuit of Happiness



GUEST SPOT

JOHN LESOW

In a recent presentation to Whatcom County Council, a spokesman for the Whatcom County Realtors argued against a Building Permit Allocation Program, citing the positive correlation between the surge of new home sales and the purchase of new cars from local car dealers. Any attempt to reign in the hot real estate market will reduce the purchase of new cars and harm the local economy. Or so the argument goes. The direct relationship between new home sales and new car sales is apparently well documented.

In a related development, a spokesman for the Bellingham Whatcom Economic Development Council expressed concern that "low unemployment in the county is discouraging companies' expansion plans." Too many high tech jobs chasing too few workers.

So in today's world, full employment isn't a goal—it's a problem.

This local rewrite of traditional economic theory is becoming widely accepted, and no one really seems to notice. We are too busy enjoying our illusory wealth, watching our home values appreciate as we drive around in our fancy

they contribute in tax revenue.

Home construction is also part of the service economy. You can't export it. However, the attractiveness of Whatcom County has paved the way for out-of-state construction firms like D.R. Horton to

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new cars.

Whatcom County is widely considered to be one of the best places in the entire nation to live and do business. But to some local business leaders, our current prosperity, far from being a societal good, is a cause for concern.

Environmentalists, as usual, are tagged as the culprits in the current blame game.

According to a spokesman for Windemere Real Estate, it is the no-growth folks who have "polarized" the community and that, "we need to let people know that economic growth is not a bad thing."

Real estate and financial services jobs do not create wealth for society in general. They take wealth that has already been created and spread it around. These are not "industries" in the true sense. However, they do provide the soft foundation for our newfound prosperity, where the raw material is a finite supply of cheap county land. Housing developments may provide a short-term boost to the economy, but in the end they always end up costing a community more than

underbid local builders on large scale developments. Boom times can cut both ways. If a building permit allocation program were passed, the D.R. Horton's would leave tomorrow and the local builders would stay.

Farming produces valuable products that create wealth for the county. We can all agree that the removal of large sections of agricultural land in the county for home construction would be much more disruptive, in the long term, to our economy. Not to mention our "wonderful quality of life" that is constantly trumpeted by the cheerleaders in the real estate business and their amen chorus in the local chambers of commerce.

Heavy industries like Georgia-Pacific and Intalco truly create wealth and a solid tax base for Whatcom County. These industries generate true wealth that allows governments to reduce deficits, pay for needed capital improvements and provide the building blocks for a stable, healthy community. But you won't find much civic support for the expansion of a pulp mill or a smelter these days.

According to the Whatcom Economic Development Council, we lack qualified, skilled workers to fill these family-wage industrial jobs. But we do have plenty of low-wage workers who are adept at punching graphic images on electronic cash registers. And a lot of financial services people to provide these folks with goofy, interest-only mortgages for their homes and No Money Down financing for those fancy new cars. These hucksters of happiness are having their day in the sun now, but their bright visions could become clouded in the event of an economic downturn. When this happens, their only legacy will be a surplus inventory of used stuff. Used houses, used cars and unhappy people with a lot of credit card debt.

If we are truly interested in building a healthy, sustainable community, we need more workers that know their way around a slide rule and businesses that convert raw material to value-added product. As well as renewed support for an agricultural economy that based on expanding, not reducing, our county land supply. *WI

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quick Question

What are you looking forward to doing when spring really arrives?



DAN DUNCAN
"Hiking/camping/flying a kite."



RICK AND ANN KAISER
"Yard work and beach walks."



MANDY GOODMAN
"Being able to do stuff outside, like hiking, golf and kayaking."



GREG JUHL
"Vacation at Ocean Shores."



SHORTY JOHNSON
"Put my toes in the sand."