

18 December 2008



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## **Six Items, and Two Entertainments in this Digest.**

**NOTE: The Digest is also attached as a PDF file.**

### **Items**

- Item 1: 50 year plans: Visions or Hallucinations?
- Item 2: The High Costs of Central Planning (Pt 2)
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- Item 4: Theory in Conflict with Observations – the Perils of Transit Oriented Development.
- Item 5: The Threat to Coastlines – lessons from the Netherlands
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### **Entertainments:**

- Entertainment 1: The Perfect Martini.
- Entertainment 2: Getting Rid of the 'Sustainababblers'.

**Funding** Even a dollar helps!

### **ITEMS**

#### **Item One: 50 Year Plans – Visions or Hallucinations?**

The front page of the Northern Advocate (December 16th) carries a story headlined "In the 1960s, we thought Whangarei might look this ..."

The illustration is fascinating but understandably "quaint" as one would expect. The "theme" heading is "the Era of Nuclear Power and Exploitation of the Ocean's Wealth" and the key to the sites dotted around Waipu, Marsden Point, and Whangarei itself, list activities such as:

- A Marine Biology University
- An Organic Ocean Extractor Plant
- A Nuclear Electric Power Plant
- A Chemical plant and Ocean Induction Unit

- A Nuclear Powered Oil Refinery
- A Harbour Tunnel
- An Electric Automobile Industry
- A Hovercraft manufacturing plant.
- The Otaika International Airport.
- A National Monorail System Station.
- A Heliport.
- An International University of Agricultural Technology and Production.
- And so on, and so forth.

It's hardly necessary to say that none of these things have come to pass and that the Fifty Year Vision of Fifty Years Ago was hopelessly wrong. And yet, without any reference to the irony, the headline under the illustration reads "But How are we Going to Look another 50 years from now?"

The story opens with some population projections for the year 2061, and explains "These are the estimates contained in a 50-year planning document titled "Sub-Regional Growth Strategy" put together by the Whangarei District Council. The public are about to be consulted on the key issues facing the district and how they will be tackled.

This make-work scheme, and the workers who have made it, do not seem to have learned the lesson from the last attempt to make fifty year forecasts. Presumably the 1960s attempt at fifty year planning was regarded as an entertaining diversion - possibly inspired by the *Jetsons* television series of the time. Sadly, this current exercise is to be taken seriously and by the time it is completed, with all the usual consultation and consultants' reports, will have cost the ratepayers scores, if not hundreds, of thousands of dollars.

The nightmare is compounded by the further explanation that "Submitters will be asked to choose between three approaches suggested by the council, named Future One, Future Two and Future Three. Naturally Climate Change, sea level rise and land use patterns will be embodied in the exercise.

The fundamental flaw is that the real-world 'future' does not offer only three choices. There are a multitude of futures and we have no idea what they are because we cannot predict future knowledge. For some reason the Council has decided to consider only three. What about the

other thousand or ten thousand or hundred thousand? Or infinity minus 3? Why have all these "futures" been discarded without giving the citizens of Whangarei an equal opportunity to waste their time making submissions on them?

The "Three Futures: simply reflect the planning fads of the present. Nuclear power was a potent fad in the sixties. At least nuclear power existed and still does. Rising sea levels however are a fiction now and will be as far as we can see ahead, and indeed may well fall as tectonic plates rise.

The Council claims that having a fifty year plan will help attract Government Funding.

Well here is one way Government can cut expenditure at both local and central level. Make it clear that fifty year plans and similar make work exercises will attract zero government funding and indeed may attract penalties for promoting such foolishness.

It should be easy to justify such a harsh approach. Rodney Hide can just hold up the illustration of the sixties "Vision" and ask the Council why past experience has taught them nothing.

My colleagues in the United States suggest that Councils should focus on how their cities work rather than on how they look.

## **Item Two: The High Costs of Central Planning. (Part 2)**

Your recent District or Regional plan will almost certainly include policies requiring new settlements to adjoin existing ones so as to reduce travel distances and make more efficient use of infrastructure. This is yet another destructive planning conceit, totally unsupported by the data. The land-use planning profession seldom allows research to modify its "received wisdom". Over the last five years I have regularly attended international conferences where experts systematically refute claims routinely made in planning documents round the world – such as:

- \* public transport is more efficient than private transport,
- \* inner city living has a smaller carbon footprint than suburban living, or
- \* inner city people have more social interaction than suburbanites.

However, papers refuting the "big picture" claims of urban spatial organization – such as "sustainable urban form" – are less evident. Happily, this gap has been largely filled by [Alain Bertaud](#), for many years Principal Urban Planner in the Urban Development Division of the

World Bank. Land-use planners assume that urban economies would function more efficiently if land were allocated by wise administrators (them) rather than by unruly speculators and greedy developers seeking windfall profits from their trading in the Earth Mother's land.

Bertaud has studied the spatial structure of many cities around the world, comparing the actual outcomes determined by administrative regulation of land, with allocation by free markets and by the more common mix of regulation and market forces. In "[The Costs of Utopia](#)" his particular target is "Utopian Ideology", a doctrine imposed by a central or local government that aims to create "a future state of optimum permanent equilibrium". Such Utopian plans are perfect and their integrity must be protected from ad hoc entrepreneurial activity.

([Read the whole Column, here.](#))

### **Item Three: The Risks of Deferring to Authority.**

Mr Madoff has cost his customers billions. Once again everyone is blaming the regulators and the regulations. However con men have always been with us and always will be. True to form, The 70-year-old Mr. Madoff, who master-minded the NZ\$91 billion dollar fraud, wasn't some dot-com upstart but a pillar of the community and philanthropist. The best con men are usually "above suspicion". The regulators and regulations are powerless because no one questions their credentials and honesty.

Human nature doesn't change, and crooks will always be with us. The Madoff ponzi scheme reminds us all to be doubly skeptical of "the person beyond suspicion."

The same principle applies to our institutions. The Madoff scam tended to overshadow a scam of equal proportions affecting probably many more people around the world.

Dozens of developing countries have been exaggerating figures on how many children have been vaccinated against deadly diseases which allowed them to get more money from UN sponsored programmes. [A study reported in Lancet](#) (funded by Bill and Melinda Gates) reveals that only half the children claimed to be vaccinated by these UN programmes actually were – 7 million rather than 14 million. The researchers found that while \$290 million dollars had been paid for these vaccination programmes only \$150 million had been received.

Philip Stevens of the International Policy Network asks "One has to wonder where the money has gone – hopefully not into Swiss Bank Accounts." The list of worst offenders includes

Armenia, Somalia, Zimbabwe and Myanmar, none of which had vaccinated any children at all. Twenty seven other countries appeared to have been recycling millions back to Switzerland or possibly to Mr Madoff in New York. Who knows? The experts said the study raised questions about the credibility of other health data and research from the United Nations. Climate skeptics will not be surprised to learn that some "experts" worry that the *Lancet* study, which was paid for by the Bill & Melinda Gates Foundation, overstated the problem and that immunisation programs would be unfairly overhauled. The United Nations is surely beyond suspicion.

Maybe not.

In the November issue of Prospect Magazine, Michael Soussan writes, opening his essay [Mission Implausible](#), "I joined the UN as a youthful idealist, but ended up testifying to Congress on the Iraq oil-for-food scandal. For all its good intentions, the UN is broken and unfixable." He goes on: I woke up in a cold sweat. I used to think that Hollywood exaggerated such post-nightmare scenes. That was before I started working for the largest, most incoherent and, ultimately, most corrupt humanitarian operation in UN history."

And explains:

*Despite the UN's involvement, several billion dollars disappeared as money from oil sales was fraudulently siphoned off. Oil was sold cheaply to foreign politicians, businessmen and other influential figures, which they then resold for an instant profit. Companies selling goods to Iraq under the programme were instructed by Baghdad to pad contracts and pay kickbacks to Saddam and his pals. We weren't even sure how much money had gone missing—estimates range from \$1.3bn to \$20bn. Overall, about 2,300 international companies had participated in the fraud, and hundreds of high-level politicians, diplomats and business tycoons from Australia to Moscow had profited from the scam. The Iraqi people had been cheated out of a large chunk of the money we had guaranteed would go towards their welfare. "Oops" was the operative word.*

Moussan goes on to document the incredible machinations of the scam and observes:

*Even the staunchest UN supporters felt overwhelmed and disoriented by the sheer scale of the scandal. Nobody could deny that we had ripped off Iraq's civilians at a time when they were at their weakest. Worse yet, we did so under the aegis of the very institution that was supposed to embody the "highest aspirations of mankind." After all of this, it came as no surprise to me when the reform proposals offered by Paul Volcker and his*

*investigators were subsequently defeated in the UN's own budget committee. I wondered: was the challenge really to reform the UN? Or might it be more productive to reform our expectations of it?*

During the course of the essay Moussan makes it clear that the UN is actually corrupt from top to bottom, and the corruption lies not just in the individuals but in the design of the Institution itself. He explains:

*The UN was never designed to be accountable in the first place. By definition, the security council, the body that is in effect the UN's own executive branch of government, is a self-nominated group of states that determines what the organisation does through its many agencies and programmes. If the UN violates its own rules (as had been the case with oil-for-food), the only punishment its members are likely to receive is from their collective selves. None of the fraud and theft that marked our seven years of operation could have occurred without the complicity, and in many cases, active participation of member states sitting on the security council.*

And yet even "hardened journalists" continue to speak of the UN with reverence, as if any statement has the force of holy writ simply for being generated by processes designed by this sanctified organisation.

Our own MfE says:

*"This inclusive review process sets the IPCC apart from most other organisations and individual opinion pieces and is the most reliable way of achieving a balanced assessment of the scientific knowledge in such a complex subject area. Thus, it also provides the best source of information on global climate change. "*

In other words, in this area, the United Nations is an organisation above suspicion.

This essay has drawn a connection between the Madoff financial scandal and the United Nations actions in vaccination programmes and climate change. However, the deference to the authority of the IPCC which characterises so much debate (or non-debate) about climate change policy is frequently followed by the rhetorical question "So you are telling us the majority of scientists, the IPCC and National Academies of Science are all wrong." But Dr Tim Ball has reminded us that "Now the massive failure of the financial markets and financial systems shows how a majority of people including world leaders, politicians, academics, business leaders and the media were fooled." Read [Dr Ball's excellent essay on "the ignorance of crowds"](#) here.

One might add the same crowds have been fooled about the claimed benefits of Smart Growth and the evils of Urban Sprawl. Indeed Smart Growth led to the Financial Crisis. The Centre is pleased to say we were skeptical about both frenzies and believe we are about to make it three in a row.

#### **Item Four: Theory in Conflict with Observation – the perils of transit oriented development.**

Joel Kotkin's page [New Geography](#) features a two part commentary which rather than challenge one of the premises of Smart Growth presents a classic conflict between conflicting goals. One of the fundamental premises of Smart Growth is that future populations should be concentrated around transport nodes, and along transport corridors. However, the advocates of Smart Growth also insist that by promoting more walking and cycling and more social interaction their high density cities will promote human health. Many research papers refute the claimed benefits of transit oriented development and many also challenge the claimed health and social benefits.

However, [Will The New Air Pollution Science Choke City Planners? \(Part One of a Two-part Series\)](#) and [City Planning and the Politics of Pollution \(Part Two\)](#) present conflict between the claimed benefits of transport oriented development and the health effects of pollution from cars buses and trains.

In part one, Greg Critser, the author, records that:

*The Commission had witnessed a lengthy presentation by a scientist who'd been studying how living within 500 yards of high traffic corridors—freeways and some particularly busy streets—substantially raises the risk for a number of chronic diseases. ... It struck me that it was impossible to read those studies and then continue approving housing that sits that close to freeways." The Commission then asked for the developer's point of view on the issue. "As I recall, the only real mitigation that they brought up was almost comic," Commissioner Woo says. "Their idea was, you know, we've got that covered: We're going to make sure that residents can't open the windows that face the freeway." The project was approved.*

Greg Critser then records recent research into the different toxic elements in vehicle exhausts. (We are talking about real pollution here, not carbon dioxide.) which shows that ultra-fine particles have a significant impact on a range of diseases such as asthma, heart disease, diabetes, high blood pressure and obesity and birth defects. The implication is that the

increase in these health effects are far more serious than the claimed (albeit) reduction in obesity and activity promoted by *Smart Growth*. We should all be aware of the heat-island effect. It turns out that high temperatures increase the adverse effects of these pollutants. And these particles are more rapidly dispersed in low density settlements and of course their concentrations diminish with distance from transport corridors.

These health researchers are suggesting that far from being ideal residential locations transport corridors should be "no build" zones.

Getting kids outside and exercising more is a huge priority but this becomes counterproductive if the kids are exposed to ultra-fine particles from vehicle exhausts. One suggested response to this conflict is to require that people can only live in transit oriented developments if they don't own a car because the car is the only target for reducing vehicle exhausts given that the motorways, busways and rail lines must be allowed to run.

Watch this space.

#### **Item Five: The Threat to Coastlines – A lesson from the Netherlands.**

Planning documents all around the country are full of references to the threat of rising sea levels and how future development must recognise this threat to our safety and our very lives.

Given our low population density, and the fact that the land tends to rise quite rapidly around most of the coastline we have had few natural disasters caused by massive inundations. Even the great Napier Earthquake led to a 2 metre fall in sea level rather than a rise.

Given that we have so little experience of such matters we should probably take some advice from the experts – those who have had to worry about future inundation for hundreds of years and who presumably are taking all the appropriate steps given the current crisis.

The obvious candidates are the people of the Netherlands. Fortunately, the Royal Netherlands Meteorological Institute (KNMI) has already done the job for us.

In a guest weblog on the "Climate Science" web page, Hendrik Tennekes reports that Wilco Hazeleger, a senior scientist in the global climate research group at KNMI, has officially reported:

*“In the past century the sea level has risen twenty centimeters. There is no evidence for accelerated sea-level rise. It is my opinion that there is no need for drastic measures. It is wise to adopt a flexible, step-by-step adaptation strategy. By all means, let us not respond precipitously.”*

This opinion is similar to the statement by Professor Marcel Stive, a civil engineering professor and member of the Delta Committee, a blue-ribbon panel about to publish a report on the Netherlands' coastal defenses, who said in an interview with an alumni magazine:

*“Fortunately, the time rate of climate change is slow compared to the life span of the defense structures along our coast. There is enough time for adaptation. We should monitor the situation carefully, but up to now climate change does not cause severe problems for our coastal defense system. IPCC has given lower estimates for the expected sea level rise in four successive reports.”*

To read the whole story, and in particular to read the rather tense debates and accusations that preceded this report by Hazeleger, go to

Roger Pielke's [web page, Climate Science, here. \(and read the weblogs of 28 October and 7 November.\)](#)

Hendrick Tennekes concludes:

*"As far as I am concerned, this settles the matter. KNMI has spoken. It has spoken clearly. There is no imminent danger of accelerated sea-level rise".*

If the people of the Netherlands have decided they can relax and enjoy life by the sea, surely we can too.

### **Item Six: A Note on Feeding Mushrooms – the Special Digest.**

Someone closely involved in the NZ Mushrooms case has taken me to task for "unbalanced" reporting on the case and for failing to spell out the details of the decision and fairly present the case for the objectors.

I replied as follows:

*I am not sure whether I have failed to communicate my intentions properly or whether your close involvement in the NZ mushroom case, or a combination of both, has led to a misunderstanding of my intentions.*

*My special Digest was triggered by a number of emails I received and the numerous reports in the daily media and the NBR all focusing on the lost jobs etc. (I am confident that my own Digest did not lead to the threatening phone calls.) Consequently I made every attempt not to relitigate the NZ mushroom case (which means not focusing on the details of the decision) but to use it only to illustrate the current failure of "the system".*

*I recorded the judge's comments on the severity of the smell and hence made no claim that the objectors had no case.*

*I recorded three recent cases in the same small district – two pig farms and one mushroom composting plant. There have been others, including a chicken farm. And of course I obliquely referred to the Western Springs Speedway. They are all unique and there are merits and demerits on both sides of the arguments. I deliberately tried to avoid allocating blame except in the case of the Johnsons where the plan prevented them recovering costs in the only way available to them. And there I blamed the plan not the parties.*

*I used the case about the closure of these productive rural industries to demonstrate that there are flaws in the current legal and social framework. No one really wins here. Had things been properly managed in the past these conflicts of use would not have arisen and these parties would not have had to go to court.*

*There is no "silver bullet" and hence my proposed solutions presented four points, – as well as the implied requirement to tidy up the compensation issues which surround all these cases.*

*Anyhow, it is clear from your response that it is possible to read my short backgrounder as passing judgment on the individual parties. That was not the intention, but I suppose it is difficult to express dissatisfaction with the status quo without appearing to pick favourites. I certainly believe we need to be more careful about protecting the rights of our productive enterprises to keep producing. And I suppose that bias shows through.*

*Anyhow, if you have taken this as a relitigation in favour of NZ Mushrooms then others will have done so too, and I shall write a "cover note" in this week's regular Digest more clearly explaining my position.*

### **Entertainment One: The Perfect Martini.**

This is a hardy annual, but still popular. [Just go here for the time-proven formula.](#)

### **Entertainment Two: Getting Rid of the 'Sustainabblers'.**

We have mentioned in an earlier Digest that a new Government would have to do more than change legislation to implement serious change because so many Boards of SOEs and other State Agencies are stacked with Directors and Executives committed to the tools of central

planning such as Sustainability, Smart Growth, and so on. While the previous Government seemed to have no qualms about handing out directorships just before the election, mass firings of incumbents are not a good look either. So what does one do with agencies such as the New Zealand Land Transport agency and some of the Generating Companies which need a good clean out of the stables?

**Here is a proposed "Plan of Action for a Genuinely Sustainable Economy."**

- Establish a few new agencies, such as the "Public Transport and Land Use Sustainability Agency", the "Sustainable Renewable and Carbon Neutral Energy Agency" and "The Super-Sustainable Auckland Urban Form Agency" or whatever.
- Advertise large numbers of positions with grand titles and super-green job descriptions.
- The "sustainababblers" will apply in droves. Appoint the best babblers.
- Review the organisation as part of a continuing review of superfluous government agencies.
- Then dissolve all the organisations a year later! (Ninety days might be pushing it.)

**Funding.**

Never has the Centre been asked by so many to do so much. And we try to oblige. However, everything costs money and Governments are remorseless in their demands for provisional taxes and GST. Many of our normal sponsors are seriously hurting from the downturn in property and development. We really don't want to fold our tent and creep away so your donations are essential to our ongoing efforts. The Centre donation form is attached.

Remember – even a dollar helps!

(Donation form attached to email.)