

## OP-ED: Oregon's initiative and referendum process: a growing crisis

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*Mike Salsgiver*

Oregon's system of "direct government" is failing us.

That is a strong statement, I know, but first a little American history.

The U.S. government was founded out of a distrust of concentrated power. Rising against a monarchy, the founders placed power into the hands of representatives elected by the citizens. This is called a "representative republic." Power in the government was then split further into three co-equal branches. This concept of a "separation of powers" was unique, and has generally served the nation quite well for over two centuries.

Despite today's rhetoric, the founders strongly believed that direct democracy was bad for the long-term survival of the country. Instead, the House of Representatives – elected every two years – was created to represent the raucous emotions of the public. The Senate was intended to be slow and deliberative. Overall, our lawmaking system was designed to be slow and inefficient to ensure that interests would be as balanced as possible, and to elevate reason over the passions of the moment.

But our 229-year-old system of government is under assault from an adversary perhaps more dangerous than any nation, army or terrorist organization we have faced in our history. That adversary is populism fueled by technology. Let's call it "techno-populism."

When a divided, slow and deliberative lawmaking process is coupled with a society that is moving at the speed of light and fueled by the latest technology, the intended slow and deliberative system of government begins to fail. Our passions are not allowed to cool. People want instant gratification.

Oregon – perhaps more than America itself – is populated by citizens who fiercely believe in their independence. When running businesses, that form of populism is a wonderful trait. When governing, it is proving to be a disaster. Fueled by direct communication from computer to tablet to smartphone, this “techno-populism” has effectively created a direct democracy that the founders feared. Bad policies can be written in moments, funded with a never-ending supply of political action money, and pushed out to fearful, angry voters.

In the early 1900s, populism took root in Oregon and became famous with the creation of the system of initiative and referendum. There has since been a steady rise in proposals that play to people’s passions. An example of this can be found in 1990’s Measure 5. Supporters believed it would mitigate soaring property taxes and equalize school funding statewide. Opponents warned of massive chaos created by deep budget cuts, especially to public schools.

On Nov. 6, 1990, Measure 5 passed by 50,000 votes out of the 1 million cast, lowering and limiting property taxes, and shifting school funding from local government to the state. Overnight, Oregon’s state government grew by nearly 60 percent. The legacy of Measure 5 has continued to influence the way Oregonians view the state’s tax system for the past 20 years. For those who experienced it firsthand, Measure 5 remains one of the most contentious moments in Oregon voting history.

Similarly, in 2010, Measures 66 and 67 became a “double-barreled victory” as the first voter-approved statewide income tax increase since the 1930s. Supporters, mostly teacher and public employee unions, spent at least \$6.9 million on the campaign. Opponents, led by a coalition of individuals and business organizations, spent at least \$4.6 million.

This year, Oregonians face an even larger tax vote. Supporters of Initiative Petition 28 have gathered enough signatures to get it on the ballot, according to the Secretary of State’s office. Come November, voters will have the opportunity to decide whether to approve this proposal for a huge new tax on the sales of products and services that Oregonians buy every day. The nonpartisan Legislative Revenue Office confirmed that most of this tax would be passed on to Oregon consumers through higher prices for nearly everything they buy – with no exemptions for food, medicine, clothing, insurance, electricity, gas and other essentials. The economic impact this would have on the state is dumbfounding.

At a time when state budgeting should be made simpler because of an additional \$1 billion in revenue, two other problems of our own making have become a threat to 40,000 jobs, an anchor on the state’s treasury, and a danger to our economy.

The PERS bubble and new costs imposed on the state by the Affordable Care Act have left Oregon lawmakers facing a deficit instead of a surplus. Instead of enjoying an Oregon economy going at “full throttle,” we are facing a daunting \$3 billion hole. And instead of fixing the root of

the problem, IP 28 simply proposes to dig further into taxpayers' and consumers' pockets to spend more.

Oregonians are frustrated. They want their government to run like a business. But what they are forgetting is that government is not supposed to work that way. Because of an initiative system run amok, Oregon will become a state increasingly unfriendly to business investment and job creation. In February, the Legislature voted to pass both a minimum wage increase and a clean-to-coal bill. Their passage was fueled by the threat that if they did not pass, the issues would be taken directly to the ballot.

The truth is, when government works well, it works the way citizens expect it to work. It protects the public interest, educates our children and partners effectively with the private sector to form policies that encourage a climate in which business can grow.

At a time when the world seems out of control, Oregonians and citizens across the country turn to their government for wisdom and stability. In doing that, these same citizens need to let government do their job and then hold them accountable at election time.

Instant gratification will not work here, and we should not encourage it. Lawmaking should be deliberate, thoughtful and fully considerate of the real effect proposed policies will have on the whole rather than the few.

As citizens, we need to slow down. Taking our time may seem like a luxury to fearful and angry voters, but for government, it is critical to our future.

*Mike Salsgiver is the executive director of Associated General Contractors' Oregon-Columbia chapter. Contact him at 503-685-8305 or [mikes@agc-oregon.org](mailto:mikes@agc-oregon.org).*