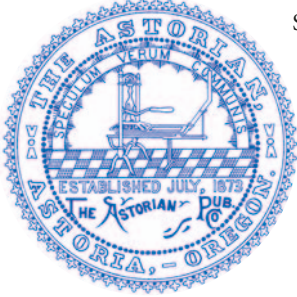


THE DAILY ASTORIAN

Founded in 1873



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# Building community through service

## George and Ford awards highlight the best among us

People say the old adage, “George will do it,” characterizes the difference between those who talk and those who act. And that’s why the George Award is the name of Astoria-Warrenton Area Chamber of Commerce’s top accolade. Last weekend, insurance executive David Reid was honored for his volunteer service for more than a decade to the Regatta, Rotary, Camp Kiwanilong, the Historical Society and the Astor Street Opry Company. He also has dedicated himself to the chamber itself, serving as president this past year and volunteering in other capacities. Warrenton’s Richard Ford Distinguished Service Award is presented to people who best exemplify the spirit of Ford, a former city fire chief and volunteer. This year’s recipients were Carl and Dianne Burkhart, whose work organizing a free community Thanksgiving dinner and their service to Warrenton sports, scholarships and parks was highlighted. Their continued dedication in overcoming personal obstacles this past year

— while keeping up the same pace of volunteering — was heartening. And lest anyone think we’re forgetting that “other” George winner, let’s conclude with another shout-out to Willis Van Dusen, recently retired longtime mayor of Astoria. Van Dusen has presided over the most exciting and most positive era in Astoria’s recent growth. He has repeatedly said it has been a “team effort,” but every successful team needs a visionary who can coordinate their efforts. Van Dusen has already earned the George Award in prior years, but it is fitting that he should win it again as he steps aside for a new era of leadership. We join the 600 chamber members in saluting this year’s George and Ford award winners. Their common belief in building community through service is an inspiration to all who call the North Coast their home.

# Tax tale of two states

## Oregon mostly gets it right

Although you’d never guess based on the complaining, Oregon lawmakers and voters have done quite a good job of designing a tax system that meets fundamental measures of fairness. On the flip side, Washington state does pretty much everything wrong, according to the Institute on Taxation and Economic Policy. There are other ways to assess tax systems, but among the most basic is whether burdens are based on the ability to pay. This means people who make the least money ought to be taxed less, so they can meet their own personal expenses. Rich people can afford to pay more taxes and still have plenty of money to live well. Based on these principles, the post-World War II generation built one of the greatest national success stories ever known. In Oregon, as in all other 50 states, incomes are less equal after state and local taxes than before. But only California and Delaware, plus the District of Columbia, are slightly more fair than Oregon. The tax institute figures Oregon has a tax inequality index of minus 1.3 percent — meaningless in itself, except when compared to other states such as Washington, which has an index rating nearly 10 times worse. Total tax collections are remarkably consistent across the board in Oregon, with the lowest-income one-fifth of wage-earners paying 8.1 percent of income on state and local taxes, the next one-fifth paying 7.3 percent, the middle one-fifth 7.6 percent, and the second-highest income one-

fifth paying 7.8 percent. Only the top 1 percent — residents who make more than \$371,000 a year — pay a significantly lower share of income on taxes, 6.5 percent. In Washington state, which according to this analysis has the nation’s least-fair taxation, the lowest-earning one-fifth pays a whopping 16.8 percent on state and local taxes — more than twice as much as their peers in Oregon. Middle-earners pay 10.1 percent, while the wealthiest 1 percent pay 2.4 percent. There are wealthier people in Washington than in Oregon, with an annual income of more than \$507,000 needed to be in Washington’s top 1 percent club. Washington’s horrendous tax system generates relatively little griping by citizens, while some Oregon counties routinely tie themselves up into knots, unable to agree to even fund adequate law enforcement and jails. This is a reminder of the importance of psychology in taxation — Washington depends on sales taxes that are paid a little bit at a time, while Oregon relies on highly visible income and property taxes. The takeaway from all this is that Oregon can stand to make incremental improvements — particularly to pay for maintaining infrastructure — but shouldn’t be tempted to make major changes. Washington, on the other hand, has a seriously troubled situation that is almost certain to get worse as the state wrestles with how to pay with court- and citizen-mandated hikes in K-12 education funding.

# OPINION

# The dark side of Gearhart

In his impassioned speech at a recent Gearhart City Council meeting, Councilor Dan Jesse got it right: The city of Gearhart is being torn apart by the acrimony between Mayor Dianne Widdop and those who are seeking her recall. For months now, or even years, depending on the issue before the council, the accusations, suspicions and shouting matches have made the monthly meetings nearly unbearable.


If the City Council hopes to encourage community involvement, this is, I guess, one way to do that. The small council chambers always overflows to standing room only. In order to comply with fire marshal regulations, the doors to the exit have to be unlocked, if not open, in case the crowd needs to leave in a hurry. Some might say those doors would also make for a quick getaway for anyone wishing to escape the tension contained in the room. There are few “neutral” parties: People are either applauding those who read lists of accusations about the mayor’s lack of respect for the constitutional right of free speech, her disdain for councilors and residents who don’t agree with her and her intention to follow her own agenda without consulting anyone. Then there are the mayor’s supporters who defend Widdop’s right to offer personal opinions, who remember what they call her “courage” on past issues and who congratulate her on her “forthrightness.” However, the supporters often find themselves being personally grilled by sharp-tongued opponents. In a quiet town where “livability” and residential character are emphasized, the turbulent City Council meetings have been the community’s dirty little secret. Only, with recall signs posted on fences and a camera and motion sensor trained on the signs to discourage anyone from removing them, that turbulence has literally spilled over into the streets. Add to that recall petitions mailed to Gearhart’s registered voters and a website that lists all of the mayor’s public discretions, and it is apparent that this quiet little town has a dark side.



NANCY MCCARTHY — EO Media Group  
After someone removed the recall signs posted on a fence next to the post office in downtown Gearhart, they were reposted, this time with a camera and motion sensor to monitor them. Recall leader Harold Gable has since removed the signs and monitoring devices. The signs were posted elsewhere in town.

IMPRESSIONS

BY NANCY MCCARTHY



*The spark of annoyance that started so long ago has erupted into a fire of animosity that is spreading to all parts of the community.*

Widdop, too, has fueled the flames of discontent. Her complaint to the Secretary of State’s office that the recall petition contained “inaccurate, misleading and untruthful statements” has done nothing to change attitudes. Widdop said this week that she has been told by state officials that her complaint cannot be validated. An official report from the Secretary of State’s Office will be released in a few days. But the acrimony isn’t contained to just the pro- and an-

ti-Widdop camps. It has leached out to other city issues and touched other residents. Whether the issue is about fences or RVs or short-term rentals, there’s a fair amount of anger. One resident, who owns an RV and is concerned about a proposed zoning ordinance that spells out how long he can park an RV at his residence, told Widdop at a City Council meeting that he was glad she was the target of a recall effort. “I hope it’s successful,” he said. Another resident, who recently expressed a worry that his short-term rental will be affected by a possible ordinance regulating rentals, brought a Christmas card he received to the last council meeting. On the front of the card was a peaceful photo of the beach. Inside the card was a harsh, anonymous “greeting” that criticized him for his “incessant bleating ramblings.” It was apparent that the man and his wife felt like they had been stalked. The spark of annoyance that started so long ago has erupted into a fire of animosity that is spreading to all parts of the community. Dan Jesse said that Gearhart has become a “laughingstock” of Clatsop County, but has it grown into more than that? Just who’s laughing anyway? Nancy McCarthy covers South County for The Daily Astorian and is the editor of the Seaside Signal and the Cannon Beach Gazette. Her column appears every two weeks.

# For the love of the element carbon

By PAUL KRUGMAN

New York Times News Service

It should come as no surprise that the very first move of the new Republican Senate is an attempt to push President Barack Obama into approving the Keystone XL pipeline, which would carry oil from Canadian tar sands. After all, debts must be paid, and the oil and gas industry — which gave 87 percent of its 2014 campaign contributions to the GOP — expects to be rewarded for its support. But why is this environmentally troubling project an urgent priority in a time of plunging world oil prices? Well, the party line, from people like Mitch McConnell, the new Senate majority leader, is that it’s all about jobs. And it’s true: Building Keystone XL could slightly increase U.S. employment. In fact, it might replace almost 5 percent of the jobs America has lost because of destructive cuts in federal spending, which were in turn the direct result of Republican blackmail over the debt ceiling. Oh, and don’t tell me that the cases are completely different. You can’t consistently claim that pipeline spending creates jobs while government spending doesn’t. Let’s back up for a minute and discuss economic principles. For more than seven years — ever since the Bush-era housing and debt bubbles burst — the U.S. economy has suffered from inadequate demand. Total spending just hasn’t been enough to fully employ the nation’s resources. In such an environment, anything that increases spending creates jobs. And if private spending is depressed, a temporary rise in public spending can

and should take its place. That’s why a great majority of economists believe that the Obama stimulus did, in fact, reduce the unemployment rate compared with what it would have been without that stimulus. From the beginning, however, Republican leaders have held the opposite view, insisting that we should slash public spending in the face of high unemployment. And they’ve gotten their way: The years after 2010, when Republicans took control of the House, were marked by an unprecedented decline in real government spending per capita, which leveled off only in 2014. The evidence overwhelmingly indicates that this kind of fiscal austerity in a depressed economy is destructive; if the economic news has been better lately, it’s probably in part because of the fact that federal, state and local governments have finally stopped cutting. And spending cuts have, in particular, cost a lot of jobs. When the Congressional Budget Office was asked how many jobs



Paul Krugman

would be lost because of the sequester — the big cuts in federal spending that Republicans extracted in 2011 by threatening to push America into default — its best estimate was 900,000. And that’s only part of the total loss. Needless to say, the guilty parties here will never admit that they were wrong. But if you look at their behavior closely, you see clear signs that they don’t really believe in their own doctrine. Consider, for example, the case of military spending. When it comes to possible cuts in defense contracts, politicians who loudly proclaim that every dollar the gov-

ernment spends comes at the expense of the private sector suddenly begin talking about all the jobs that will be destroyed. They even begin talking about the multiplier effect, as reduced spending by defense workers leads to job losses in other industries. This is the phenomenon former Rep. Barney Frank dubbed “weaponized Keynesianism.” And the argument being made for Keystone XL is very similar; call it “carbonized Keynesianism.” Yes, approving the pipeline would mobilize some money that would otherwise have sat idle, and in so doing create some jobs — 42,000 during the construction phase, according to the most widely cited estimate. (Once completed, the pipeline would employ only a few dozen workers.) But government spending on roads, bridges and schools would do the same thing. And the job gains from the pipeline would, as I said, be only a tiny fraction — less than 5 percent — of the job losses from sequestration, which in turn are only part of the damage done by spending cuts in general. If McConnell and company really believe that we need more spending to create jobs, why not support a push to upgrade America’s crumbling infrastructure? So what should be done about Keystone XL? If you believe that it would be environmentally damaging — which I do — then you should be against it, and you should ignore the claims about job creation. The numbers being thrown around are tiny compared with the country’s overall work force. And in any case, the jobs argument for the pipeline is basically a sick joke coming from people who have done all they can to destroy American jobs — and are now employing the very arguments they used to ridicule government job programs to justify a big giveaway to their friends in the fossil fuel industry.

*Why not support a push to upgrade America’s crumbling infrastructure?*