Solid Waste Incineration in the Chicago Metropolitan Area: The Battle over the Illinois Retail Rate Law

Mark Sendzik Wim Wiewel

College of Urban Planning and Public Affairs University of Illinois at Chicago

Solid Waste Incineration in the Chicago Metropolitan Area: The Battle over the Illinois Retail Rate Law

Mark Sendzik Wim Wiewel

College of Urban Planning and Public Affairs University of Illinois at Chicago

A Great Cities Institute Working Paper

July 1996



The Great Cities Institute

The Great Cities Institute is an interdisciplinary, applied urban research unit within the College of Urban Planning and Public Affairs at the University of Illinois at Chicago (UIC). Its mission is to create, disseminate, and apply interdisciplinary knowledge on urban areas. Faculty from UIC and elsewhere work collaboratively on urban issues through interdisciplinary research, outreach and education projects.

UIC'S METROPOLITAN COMMITMENT About the Authors

At the time this paper was published in 1996, Mark Sendzik was a Ph.D. candidate in the College of Urban Planning and Public Affairs at the University of Illinois at Chicago. Wim Wiewel was a Professor in the College of Urban Planning and Public Affairs. Presently, Dr. Wiewel is Dean of the College and a Professor in the Urban Planning and Policy program.

Additional Copies

Great Cities Institute (MC 107)
College of Urban Planning and Public Affairs
University of Illinois at Chicago
412 S. Peoria Street, Suite 400
Chicago IL 60607-7067

Phone: 312-996-8700 FAX: 312-996-8933

Great Cities Institute Publication Number: GCP-96-10

The views expressed in this report represent those of the author(s) and not necessarily those of the Great Cities Institute or the University of Illinois at Chicago.

Solid Waste Incineration in the Chicago Metropolitan Area: The Battle over the Illinois Retail Rate Law

Introduction

Theories of market and government failure emphasize that public policies may often have unintended consequences. As such, policies should be carefully designed to minimize potential shortcomings, which may hinder resolution of a perceived problem. This paper examines the underlying rationale and consequences of actions taken by local, state, and federal governments

of policy implementation to failed public policies (Weimer and Vining). Observers emphasize that public policies should be designed to enhance the performance of both government and the marketplace.

The conception of market and government failure provides a framework by which the underlying rationale and consequences of public policies may be examined. The following section examines the conditions preceding and the effects of policies designed to dispose of solid waste in the United States during the 1980s.

A Solid Waste Crisis in the United States

During the 1980s, approximately 227 million tons of garbage were thrown away annually in the United States (*Newsday*). Landfilling was by far the most widely used method of discarding solid waste during that period, while incineration and recycling were next in line (*Newsday*). However, an apparent growing shortage of dump capacity warned of an impending garbage crisis. Between 1984-1989, almost 3,000 landfills closed while 8,801 remained active (*Newsday*). Policy-makers were also afraid that the cost of energy would continue to rise while its availability would decline. Spatial constraints, environmental dangers associated with landfills, together with concerns over energy heightened the popularity of waste-to-energy plants, which generate electricity by burning garbage, among state and federal officials, the financial community, consultants, and the waste management industry. (Bailey, 8-11-93) Because of the dangers associated with landfilling, some environmentalists offered qualified acceptance of incinerators while adopting a wait-and-see attitude. The U.S. Congress passed the Public Utility Regulatory Policies Act (PURPA) which required utility companies to purchase electricity from waste-to-energy plants at the rate by which it generates its own power (Carmody 4-30-95).

Since the late 1970s, more than 100 localities throughout the country built waste-to-

were being built while 77 localities dropped plans for incinerators between 1991-1994 (Schneider).

Localities, which constructed waste-to-energy plants, found that the economics of waste disposal had turned against them. Many municipalities were locked into unfavorable contracts with incinerator operators, forcing them to pay higher disposal fees at a time when dumping in landfills was a far cheaper alternative. In 1993, the disposal costs per ton averaged twice as much at incinerators than landfills (Bailey, 1993).

Moreover, many municipalities and their consultants overestimated the amount of trash they would be generating, failing to foresee sharp reductions from recycling and the recession; a slower economy generates less waste. Incinerators need to operate at full capacity to make the most of electricity production, which also brings in revenue, and to service debt of as much as \$300 million per plant. Cities therefore have been forced to bid for trash on the open market, often at disposal fees far below what their own residents must pay. (Bailey 1993, p.A1)

Across the country, Jeff Bailey notes, municipalities that built waste-to-energy plants found themselves in the peculiar position of scrambling for waste to fulfill contractual agreements with incinerator operators. Bay County, FL purchased wood chips to provide enough materials to burn in its incinerator. Some localities charged lower disposal rates for trash from outside their jurisdiction while others monitored their borders to ensure that garbage did not leave the area (Bailey 1993).

Utility customers also find themselves subsidizing the waste-to-energy plants by paying higher rates for electricity. Federal law requires utility companies to purchase electricity from waste-to-energy plants at rates vastly higher than market prices whether the power is needed or not. Utility customers pay for the subsidy through higher bills (Bailey).

Environmental Concerns From Incineration

Environmental concerns, as well as changing economics, slowed the growth of incineration in the United States. Many plants were shut down for periods of time because they violated regulatory environmental standards. The antitoxic movement takes credit for bringing facility siting across the country to a crawl by fiercely opposing siting efforts.

Critics charge that incineration is dangerous and precludes consideration of other alternatives such as recycling and waste reduction. Health concerns over incineration center around the potential dangers posed by airborne emissions and ash residue. DePaul and Crowder discuss the harmful airborne emissions potentially associated with municipal waste incineration.

chloride, sulfur, and fluorine, which are usually found as plastics, textiles, rubber, yard wastes and paper. In a similar manner, heavy metals or other hazardous materials used in small quantities in the household can find their way into the effluent from a municipal incinerator. Much of the lead, nickel, zinc, mercury, and cadmium in batteries, for example, can vaporize in the combustion zone, later exiting the stack in the vapor state and/or condensed onto fine particles in the fly ash. (DePaul and Crowder, p.2-3)

Ascertaining the degree to which a negative public health externality is associated with a particular source is difficult, more so when a facility is located in a poor community. All other contributing factors, such as the impact of poverty, must be discounted before determining a causal relationship between the facility and the negative externality. Chicago's Northwest Incinerator indicates the difficulties found when trying to trace health threats back to the facility. Some communities located near the incinerator suffer severe health problems such as high incidence of cancer, infant mortality, and lead poisoning in children, but other nearby communities have lower rates (Henderson). Individual backyards in the adjacent community have spots, which register both high and low concentrations of lead. Presumably, airborne emissions from the incinerator would settle uniformly across the surface (Davis). Consequently, tracing a linear relationship between the incinerator and health problems in surrounding communities becomes problematic.

In addition to airborne emissions, incineration produces an ash residue, which must be discarded in landfills.

Roots of the Movement

Many observers believe that the civil rights and antitoxic groups in the 1960s and 1970s had a major influence in the contemporary grassroots environmental movement (Boerner & Lambert; Dowie; Gottlieb; Szasz). Robert Gottlieb, however, traces its roots to the social justice and urban environmental movements that advocated improved living conditions in American cities during the Progressive Era (1880s-1920s) (Gottlieb). Post-World War II urban and industrial growth strongly resembled the expansion occurring between the 1860s and World War I which ignited Progressive Era reformers. During the turn-of-the-century, industrial cities in the United States were extremely polluted by randomly disposed industrial and municipal waste. Immigrant neighborhoods particularly bore the burden because of their proximity to factories that routinely dumped liquid, solid, and hazardous waste in the most convenient hole or source of water without regard for environmental effects. Inadequate municipal sewer systems and solid waste collection, most prominently in industrial neighborhoods, compounded the unhealthy liv so

Mainstream environmentalism's focus on natural resources and national policy making stimulated an alternative grassroots movement that focused on the linkage between social justice and environmental concerns. The grassroots movement created a loosely-knit, decentralized, and sometimes uneasy alliance between local antitoxic groups and the traditional civil rights movement (Edwards). These groups are profiled below.

The Antitoxic Movement

Prior to the mid-1970s, there was little regulation governing toxic waste disposal. Unlike most regulatory frameworks, the significance of the toxic waste problem was not discovered until after regulatory legislation had passed. Consequently, the Resource Conservation and Recovery Act (RCRA), which became law in 1976 to regulate toxic waste disposal, was seriously flawed. RCRA was unable to handle the toxic waste problem once its dimensions became known. Governmental and corporate unwillingness to resolve the problem to the satisfaction of local communities helped lay the foundation for the antitoxic and environmental justice movements (Szasz).

The 1978 community protests over toxic waste at Love Canal, NY proved to be a pivotal moment, which changed the environmental movement (Dowie, Edwards, Szasz). Just as media coverage of Earth Day 1970 stimulated the mainstream environmental movement, news coverage of the protests at Love Canal and other communities ignited the explosive growth of the antitoxics movement. Community residents carrying protest signs in front of leaking barrels of toxic waste provided visually dramatic news stories, causing other communities to become concerned about their own environmental safety (Gottlieb, Szasz).

There were fewer than 100 isolated community-based antitoxic protests prior to the incident at Love Canal. After Love Canal, thousands of local and regional associations organized on a grassroots basis. National associations, such as the Citizen's Clearinghouse for Hazardous Waste, the National Toxics Campaign, and the Remote Access Chemical Hazards Electronic Library, provided information and technical expertise to help newly-formed antitoxic groups in their battles. The Citizen's Clearinghouse for Hazardous Waste states that it has assisted thousands of organizations in local antitoxic campaigns (Dowie).

The antitoxic movement shared some similarities with movements of the 1960s and 1970s such as the New Left, the counterculture, and the anti-nuclear movement (Gottlieb, Szasz). Antitoxic groups employed similar confrontational tactics and a decentralized style of operations that contrasted with the centralized hierarchies developed by mainstream environmental groups. However, the antitoxic movement differed in several ways from the other movements by creating new agendas and categories of activists focused on defending the health of their families and communities.

Women in the settlement house movement foreshadowed the leadership role held by women in the environmental justice movement (Gottlieb). Jane Addams, Florence Kelly, Mary McDowell, Alice Hamilton and other women in the settlements played important roles in forcing industrial and municipal reform. Although rejecting being labeled "feminist," the language, culture and community focus of antitoxic groups resembles feminist thought and concerns (Gottlieb, 1994). Szasz states "[t]he movement has had to deal with sexism, or patriarchy, because the focus of toxics organizing is home, community, integrity of the family, health -- all traditionally women's

domain of concerns -- and because, as a consequence, women make up the majority, probably the vast majority, of both the membership and leadership of movement organizations" (Szasz, p. 152).

The Environmental Justice Movement

During the 1960s and 1970s, it appeared that African-Americans were not interested in environmental concerns. (Bullard 1993; Edwards) However, some observers maintain African-Americans were involved in a number of environmental battles, which were called social justice issues at the time (Bullard 1993). There is general agreement that the contemporary environmental justice movement began during the 1982 protests against a proposed landfill in Warren County, NC in which more than 500 people were arrested. Afterwards, Reverend Benjamin F. Chavis, Jr. created the term "environmental racism" to describe the impact and processes by which environmental hazards are disproportionately distributed in communities of color. By framing the issue in terms of racism, Chavis galvanized civil rights organizations to directly address environmental hazards in African-American communities (Edwards).

Environmental racism is racial discrimination in environmental policymaking It is racial discrimination in the deliberate targeting of communities of color for toxic waste disposal and the siting of polluting industries. It is racial discrimination in the official sanctioning of the life-threatening presence of poisons and pollutants in communities of color. And, it is racial discrimination in the history of excluding people of color from the mainstream environmental groups, decision-making boards, commissions, and regulatory bodies." (Chavis, p.3)

Environmental justice advocates blame environmental racism for both the traditional lack of concern over social justice issues by mainstream environmentalist groups as well as the small numbers of persons of color employed by them. The environmental justice movement maintains that social justice and environmental issues are intertwined because of institutional racism. As it matures, the environmental justice movement is enlarging its scope to reach beyond antitoxic issues (Dowie, Szasz). Szasz notes that " [t]he movement's core organizations reach out to and seek common ground with a variety of causes, ranging from older ones, such as labor, race, and women's rights, to more recent ones such as homelessness and AIDS" (Szasz, p. 150). Advocates believe that the environmental movement not only will be forever changed but also may be saved by incorporating social justice concerns within its purview.

However, observers note that there are limitations within the movement. In some instances, poor minority communities want facilities to locate within their jurisdiction because of perceived economic benefits. Bailey et al note that traditional racial divisions in the Deep South prevent whites and blacks from developing a cohesive long-term alliance (Bailey et al).

Empirical Evidence Supporting the Environmental Justice Movement

More than a dozen studies show a correlation between the demographic profile of low income, minority communities and the incidence of locally undesirable land uses (LULUs) such as polluting industries and waste facilities. The environmental justice movement maintains that these studies provide evidence that low-income and minority communities bear a disproportionate environmental risk (Been, Bullard).

Two 1983 studies by Robert Bullard and the U.S. General Accounting Office (GAO) provided the first empirical evidence of systemic discrimination in siting hazardous waste facilities. Bullard studied host communities in Houston, TX, while the GAO studied host communities in eight southeastern states. Both studies reported that hazardous waste facilities were disproportionately sited in poor African-American neighborhoods. In 1987, the United Church of Christ's Commission for Racial Justice (CRJ) published a landmark study on the locations of waste sites and facilities throughout the United States. The CRJ study found race to be the most significant variable in locations hosting waste facilities. A 1992 study by the *National Law Journal* discovered that white communities received more favorable treatment than communities of color from the federal government in cleaning up waste sites and the severity of fines assessed against polluters (Boerner & Lambert).

Conflicting Evidence

Recently, the methodology and conclusions of the studies underlying the environmental justice movement have come under attack by other researchers. Vicki Been notes that with one exception, the supporting research examines current socio-economic characteristics rather than the conditions existing when the LULU was sited in a community. Consequently, the literature does not provide evidence of siting discrimination by developers or government. By ignoring the demographic characteristics prevalent at the time of siting, the literature does not factor in other variables such as housing market dynamics that may affect community and neighborhood socio-economic conditions over time (Been, Boerner &Lambert).

Christopher Boerner and Thomas Lambert find other faults with the environmental justice literature. Communities are labeled minority if their non-white population exceeds the percentage of persons of color in the entire population. As a result, communities may be considered minority even though they are overwhelmingly white. Likewise, larger numbers of people of color may be exposed to pollution in "white" communities because the studies do not take population densities into consideration. Supporting data may be tainted by "aggregation errors" because the studies utilize ZIP codes rather than smaller units of analysis such as census tracts. Additionally, they maintain that the studies assume that proximity to a facility alone constitutes a hazard (Boerner & Lambert).

Recent analyses of siting patterns and socio-economic characteristics over time have found little evidence of racial discrimination toward African-Americans in Chicago, Detroit, and St. Louis. In Chicago, Don Coursey found that neither race nor low income contributed to the likelihood of hosting a hazardous waste facility. Instead, he discovered that low density areas located within

mainstream environmentalism (Dowie).

The grassroots groups distrusted and occasionally felt betrayed by mainstream environmentalists working within an unresponsive system, which placed their communities in danger (Bailey, et al; Dowie; Szasz). Originally, the groups generally relied upon government to protect them from environmental hazards, but they became radicalized over time when government did not provide sought-after remedies. As it matured, the war cry of the movement evolved from "not in my backyard" (NIMBY) to "nowhere on planet earth" (NOPE).

The 1988 Illinois Retail Rate Law

A variety of economic and environmental forces prepared the setting for the adoption of Illinois' controversial Retail Rate Law in 1988. Chicago's landfills have predominantly been located on the Southeast side of the city. Altgeld Gardens, a public housing project in the area, has been called a "toxic doughnut" because of the surrounding industries and landfills. Responding to community pressure, in 1980 the City of Chicago adopted a moratorium on expanding or building new landfills within city limits. The State of Illinois ranked the preferred methods of solid waste disposal within the state in 1986. In rank order, Illinois encouraged waste reduction, recycling, incineration with energy recovery, incineration, and as a last alternative, landfills (Henderson). In 1987, the Northeastern Illinois Planning Commission warned that the Chicago metropolitan area would experience a garbage crisis within six years because of a lack of landfill space (Carmody 4-30-95). In Chicago, a task force commissioned by Mayor Harold Washington recommended that the city stop using landfills. The study concluded that Chicago should rely upon recycling and incineration to discard its solid waste by the year 2000 (Henderson).

Kevin Greene, Director, Pollution Prevention Board, Illinois Environmental Protection Agency, notes that the collar counties surrounding Chicago generated the first metropolitan area interest in incineration during the late 1980s while they prepared state-mandated county-wide solid waste plans. Lake County proposed the first incinerator although the location was unspecified. There were additional proposals for building other incinerators in DuPage County and in the villages of Argonne and Naperville. The Argonne location was proposed to supply energy to Argonne National Laboratory. In addition to the proposals developed for the county solid waste plans, individual developers also initiated proposals for building waste-to-energy plants.

In 1988, the Illinois Legislature passed the Retail Rate Law, which encouraged developers to build waste-to-energy plants in Illinois. Governor Jim Thompson's veto of the legislation was overridden by legislators. Unlike the federal mandate in the Public Utility Regulatory Policies Act (PURPRA), Illinois' law required utility companies to purchase power generated by waste-to-energy plants from solid waste or methane from landfills at the retail rate paid by municipalities for electricity. Under the legislation, utility companies in Illinois had to pay between two to four times more for electricity from incinerators than required under PURPRA, whether or not the power was needed. (Carmody 4-30-95) However, the law proved to be revenue neutral for utility firms because the state would issue them a tax credit for the difference between the retail rate paid to incinerator operators and the cost of generating their own power.

The tax credit was considered an interest-free loan to incinerator operators to be repaid after 20 years. The waste-to-energy plants, financed by municipal bonds, were the only security held by the state to ensure repayment of the loan from incinerator operators.

There had been several attempts prior to 1988 to get the state legislature to pass a version of the Retail Rate Law, which did not include the tax credit to utility companies. Lake County, the Illinois Municipal League, and Jack Kirby of Kirby-Coffman, Inc. were the proponents of earlier versions of the bill. Kirby had received permits to build two incinerators in Illinois at the time. Opposition from Commonwealth Edison prevented the proposals from receiving serious consideration by legislative leaders (Greene).

Former State Representative Terry Steczo sponsored the 1988 Retail Rate Law. As Chairman of the House Cities and Villages Committee, Steczo was approached by the Illinois Municipal League to sponsor legislation dealing with the perceived solid waste crisis. The Illinois Environmental Protection Agency had just stated that landfill capacity would be exceeded in three years. Recycling did not appear to be a viable alternative because of the few programs underway and the general impression that people would not alter their disposal habits. Under the threat of an imminent crisis, the Committee believed that PURPRA subsidies, 1.8 cents per kilowatt-hour in Cook County at the time, were not high enough to attract waste-to-energy plants quickly enough while maintaining a reasonable tipping fee. After examining various projections, the Committee decided to link the subsidy rate with the prevailing retail rate (Steczo).

According to Kevin Greene, the Retail Rate Law passed after receiving support from several critical sectors. Mayor Harold Washington's administration urged the Democratic legislative leadership to pass the bill. In addition to being an integral element in the city's solid waste plan, Washington's administration considered incineration a viable

By 1996, 25 incinerators were proposed or in various stages of construction in Illinois. At least three developers admitted they would never have sited their facilities without the subsidies provided under the Retail Rate Law (Carmody 4-30-95, Peterson). Six new incinerators were being built or proposed in Chicnst.24.24.žF2 24849.•rg|

McConek and Chicnst. Heights, a tire woner was under construction in Ford Chiinst. Hegh medonekl

grandfathering facilities already under construction.

Downstate legislators supported the legislation after becoming alarmed over the number of sitings propose downstate. Ken Davis, Chicago Department of the Environment, maintains that Democratic legislators representing Chicago supported repeal (Davis). However, others maintain that Chicago legislators

feasible in light of cheaper landfill options.

The Battle Over the Northwest Incinerator

The deliberations over the future of the Northwest Incinerator generated an unusual pattern of conflict. Harold Henderson finds the dispute complicated because it didn't fall along traditional Chicago political divisions or resemble typical conflicts between neighborhood groups and government bureaucrats (Henderson). Several African-American politicians in the community supported rebuilding the incinerator, while the State Legislative Black Caucus supported the Retail Rate Law. Residents in the surrounding community had mixed feelings about rebuilding the incinerator because they had greater concerns over issues more urgent to them such as crime, drugs, housing, and unemployment (Irving, Moberg, Poe). Incinerator opponents pointed to the overwhelming support of local residents against the incinerator in two non-binding referendums as evidence of community opposition to rebuilding. However, Ken Davis disregarded the results because the broad wording of the referendum essentially asked voters whether they were against pollution (Henderson).

Anne Irving, Executive Director, Chicago Recycling Coalition, started the Westside Alliance for a Safe Toxic-free Environment (WASTE) which represented the organized opposition to the incinerator. Originally, WASTE's membership included environmental organizations, public health groups, and community organizations. Reflecting the philosophies and goals of its members, WASTE opposed the incinerator on both environmental and social justice grounds. WASTE used a variety of strategies to oppose the incinerator including staging protest rallies, conducting educational campaigns, filing voter referendums, preparing alternative solid waste management proposals, lobbying the state legislature, and filing lawsuits. Initially, WASTE received some assistance from Citizens Clearinghouse and Greenpeace but soon thereafter relied upon the considerable expertise of its constituent organizations (Irving).

Several members of WASTE acknowledged difficulties in organizing community residents, but maintain that momentum was increasing towards the end of the campaign (Greene, Irving, Samuels). They cite two reasons for the difficulties. First, community residents were primarily concerned with urgent problems such as unemployment and crime. Kevin Greene maintains, however, that the incinerator was becoming the second highest priority within the community. Second, the community was predominantly white but changing racially when the incinerator was originally sited. Consequently, the incinerator had been around for the entire lives of many current community residents. Some residents associated the facility with health problems in the area, but others may not have even been aware that it existed in their community (Irving, Samuels). Incinerator opponents argue that it is far easier to organize against a new hazard rather than an existing one.

Areas of Conflict

The conflict between the City and WASTE focused on four areas; rebuilding costs, health risks, lost economic and environmental opportunities, and the openness of the planning process. (Moberg) The Department of the Environment estimated rebuilding would cost approximately \$150 million, but opponents said the total would be much higher. The other areas of conflict are examined below.

Health Risks

The City and WASTE both maintained that health risks should be considered when deciding to rebuild the facility. However, it appeared that both sides anticipated reaching very different conclusions while using similar criteria. Harry Henderson comments that each side approached the incinerator from a different direction, thus defining and measuring impacts in different ways. Opponents located environmental problems and attempted to trace them back to the incinerator. Conversely, the City began by focusing on the incinerator and attempted to prove its guiltlessness (Henderson).

Although lead-based paint is the main source of exposure, opponents believe that airborne emissions from the incinerator contributed to the community's lead exposure problem (Henderson). Approximately 17 pounds of lead per hour were emitted by the incinerator during the 1993 tests (Eyring). Julie Samuels of WASTE argues that the incinerator plays a prominent role in the community's health problems. She maintains that the incinerator puts out ten times more lead than Chicago's industries. Additionally, she finds it incomprehensible that the Department of the Environment sponsored a community gardening program while apparently endorsing a rebuilt incinerator (Samuels). The implication is that airborne emissions settle on garden plots and contaminate the crops. Dioxin levels are another public health concern in the community. The International Joint Commission recommended that incineration in the Great Lakes Basin be stopped because of the high level of dioxin in the basin (Moberg).

Both proponents and opponents agree that rebuilding the incinerator would significantly reduce harmful emissions coming from the incinerator. However, critics maintain that the incinerator will always release harmful airborne emissions and that they should increase as the facility ages. Moberg believes that the rebuilt facility will always be dangerous, noting that "burn conditions vary enormously and there are no methods for continuous monitoring of toxins" (Moberg, p.10). William Abolt disputes these concerns by noting that daily records of steam production and oxygen levels have been available to government inspectors, and other techniques are available for monitoring (Eyring). Eyring notes that the City responded to concerns from WASTE by equipping the incinerator with additional monitoring equipment.

Lost economic and environmental opportunities

Mayor Daley asked the Chicago Department of the Environment to lead a feasibility study on the Northwest Incinerator. According to Ken Davis, the mayor's instructions stipulated that the incinerator must meet four criteria if it is to remain in operation. First, the incinerator must meet or exceed the 1997 Clean Air Act standards. Second, the incinerator must remain financially viable and must be cost effective. The study should also consider whether it is cheaper to landfill the materials, which presently are being burned in the incinerator. Third, the incinerator must be a stimulus for economic development on the west side of Chicago. The study should also recommend whether energy generated by the incinerator should be sold at reduced rates or provided for free to industries locating on the west side. Finally, the rebuilt incinerator must be capable of paying for itself by selling the energy it generates. Davis emphasized that the incinerator must not turn out to be a capital project paid for by taxpayer dollars (Davis). The City also launched a new city-wide recycling program, which critics maintained would be ineffective.

WASTE agreed that economic and environmental considerations should play an integral role in determining whether to rebuild the incinerator. However, Julie Samuels argues that the costs

should include treating waste as garbage rather than as a valuable resource, the impacts on human health, not creating jobs through recycling, and the impact of the Retail Rate upon taxpayers. She believes that the costs would clearly outweigh the benefits of rebuilding the incinerator (Samuels). The Center for Neighborhood Technology (CNT), a member of WASTE, conducted an economic analysis of the incinerator and its proposed recycling alternative in *An Alternative to the Northwest Incinerator*. CNT based its estimates on published data because the City would not reveal any information from its ongoing study. The study concluded that Chicago would benefit both economically and

environmentally by adopting a more holistic approach utilizing such measures as new recycling techniques and charging user fees for garbage disposal.

In June 1994, Henry Henderson, Commissioner of the Department of the Environment, rejected a proposal by the Chicago Recycling Coalition that the city replace the demand for the incinerator by instituting a user fee for garbage pickup. Henderson stated that in addition to being politically unfeasible, a user fee would not eliminate the over-riding need to find waste disposal options (Spielman).

Openness of the Planning Process

WASTE and the Department of the Environment disagreed on the openness of the planning process. The Department notes that it met with WASTE and held several community meetings. WASTE was not invited to attend community meetings on the issue sponsored by the local ward offices although WASTE representatives showed up after hearing of meetings. The Department

Located in south Cook County, the Village of Robbins is one of the poorest localities in Illinois (Crown). Robbins, which is 99 percent African-American, has a 20 percent unemployment rate. In 1990, 30 percent of all families lived below the poverty level. Forty-seven percent of all families with children under the age of five lived below the poverty level in 1990, while 69.4 percent of female householder families with children under five were beneath the poverty level. Only 5.3 percent of Robbins' residents had a bachelors degree or higher in 1990.

Current Robbins Mayor Irene Brodie and her predecessor, John Hamilton, had both solicited

Incinerator opponents attribute the reversal and inability to organize local residents to a campaign of intimidation by the city government. Anti-incinerator rallies had to be held outside of Robbins. The village would not allow anti-incinerator meetings in community buildings and local ministers would not let their churches be used for that purpose. Gloria Scott, a resident of Robbins, was arrested while having petitions signed opposing the facility. Eraina B. Dunn, Executive Director, Human Action Community Organization, states she was trailed by Robbins police when entering the village and told to get out of town. A professor at the University of Illinois of Chicago was told by village police to leave when taking pictures of the facility. Dunn notes that the large population of homeowners in neighboring Harvey had a staked interest in opposing two incinerator proposals. Robbins, however, contains a large population of persons living in public housing projects. Dunn maintains that public housing residents are more susceptible to intimidation by local authorities because of the insecurity of their position (Dunn).

Opposition Outside of Robbins

The South Cook County Action Coalition, composed of anti-incinerator groups in surrounding communities, presented the major opposition to the Robbins facility. Kevin Leahy and Jeff Tangel, members of the coalition, realized that the Retail Rate Law was the Achilles Heel of the incinerators proposed in Illinois. The Coalition conducted an education and lobbying campaign aimed at turning public opinion, local municipalities, and state legislators against the Retail Rate Law. The coalition developed an audio-visual program that was shown at village meetings throughout the area. Weekly breakfast gatherings were held in which coalition leaders, representatives of campaigns against other Cook County incinerators, state legislators, and locally elected officials discussed strategy. The Village of Robbins and the South Cook County Action Coalition both engaged in heavy lobbying efforts in the state capital during deliberations over the fate of the Retail Rate Law.

One other source provided opposition to Mayor Brodie's plans. In 1995, Cook County School Districts 130 and 524, together with Community High School District 218, filed suit in the Cook County Circuit Court against the Village of Robbins over the TIF district benefiting the incinerator. Estimating a loss of approximately \$15 million in tax revenue over 22 years, the school districts challenged the propriety of the arrangement between the village and developers (Smith). Incinerator opponents charged that the school districts were hardly in a position to lose that revenue. Although the school boards increased the tax rate by 15 percent, elementary schools serving children from low-income households in the districts have had to cut hot lunches and a variety of other programs (Dold, 2-16-96).

In the end, the Coalition was unsuccessful in preventing construction of the Robbins Resource Recovery Facility but was

opportunity to practice self determination. Steczo replies that her argument is errant because the Retail Rate Law, which provided the financial basis for the project, was never designed as an economic development tool, but rather a device to dispose of solid waste (Steczo). Mayor Brodie rejected several alternative economic development proposals from the opposition, non-profit groups, and the state legislature. Steczo notes that Brodie turned down various proposals from the state legislature that would have created greater numbers of well-paying jobs, housing starts, and spin-off development than the incinerator. Mayor Brodie remained committed to building the facility throughout the controversy.

Opponents framed the issue as one of both environmental risks and economic integrity. Jeff Tangel questioned the idea of "giving three white guys in Philadelphia \$300 million so Robbins could get \$1 million" (Tangel). The Coalition attacked both concerns in its campaign theme, "Pay to be Poisoned." R. Bruce Dold, a columnist for the *Chicago Tribune*, wrote a number of scathing attacks against the Robbins incinerator during the fight to repeal the Retail Rate Law in 1995-1996. Kevin Greene notes that the columns were important in shaping public opinion against the Retail Rate Law (Greene). In one column, Dold ridiculed the logic of giving \$300 million to incinerator developers to benefit Robbins.

The Robbins incinerator has been sold as an economic development tool for a desperately poor town. It will put 80 people to work. That works out to \$187,500 a year in state subsidy for each worker. ... We could just pick 80 people in Robbins and give them \$187,500 a year to stay home, and call it economic development. But then we wouldn't get the benefit of all that incinerator smoke. (Dold, 2-16-96, p. 11)

A 1994 analysis, *Economic Development Potential of the Proposed Robbins Incinerator*, conducted by Jeffrey Head and Noah Temener for the Center for Urban Economic Development at the University of Illinois at Chicago, argued that the facility would not fulfill the expectations of backers. Citing information provided by incinerator developers and a report conducted by the IEPA, Head and Temener disputed Mayor Brodie's assertion that the facility would provide 80 new jobs for residents because of educational or experiential qualifications. Additionally, they determined that the village itself would reap few economic benefits from proposed recycling activities. (Head and Temener)

Other Proposed Sitings in South and Southwest Cook County In addition to Robbins, several other waste-to

Conclusion

Did the perceived national garbage crisis and government responses represent market failure, government failure, or a combination of both? Consumers adapted to the threat of a nationwide solid waste crisis by making recycling a regular habit in many households. Producers reduced the amount of solid waste by changing product packaging. Landfill capacity in most regions of the country increased. At the same time, the market produced cleaner, more efficient waste-to-energy plants, which would provide a reliable source of energy while solving the landfill shortage and the environmental problems associated with landfills. In this sense, the market appeared to work efficiently. However, the efficiency of the market to adjust to new circumstances is qualified by several factors. What impact did government education programs and intervention to restrict the types of materials dumped in landfills have in generating greater landfill capacity by encouraging recycling and composting? Did government loosen siting standards to permit development of new and expanded solid waste dumps? If so, what impact will this have on public welfare?

The perspective of market efficiency changes when viewed through the context of balanced economic development and environmental sustainability. Although recycling and improved packaging decreased the amount of solid and toxic waste in the United States, a tremendous problem still remains. Finding more places to throw things away does not provide remedies for the environmental dangers attached to landfills. Grassroots environmental groups argue that the environmental Tc inc

Several questions emerge from this situation.

What is environmental racism? Mayor Brodie flipped the understanding of prevailing environmental justice theory on its head by suggesting that poor African-American communities have a right to host LULUs. This sentiment appears to be antithetical to Bullard and Chavis' conception of environmental racism. Perhaps a connection between the two philosophies may be found by examining the impacts of structural racism and classism in public policy-making, which may force communities to pursue certain forms of economic development.

Who determines environmental racism? Many African-American political, community, and church leaders supported the Retail Rate Law and the individual incinerators. In Ford Heights, one minister led a prayer vigil in favor of the law. However, the environmental justice literature suggests that these individuals should be an integral part of a new social movement opposing facility sitings in minority communities. The environmental justice movement also accuses the mainstream environmental organizations of perpetuating environmental racism by its priorities and hiring practices. The battle over the Retail Rate Law, however, created a situation in which white environmentalists tried to convince black legislators that the legislation perpetuated environmental racism.

What implications does this hold for the environmental justice movement? The circumstances that led to limited resistance by African-Americans in these communities may be unique to the Chicago metropolitan area. However, the literature suggests that people of color living under similar circumstances across the country are opposing LULUs in their communities. Additional research needs to be conducted to determine why communities respond in different ways in light of the prevailing environmental justice literature.

As noted earlier, recent studies dispute the claims of siting discrimination found in the early environmental justice literature. These latest studies, together with the findings noted above, suggest that further empirical and theoretical work needs to be done in the field of environmental justice. In this light, the siting patterns of incinerator developers attracted to Illinois by the Retail Rate Law should be examined. The antitoxic and environmental justice literature argues that grassroots groups have had a significant impact on siting decisions across the country. Given that Illinois welcomed developers with open arms, the Retail Rate Law should provide an excellent laboratory to understand whether the movement has had an impact on siting decisions and developer behavior.

The battles over the Retail Rate Law and the individual incinerators did bear some similarities to national trends. Local groups reached out and received assistance from the national antitoxics network. Grassroots opposition emerged due to concern over health risks to local communities. Grassroots organizations distrusted local and state government responses to their concerns.

The future will indicate whether the battles had any long-term impact on shaping the direction of grassroots environmental and social justice movements in Chicago. The literature suggests that while many organizations disband after local battles, others become radicalized. In these circumstances, the groups join the national movement advocating environmental and social justice concerns. A variety of responses are emerging in the aftermath of the battles in Cook County. WASTE plans to continue to operate by promoting an environmental and social justice

agenda. The battle over the Summit incinerator produced an alliance between affluent and working class communities that will continue to monitor environmental concerns in the area. The future of the South Cook Count Action Coalition is unknown at this time. According to one source, it is unlikely that the coalition would adopt a long-term social justice platform because of racial biases of some of the members. In this regard, the coalition reflects the limitations placed on the environmental justice movement in the Deep South described earlier by Bailey.

In summary, the Retail Rate Law and its consequences can be viewed in terms of both market and government failure. It spawned unusual alliances between fiscal conservatives and environmentalists favoring repeal. Legislators credited grassroots opposition with creating enough pressure to finally have the bill repealed. Unlike the themes found in the prevailing literature, however, local residents did not present significant opposition to proposed sitings in many communities.

References

Bailey, Jeff. *Dumps, Hauling and Economics Prove Major Issues.* The Wall Street Journal. p. A6. August 11, 1993.

Bailey, Jeff. *Up In Smoke; Fading Garbage Crisis Leaves Incinerators Competing for Cash.* The Wall Street Journal. p. Al. August 11, 1993.

Been, Vicki. *Unpopular Neighbors: Are Dumps and Landfills Sited Equitably?* in Resources. Resources for the Future. Washington D.C. Spring 1994, No. 115.

Boerner, Christopher and Thomas Lambert. *Environmental Justice?* Center for the Study of American Business. Policy Study Number 121. St. Louis, MO: Washington University, April 1994.

Boerner, Christopher and Thomas Lambert. *Environmental Justice in the City of St. Louis: The Economics of Siting Industrial and Waste Facilities*. Center for the Study of American Business. Working Paper 156. April, 1995. St. Louis, MO: Washington University, 1995.

Bowen, William M. et al. *Toward Environmental Justice: Spatial Equity in Ohio and Cleveland.* Annals of the Association of American Geographers. 85 (4) 1995. Cambridge, MA: Blackwell Publishers.

Bryant, Rick. Subsidies Get Partisan Pummeling. Daily Southtown. p. 1. May 9, 1995.

Bullard, Robert D. Environmental Justice for All. in *Unequal Protection: Environmental Justice and Communities of Color.* San Francisco, CA: The Sierra Club. 1994.

Carmody, Kevin. *Red Hot for Burners, Incinerator Firms Flock to Illinois*. Daily Southtown. p. 1. April 30, 1995.

Chavis, Jr. Benjamin F. Introduction. in *Confronting Environmental Racism: Voices From the Grassroots*. Boston, MA: Southend Press. 1993.

Coursey, Don. *The Locality of Waste Sites in the City of Chicago: A Demographic, Social, and Economic Analysis.* Executive Summary. Harris School of Policy Studies. University of Chicago. October, 1995.

Crown, Judith. Garbage Bonds Trashed. Crain's Chicago Business. p. 3. January 22, 1996.

Dennison, Mark S. *Municipal Hazardous Waste Liability*. Environment and Development. Chicago: American Planning Association. October, 1992.

DePaul, F. Thomas and Jerry W. Crowder. *Control of Emissions from Municipal Solid Waste Incinerators*.

Dold, Bruce R. *Coming Soon: State Sponsored Pollution Right In Your Neighborhood.* Chicago Tribune. p. 11. October 20, 1995.

Dold, Bruce R. Smoke Screen. Chicago Tribune. p. 15. February 16, 1996.

Dowie, Mark. Losing Ground: American Environmentalism at the Close of the 20th Century. Cambridge, MA: The MIT Press. 1995.

Eyring, Bill, Kevin Greene, and Franklin Lomax. *An Alternative to the Northwest Incinerator: Reducing Waste, Stimulating Economic Development and Creating Jobs Instead of Pollution.* Chicago: Center for Neighborhood Technology. 1994.

Gottlieb, Robert. Forcing the Spring: The Transformation of the American Environmental Movement. Island Press: Washington, D.C.. 1993

Head, Jeffrey and Noah Temener. Economic Development Linkages Associated with the Robbins Incinerator. in *South Suburban Economic Development Project*. Project #389. Center for Urban Economic Development. The University of Illinois at Chicago.

Henderson, Harold. Talking Trash. Chicago Reader. April 14, 1995

Moberg, David. West Side Story: Controversy Surrounds the Proposed Rebuilding of Chicago's Northwest Incinerator. in *The Neighborhood Works*. Chicago: December/January, 1995

Newsday. Rush to Burn: Solving America's Garbage Crisis? Washington, D.C.: Island Press. 1989.

Novotny, Patrick. Where We Work, Live and Play: The Environmental Justice Movement and the Struggle Against Environmental Racism. Sierra Club Newsletter. Madison, WI. 1994.

Rabe, Barry G. Beyond NIMBY: Hazardous Waste Siting in Canada and the United States. Washington, D.C.: The Brookings Institution. 1994.

Schneider, Keith.

Spielman, Fran. *Incinerators Foes Propose Trash Fee as Alternative*. Chicago Sun-Times. p. 16. June 30, 1994.

Szasz, Andrew. *Ecopopulism: Toxic Waste and the Movement for Environmental Justice*. University of Minnesota Press: Minneapolis. 1994.

Tomboulian, Alice et al. *Tri-County Detroit Area Environmental Equality Study.* Detroit, MI: United Way Community Services. 1995.

van Pelt, Michiel J.F. *Ecological Sustainability and Project Appraisal.* Brookfield, VT: Ashgate Publishing House. 1993.

Weimer, David L. and Aidan R. Vining. *Policy Analysis: Concepts and Practice.* Second Edition. Englewood Cliffs, NJ: Prentice Hall. 1989.

Wolf, Jr., Charles. *Markets or Governments: Choosing between Imperfect Alternatives.* Second Edition. Cambridge, MA: MIT Press. 1993.

Interviews for Attribution

Bryant, Rick. Staff. Congressman Jessie Jackson, Jr.

Carmody, Kevin. Reporter. Daily Southtown.

Davis, Ken. Press Officer. Chicago Department of the Environment.

Dunne, Eraina B. Executive Director, Human Action Community Organization.

Friedman, Fred. Organizer. WASTE.

Greene, Kevin. Director. Pollution Prevention Board. Illinois Environmental Protection Agency.

Hoffschmidt, Karen. Solid Waste Specialist. South Cook County Mayor's and Manager's Association.

Hurkes, Jerry. Chief of Staff. Congressman William Lipinski.

Irving, Anne. Director, Chicago Recycling Coalition.

Kailisz, Kathy. Reporter, DesPlaines Valley News.

Noonan, John. Editor. DesPlaines valley News.

Poe, Janita. Reporter, Chicago Tribune.

Redogno, Christine. Candidate for Illinois State Senate.

Samuels, Julie. Organizer. WASTE.

Scott. Gloria. Resident of Robbins.

Steczo, Terry. Former Illinois State Representative.

Strohacker, Stacey. Aide. Alderman Edward M. Burke. 14th Ward Democratic Organization.

Tangel, Jeff. Organizer. South Cook County Action Coalition.

Young, Reverend Ernest. Resident of Robbins.

