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

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A Great Cities Institute Working Paper

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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.

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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 in the United States during a perceived solid waste crisis during the 1980s.

During the 1980s, an apparent nationwide garbage crisis threatened the United States. Local, state, and federal governments initiated public policies to handle the crisis. In 1988, the State of Illinois adopted a controversial measure, the Retail Rate Law, in response to a threatened solid waste crisis in the Chicago metropolitan area. The legislation unintentionally spawned an emergence of proposals for the construction of waste-to-energy plants that threatened to cost the state $2 billion over 20 years. The 1980s also saw the emergence of a new social movement across the country protesting the siting of waste facilities in local communities. The incinerators proposed in Cook County, IL unleashed a storm of protest. This paper examines the nature of the forces promoting and opposing the Retail Rate Law and two individual incinerators.

The first part of the paper provides a backdrop for understanding the situation in Illinois by presenting a national overview of the solid waste problem and the emerging movements. Then, it looks at the forces in Illinois that led to the adoption and eventual repeal of the Retail Rate Law. Within this context, this paper profiles the battles over two incinerators in Cook County. Finally, it compares the resistance movement in Cook County to the prevailing literature.

National Perspective

Unlike theories of perfect markets or government, both operate imperfectly in practice. Market failure traditionally refers to situations that interfere with the efficient functioning of the market. Economists recognize that public goods, natural monopolies, externalities, and information asymmetries interfere with efficient production and consumption of goods. These four instances, together with concerns over distributional equity, provide the traditional basis for government intervention in the marketplace (Weimer and Vining). Although these are necessary preconditions, market failure alone is not a sufficient basis for government intervention. The costs of government intervention must be weighed against the costs of market failure (Wolf, Weimer and Vining). According to David L. Weimer and Aldan R. Vining, government failure occurs because of inherent problems in representative government, direct democracy, decentralized government, and bureaucratic supply (Weiner and Vining). The impacts of government failure may range from high costs

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-energy plants while many others included them in their solid waste management plans (Bailey, 811-93, Schneider). Waste-to-energy plants offered municipalities the opportunity to avoid rising dump fees at landfills by establishing long-term tipping fees with incinerator operators. Cities and counties in the U.S. spent more than $17 billion on incinerators by 1989 (*Newsday*). By 1993, incinerators annually disposed of 30 million tons (16 percent) of solid waste in the United States (Bailey, 8-11-93).

The Tide Turns

A countervailing current against incineration emerged while the rush to build waste-to-energy plants peaked during the late 1980s. Several factors worked against the incineration industry. The projected national garbage crisis never occurred because the widely anticipated shortage of landfill space did not materialize. Instead, disposal fees dropped as a glut of disposal capacity in most areas outside the East Coast forced incinerator and landfill operators into a price war. As energy prices stabilized, the demand for alternative sources of electricity declined. The cost of burning trash increased because operators were forced to retrofit incinerators to meet tougher emissions standards. Environmentalists, health agencies, and community organizations made siting new plants difficult because of concern over the potential health risks associated with incineration and other reasons. The industry has remained stagnant each year since 1987 because cancellations of orders for waste-to-energy plants have been greater than the number of new orders placed by localities (Bailey, 1993b). In 1994, only three new waste-to-energy plants

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.

> The incineration of heterogeneous fuels such as municipal solid waste can be complex and prone to pollutant emissions from incomplete combustion. The composition of toxic metals and chlorinated organics in municipal refuse are relatively high and can result in the airborne emissions of these compounds. In addition to conventional criteria pollutants, municipal solid waste (MSW) incinerators have been identified as significant emitters of acid gases, heavy metals and chlorinated organics. For similar levels of exposure, these compounds are associated with greater adverse health effects than are criteria pollutants. Acid gases are emitted primarily from the combustion of heterogeneous refuse containing

> 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. Incineration reduces the weight of solid waste by approximately 70 percent and the volume by 90 percent (Moberg). The leftover ash residue presents concerns because toxic metals do not burn during incineration but concentrate in the bottom ash at levels exceeding federal standards. Among other elements, bottom ash contains high concentrations of lead and cadmium which primarily come from discarded electrical equipment and batteries (Schneider, 3-18-94).

In May, 1994, in a suit brought against the City of Chicago by the Environmental Defense Fund, the U. S. Supreme Court ruled that bottom ash from municipal waste incinerators must be tested to determine its compliance with the Resource Conservation and Recovery Act (RCRA). Environmentalists believed that groundwater supplies were threatened by leakage because bottom ash was routinely dumped in landfills not equipped for hazardous materials. According to the ruling, bottom ash which exceeded federal standards for toxicity had to be handled as hazardous waste requiring disposal in facilities designed to handle hazardous waste rather than in solid waste landfills. In January 1995, however, the U.S. Environmental Protection Agency stated that municipalities would be allowed to test for toxicity after combining fly ash caught by pollution-control equipment with bottom ash. By allowing the toxicity of the ash to be diluted before testing, the EPA saved municipalities millions of dollars because the ash would not need to be disposed of in more expensive hazardous waste facilities (Briggs).

Grassroots Environmentalism in the United States

During the 1980s, a new grassroots social movement emerged which emphasized both social justice and environmental concerns. The movement continues to define itself today. Some observers maintain that the new movement may save the mainstream environmental movement. The next section profiles the antitoxic and environmental justice groups, which comprise the new movement.

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 living and working conditions of the lower classes (Gottlieb).

Some Progressive Era reformers, notably the leaders of settlement houses, addressed the role of production in generating industrial waste. Located within industrial communities and immigrant neighborhoods, settlements concentrated on improving the immediate problems confronting individual communities. "Establishing connections between community and environmental issues and the problems of the workplace (especially, though not exclusively, for children and women) became a prominent part of the settlement approach" (Gottlieb, 1994, p. 63). This same concern for the effect of environmental hazards on the well-being of women and children is a dominant theme in the grassroots environmental movement (Szasz).

Settlement house and public health reformers, as well as conservationists and preservationists, utilized rational planning and scientific analysis to address environmental concerns (Gottlieb, 1994). Aside from their different settings though, there was a vast difference between the priorities two sets of groups. Conservationists and preservationists concentrated on natural resources and often were identified with the interests of the elite. Progressive Era reformers "sought to empower powerless constituencies and organize for the minimal conditions of well-being and community in a harsh urban and industrial age" (Gottlieb, 1994, p.315).

The Antitoxic and Environmental Justice Movements

"Since the 1970s, there has emerged, distinct from the mainstream groups, a powerful current in contemporary environmentalism focused on issues of empowerment, environmental justice, equity, and urban and industrial restructuring. This current consists of alternative groups - alternative in their critical view of the environmental policy system and the role of the mainstream groups in helping to shape and sustain it. This alternative movement is predominantly local in nature, more participatory and focused on action, and critical of the roles of expertise and lobbying in defining environmental agendas. With a direct lineage to urban and industrial movements, the alternative groups have sought to develop a new framework for environmental change, relying on constituencies often under-represented or excluded from environmental decision-making and drawing on such critical concepts as citizen empowerment and the prevention or reduction (rather than management or control) of pollution" (Gottlieb, p. 170).

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 close proximity to a transportation network was a key variable in siting decisions (Coursey). In Detroit, Tomboulian et al found that class rather than race accounted for the distribution of a wide range of environmental disamenities in Detroit (Tomboulian et al). In St. Louis, Boerner and Lambert attributed a weak association between race and facility sitings to market forces rather than racism (Boerner and Lambert).

Summary

Proponents argue that the new grassroots organizations represent a new social movement that may save the environmental movement (Bailey, et al; Dowie; Szasz). It is suggested that in only a decade the new groups may have eclipsed the amount of direct pollution prevented by

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 alternative after receiving interest from private developers to rebuild waste-to-energy plants at some of Chicago's old incinerator sites. The Democratic leadership neutralized Commonwealth Edison's opposition by issuing tax credits to utility companies. Finally, lobbyists from the incinerator industry pressed downstate legislators to prevent Chicago's garbage from being shipped to downstate landfills by promoting incineration in Chicago and its suburbs (Greene).

Terry Steczo agrees that downstate legislators voted for the law to prevent garbage from the urban counties being sent to downstate landfills. The Metropolitan Water Reclamation District already shipped sludge downstate to Fulton County. Downstate legislators resented that the urban counties could not handle their solid waste disposal within their own jurisdictions. However, Steczo maintains that the overwhelming legislative support for the Retail Rate Law during both the passage and override weakens the argument that Chicago's support had any particular importance for the legislation (Steczo).

Of some importance, environmentalists did not present serious opposition to the legislation. Greene, formerly an activist and lobbyist with Citizens for a Better Environment, and a few recycling advocates were the only solid waste activists lobbying in Springfield, the state capital, during that period. At the time, Greene and other environmentalists thought that incineration might play some role in solid waste management because of the dangers associated with landfills. However, he tried to minimize the possibility that incinerators would be built by cutting a deal with the Democratic leadership which stipulated that counties must achieve a 25 percent recycling rate before qualifying for the state subsidy. At the last minute, the Washington administration intervened with the Democratic legislative leadership to change the provision to require only a good faith effort at realizing the 25 percent recycling rate (Greene).

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 Chicago's south and southwestern suburbs alone; wood burners in McCook and Chicago Heights, a tire burner was under construction in Ford Heights, a medical waste burner was proposed in Harvey, and municipal waste burners were proposed in Robbins and Summit-McCook. The City of Chicago was deciding whether to rebuild its Northwest Incinerator, the only incinerator operating in the city. This pattern sharply contrasted with the declining reliance upon incineration taking place across the United States.

At the same time, though, the projected garbage crisis/landfill shortage in Illinois disappeared for the same reasons it never occurred across the country. Recycling, composting, and new packaging techniques reduced the amount of trash needed to be thrown away by 19 percent between 1987-1993 (Carmody 4-30-95; *Chicago Sun Times* 12-4-95).

Additionally, the Illinois Legislature passed proactive measures banning yard waste from landfills and encouraging more recycled newsprint, which substantially decreased the amount of solid waste going to dumps (Steczo). Together with the reduced volume of solid waste, permits for new and expanded solid waste dumps created a situation in which the landfill capacity in Illinois was actually 33 percent higher in 1993 than in 1987 (Carmody 4-30-95; Steczo).

The Fight to Repeal the Retail Rate Law

For several years, the south Cook County suburbs have been the battleground for control of the state legislature because of the number of marginal seats in the area. The battle to repeal the Retail Rate Law that developed in the early 1990s became a victim of partisan politics. In 1992, Terry Steczo began to realize that the well-intentioned legislation had gone badly awry. The Retail Rate Law had been designed to dispose of municipal solid waste, not tires, wood or medical waste. Steczo co-sponsored a bill in 1993 to repeal the law, which received 64 votes in the House but died in the Senate. In 1994, an election year, the State Senate passed a bill repealing the law, which died in the House. Fourteen Republican legislators switched their votes to prevent the Democrats and Steczo, in particular, from receiving credit for passing the repeal. Republicans took control of the legislature in the 1994 elections. A 1995 Republican-sponsored bill to repeal the legislation received limited support from Democrats. Rick Bryant notes that seven legislators switched their votes on the issue three times, while more than 24 had changed votes once (Bryant).

Observers note that the bill to repeal the Retail Rate Law passed the General Assembly in 1996 because legislators had no other alternative. Citizen opposition to the proposed incinerators and Retail Rate Law threatened to defeat any suburban legislator opposing the bill during the general election. In 1994, Terry Steczo was defeated, in part, because he was labeled the "Father of the Retail Rate Law" even though he had already sponsored legislation to kill it. A group of women, tagged the Ladies of LaGrange, a village adjacent to the proposed wood burner in McCook, picketed the offices and placed leaflets in the doors of homes in neighboring districts represented by supporters of the Retail Rate Law and undecided legislators. They are credited with tipping the balance in favor of repeal by getting the ear of their own representative, House Speaker Lee Daniels. Daniels was critical in later pressuring Governor Jim Edgar to repeal the bill without

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 could not afford to alienate certain constituencies and local Democratic organizations opposing specific incinerators by publicly opposing repeal (Greene). U.S. Congressman William Lipinski pressured three Democratic state legislators within his district to support repeal because of complaints from constituents.

Governor Jim Edgar signed the repeal in March, 1996, despite the twin threats of lawsuits from incinerator developers and future difficulties issuing state bonds from the financial community. Incinerator developers have filed lawsuits against the repeal.

Cook County: Incineration Capital of the World

In addition to Chicago's deliberations whether to rebuild its only existing incinerator, at least five new waste-to-energy plants were proposed in Cook County after passage of the Retail Rate Law. This section profiles the controversies surrounding Chicago's plans for its Northwest Incinerator and the Robbins Resource Recovery Facility in suburban Robbins.

The Northwest Incinerator

Chicago closed all but one incinerator during the 1970s because of failure to meet the federal air quality standards of the Clean Air Act. Its remaining facility, the Northwest Incinerator, was originally built as a state-of-art facility in 1971 on the West Side of Chicago. By the 1990s, the Northwest Incinerator burned 14 percent of the city's solid waste. The Northwest Incinerator also served as an economic development tool in this economically depressed part of the city by providing low-cost steam to Chicago's sixth largest employer, E.J. Brach Candy.

A number of environmental problems have been associated with the incinerator including a failed emissions test, citations for water pollution and routinely dumping bottom ash in a municipal dump located in a residential neighborhood. The Northwest Incinerator passed emissions tests conducted in 1987, 1992, and 1994, but failed a test in 1993. Each hour 5.7 lbs. of lead were leaking from one of the boilers in the incinerator (Henderson). Harold Henderson estimated this to translate into 149,796 lbs. of lead per annum, which is "more than 60 times the amount of lead that all Cook County industries together reported releasing in 1992" (Henderson, p. 10). Chicago spent approximately $1 million on improvements to reduce particulate dust emissions and reduced the burning rate to allow additional time for the precipitators to remove harmful emissions.

The incinerator would be unable to meet the approaching 1997 Clean Air Act standards forcing the Department of Environment to make a decision on the long-term future of the facility. The Department kept its deliberations confidential, but it was believed that the alternatives ranged from abandoning the incinerator and landfilling the waste, building a new incinerator, or rebuilding it according to newer standards (Eyring). In 1996, the Department of the Environment recommended that the incinerator be closed based upon the results of a task force studying the issue. Ken Davis dismissed the importance of the opposition movement or the repealed Retail Rate Law in the recommendation by noting that the facility was simply no longer economically

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 allowed them to attend but felt they had already had sufficient input. WASTE argues that this was another instance of many by which the Department cut off public dialogue. Some opponents hinted that nepotism might have played a role in the City's eagerness to rebuild the incinerator. William Daley, the mayor's brother, sits on the Board of Wheelbrator, a waste management firm interested in obtaining the contract to rebuild the incinerator (Moberg). During the past years, the conflict engendered suspicion and hostility between the two sides. Harold Henderson states:

> [Henry] Henderson regards WASTE as a bunch of true believers who insist on zero pollution and are unwilling weigh imperfect alternatives in the real world. WASTE supporters tend to see Henderson and Abolt as good guys whose bosses have already decided to rebuild the incinerator-leaving them to rationalize a done deal with more than a whiff of environmental racism about it. (Henderson, p. 11)

Environmentalists are convinced that the city desperately wanted to rebuild the incinerator but was precluded by the repeal of the Retail Rate Law. Although there are apparent referrals to the existence of a final report by the task force, the Department of the Environment denied a final report had been prepared on the issue. One task force member stated that notes were not even taken during the meetings (Strohacker). WASTE filed a Freedom of Information Act suit to obtain the document. WASTE is currently weighing an out-of-court settlement in which the Department will provide certain documents to WASTE. Ann Irving states that documents dated in late 1995, which were reviewed as a part of the proposed settlement, indicate that the City planned to rebuild the incinerator until the Retail Rate Law was repealed in 1996.

The Robbins Resource Recovery Facility

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 waste-to-energy plants to anchor economic development in the village (Greene). Jack Kirby of Kirby-Coffman, Inc., one of the original supporters of the Retail Rate Law, had received permit and siting approval to build a small waste-to-energy plant in the Village of Crestwood. There had been some competition between Robbins and Crestwood to build an incinerator. Once plans for the Crestwood site fell apart for financial reasons, interest over building a plant in Robbins increased among south suburban governments. In 1990, the Village proposed building a waste-to-energy plant known as the "Robbins Resource Recovery Facility." The South Suburban Mayor's and Manager's Association, composed of 35 communities, and other local governments endorsed the proposal.

Robbins floated $375 million in bonds to finance the plant. (Thompson) The Village created a tax increment (TIF) district on land it owned to house the facility, creating a controversy discussed later. Critics charged that the plant received approximately $938 million in local, state, and federal subsidies. Supporters viewed the transfer as a no-interest loan that would be repaid in time (O'Malley, Smith).

In return, Robbins expected to receive a range of benefits including a new $1 million building paid for by developers that would house both a bank and health clinic. Under the Retail Rate Law subsidies, Robbins expected to increase its $3 million budget by receiving an estimated payment of $1 million annually from the facility as a percentage of revenues. Developers estimated that the community would receive millions in direct and indirect benefits (Schwingel).

The Battle Over the Robbins Resource Recovery Facility

Residents in surrounding communities provided the organized opposition to the Robbins Resource Recovery Facility. Four residents provided the only organized opposition within Robbins itself. The following sections examine the forces operating within and outside of Robbins.

Opposition Within Robbins

Permit hearings held in 1990 and 1992 provided two vastly different pictures. During the 1990 hearing, an angry crowd waving signs, many of them Robbins' residents, opposed the facility. Kevin Greene estimates that approximately 75 percent of the attendees were against the proposal. The 1992 hearing, however, was tightly controlled by proponents, and a pro incinerator rally was held before the hearing began. According to Greene, the village hired a consulting firm to recruit supporters for the project (Greene). Former State Representative Terry Steczo likened the hearing to a kangaroo court (Steczo). The hearings may also have reflected a shift in local public opinion about the facility. Jeff Tangel, South Cook County Action Coalition, an opponent of the plant, believes that public opinion in Robbins gradually shifted from a majority opposed to the facility to a 60 to 40 percent majority in favor of it.

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 instrumental in creating opposition to the Retail Rate Law, which was repealed in 1996. The facility is scheduled to open in late 1996 and commence operations without the state subsidies. However, the developers have filed a lawsuit to force the State of Illinois to subsidize the operation grandfathering the facility.

Issues in the Controversy

Mayor Brodie framed the conflict by reinterpreting the environmental justice theory articulated by Bullard, Chavis, and others. Brodie attacked opponents of the incinerator and Retail Rate Law in more affluent communities for perpetuating environmental racism by denying Robbins the

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-energy plants were proposed in several other villages in Cook County: wood burners in Chicago Heights and McCook, a tire burner in Ford Heights, a medical waste burner in Harvey, and another municipal waste burner in Summit-McCook. Each of the facilities generated some degree of opposition within or outside of the proposed jurisdictions. Ford Heights is similar in socio-economic characteristics to Robbins, while Summit and McCook are working class white villages. Opposition, if any, was minimal to the proposed sitings in each of these three host communities. In Ford Heights, a minister led a prayer vigil supporting the Retail Rate Law. Summit residents believed that the incinerator would not add significantly to the odors they were already expose to while the benefits would be substantial (Noonan). However, residents in Harvey, another African-American suburb, successfully opposed the facility. Eraina B. Dunn believes that opposition developed in Harvey because, unlike nearby Robbins, Harvey has a significant percentage of homeowners (Dunn).

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 problems associated with waste disposal prove that the market is incapable of correcting itself to provide long-term sustainability.

In Illinois, legislators passed the Retail Rate Law after receiving dire predictions that garbage would be left in the streets of the metropolitan Chicago area because it had no place to go. This condition coincided with reports of an imminent national garbage crisis due to a lack of landfill space. Instead of providing a long-term solution to the municipal waste problem in metropolitan Chicago, Illinois legislators operating under crisis conditions produced a textbook case of public policy failure. The Retail Rate Law produced a market response completely unanticipated by legislators. As noted, the legislation never intended to subsidize tire, wood, or medical waste burners. Instead of facilitating municipal waste disposal in the metropolitan area, the law threatened to make Cook County the incinerator capital of the world. It is believed that the proposed incinerators would have had to accept waste materials from outside of the county to be feasible. The policy failure was compounded by the inability of legislators to repeal the law once the dimensions of the problem became apparent.

The Retail Rate Law and its consequences, however, provided a setting to examine local responses in light of national trends and theoretical literature. Some aspects of the opposition were similar to that found in the literature while others were not. Most surprising was the lack of resistance found within proposed host communities. As noted, residents in Robbins and communities adjacent to the Northwest Incinerator had, at best, mixed reactions to the proposals. This situation was repeated in suburban Summit and Ford Heights, two other proposed host communities. Robbins, Ford Heights, and the area surrounding the Northwest Incinerator are predominately low-income, African-American communities, while Summit is a white, working class community. In each case, opposition to the proposed facilities largely came from environmental groups, health organizations, and white residents of more affluent surrounding communities. This situation is unlike many of the conflicts found in the literature.

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.

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