

To the city council — From A Schotzky
change the "Legal Rent Formulation"
Help — those who need it.

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Cambridge pols abuse rent control power

CHARLES FRIED

The chief justice and a unanimous Supreme Judicial Court were right: Cambridge's unique and extreme rent control program is not just a matter of local concern.

Like the price of food or banking regulation or minimum wages or the rules of marriage and divorce, the arrangement between a homeowner and his tenant is usually governed by the general laws of the state. Cambridge and other communities can regulate rents only because the Legislature has specifically allowed them to. If the people of the state must grant that permission, they can take it away. And the people of Massachusetts as a whole should take away the privilege they granted more than a generation ago because Cambridge politicians have

grossly abused that privilege and instituted a system of rent control more extreme and comprehensive than any other in the state — indeed, any in the country.

While rent controls in Boston and Brookline have gradually wound down in response to changing conditions, the politicians in Cambridge have refused any modification. In fact, they have tightened the screws over the years. But isn't this a local matter anyway — even if the system is as unwise as most people outside Cambridge acknowledge? Not at all, and the political and moral basis for the people of the commonwealth bringing the extremists in Cambridge down to earth mirrors the legal justification given by the SJC.

Property rights are created and regulated by state law — just like inheritance laws and rules governing marriage and the family. Localities have been given permission to

regulate rents only because of acute shortages and local dislocations during unusual times. Even today, Cambridge's rent control ordinance is justified on the grounds that there is an emergency. But whatever emergency there may have been a generation ago no longer exists. There is no housing shortage in Massachusetts, and communities surrounding Cambridge get along just fine and have mixed and stable neighborhoods with no rent control at all, or with minimum controls at the margins, as in Boston and Brookline. The idea that there is an emergency only in Cambridge is a fantasy.

Rent control persists and has become more extreme in Cambridge because its politicians have grossly abused the privilege the state gave them. Cambridge has the highest proportion of renters in the state, so city councilors opposed to rent control are consistently defeated in Cambridge's uniquely

complicated and virtually incomprehensible system of proportional representation.

Well-organized tenants' groups and middle- and upper-class renters (including one justice of the SJC and the mayor of Cambridge) who pay rents a fraction of those they would pay elsewhere (sometimes less than the cost per room at the YMCA) have dug this system in. In this they are assisted by a group of ideological extremists for whom rent control is a symbol of a socialist utopia that has been repudiated in most other places in the country, not to say the world. (The only scheme even approaching that in Cambridge exists in Berkeley, Calif., and that should tell you something.)

Nor does any serious observer believe that the problem of homelessness is in any way connected to rent control. The genuinely poor and destitute live in public or publicly subsidized housing. To solve the problem of poverty by controlling the rents paid by wealthy and middle-class renters is as fair and logical as solving the problem of malnutrition by requiring supermarkets to charge

everybody below-market food prices. We don't do that; instead we have food stamps.

Finally, the people of the state have an interest in returning Cambridge to its senses for some more self-interested reasons. Rent control causes a deterioration in the housing stock and a lowering of property values that necessarily shifts a greater burden of state aid to other communities that manage their affairs in a less unusual way. And property owners in Cambridge are not just Cambridge residents. They are citizens of the commonwealth and reside in many other communities.

If the politicians in Cambridge had shown moderation on this issue over the years — as have Boston and Brookline — this referendum would not be necessary. As it is, Cambridge is not only a sore thumb but also one whose infection may spread. The referendum is not only proper; it should win.

Charles Fried, a professor of law at Harvard Law School, donated his time to the defense of the rent control referendum in the Supreme Judicial Court.

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Communication received from A.
Schutzberg, regarding rent control.

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