The Government Shutdown
Jake Stein and Colin Staub
We lost billions of dollars and thousands of jobs thanks to the gridlocked government... and it could all happen again in January.

Pay It Forward
TJ Love
Part two of our Q and A with the bill's key proponents.

Electronic Cigarettes About To Be Taxed
Colin Staub
E-cig sales are climbing too high to remain unregulated.

The Great Food Cart Rush
Colin Staub
Free to roam. Recession-proof. Portland food carts keep the American dream alive.

Should You Care for Obamacare?
By Morgan Knorr

“My Space”
Cody Porter
The future of space exploration has landed, thanks to private corporations.

A New Hope
By Jake Stein
A tuition “buy down” holds back tuition increases, but cuts into state retirement funds.

Syria
Derek Sun
Chemical weapons or not, it was probably best not to launch a military strike.

Educators Over Administrators
Matt Reynolds
Involving professors in the bureaucratic process might limit facilities and athletics, but improve affordability of education.
Big things are happening, and not all bad.

We can breathe a sigh of relief thanks to the tuition freeze starting next term. The cost of tuition isn’t going down, but at least it’s not going up either. (See pg. 17 for more info.)

The government finally reopened, but the shutdown has left us with billions in losses, and next to zero faith in the ability of Congress. An agreement has been reached for now, but Speaker of the House John Boehner, Senator Ted Cruz and their gaggle of Tea Partiers are still pretty riled up at the fact that President Obama’s Affordable Care Act is actually being implemented, and might just be working for millions. (For more on ObamaCare, see pg. 5, and for a retrospective look at the crushing effects of the government shutdown, see pg. 3.)

Have you heard about “Pay It Forward?” It’s the PSU-bred idea that could save students from debt, discussed in the second installment of our coverage on the new bill (pg. 7).

Also in this issue, we’ve got rocketships. And food carts. Who doesn’t love rocketships and food carts? Since the financial collapse of 2008, food carts have proven to be a business that can thrive in economic straits. And while NASA recoils in funding-cut doom, private space exploration companies take the spotlight, and may succeed in sending earthlings to Mars (pg. 15). While we’re on the subject of the recession, electronic cigarette sales have doubled each year since 2008, oddly enough (pg. 9).

What does all this mean?

It means the impact of October’s government shutdown will ripple through years to come. Decisions made today affect tomorrow. (Or, in this case, decisions delayed for a few weeks.)

How will losing our country’s credibility—and potentially $24 billion—change things next year? And is the government going to self-destruct again in January, when the debt ceiling discussions start back up?

We’ll keep you posted.

Jake Stein
Editor-in-Chief
The Government Shutdown

It didn’t just cost us billions—it cost us our credibility. Will It Happen Again?

By Colin Staub and Jake Stein

In early October, Speaker of the House John Boehner and Senate minority leader Mitch McConnell led congressional republicans to force a stalemate on the government, in an attempt to cut funding to President Obama’s Affordable Care Act. Obama refused to submit, and urged congress to raise the debt ceiling. An expensive partisan staring contest ensued.

After 16 days, the republicans caved.

Senate democrats approved a proposal to fund the government until January 15, extending US borrowing abilities until February 7, and a surprising 87 House republicans turned around to support the bill.

Crisis averted—but barely, and not without significant damage.

“We’ve got to get out of the habit of governing by crisis,” declares President Obama, in a speech announcing the end of the costly impasse. He implored both parties to ditch the animosity and put their heads together for the future of America. “How are we going to move this country forward and put the last three weeks behind us?”

That’s a good question, Obama.

The shutdown hit us hard. National parks closed. Corporate earnings forecasts were reduced. Vacations got canceled. Imported products idled at ports, with federal inspections slowing, along with gas and oil permits and export financing. Short-term debt industries required higher interest rates. The list of consequences thanks to this shutdown goes on and on, but perhaps worst of all is the nosediving credibility of the United States as a functioning government and economy.

According to Macroeconomic Advisers, a forecasting firm based in St. Louis, this extended shutdown has likely cut fourth quarter growth by $12 billion. But another leader of market intelligence, Standard & Poor’s, estimates that growth has been trimmed by twice that, up to $24 billion. The Washington-based research group Bipartisan Policy Center claims that many businesses will probably not recover all the potential revenue that was lost. And Macroeconomic Advisers estimates that the cost of these economic fiascos of the last few years could amount to as many as 900,000 jobs lost.

The shutdown of 2013 has brought about the deepest plunge in consumer confidence since the fiscal straits of 2008.

In accordance with the agreement that congress has just approved, the House and Senate are supposed to negotiate and develop a blueprint for spending policies for the next ten years by December 13. That’s just over a month away.

It sounds a little too optimistic—especially considering what some republicans are saying. “Unfortunately,” says Texas Senator Ted Cruz, “the Washington establishment is failing to listen to the American people.” Senate minority leader Mitch McConnell admits that the agreement reached “is far less than many of us hoped for, quite frankly.” And Representative John C. Fleming of Louisiana warns “we’re going to start this all over again.”

Them sounds like fightin’ words, boys.

On the other side of the table, President Obama and friends are a bit more confident that a long-term agreement can be found by December. “I’m convinced,” insists Obama, “that democrats and republicans can work together to make progress for America.” Though the president goes on to add that “hopefully next time, it won’t be in the eleventh hour.” Even Senator John McCain states that he thinks “we have the framework for the kind of bipartisanship that the American people need and want.”

Easier said than done. With many republicans still throwing frustrated tantrums, clearly unsatisfied by the October shutdown’s outcome, who is to say that another congressional gridlock isn’t right around the corner? “Obamacare isn’t working,” insists Senator Cruz, “and not only is it not working, it’s not working badly.” Despite Cruz’s less than stunning vocabulary, his point remains clear: republicans are backing down for now, but the war against raising the debt ceiling—and funding Obama’s Affordable Care Act—is far from over.

Even Obama admits, “There is a lot of work ahead of us, including our need to win back the trust of the American people.” You can say that again, Mr. President.
It didn’t just cost us billions—it cost us our many as 900,000 jobs lost. The Government Shutdown of the last few years could amount to as research group Bipartisan Policy Center claims that many business trimmed by twice that, up to $24 billion. Washington-based intelligence, Standard & Poor’s, estimates that growth has been government and economy.

Thanks to this shutdown goes on and on, but perhaps worst of all, the list of consequences financing. Short-term debt products idled at ports, with federal inspections slowing, along earnings forecasts were reduced. Vacations got canceled. Imported goods at ports, “No federal employees would investigate industrial chemical spills/accidents that happen during the shutdown.”

What you could have done during the Shutdown:

• **Started the next financial crisis.**
  With the Commodity Futures Trading Commission and the Financial Crimes Enforcement Network, agencies involved in identifying catastrophes such as the 2008 crash and the Madoff scandal, each furloughing over 90 percent of their employees, the shutdown provided an ideal window to start that Ponzi scheme you’ve been dreaming of.

• **Broadcast a pirate radio station.**
  The Federal Communications Commission shuttered its offices for anything not involving endangered lives, giving you the perfect opportunity to live out your Pump Up The Volume dreams.

• **Disposed of toxic chemicals however you felt like it.**
  The Chemical Safety and Hazard Investigation Board sent home all but three of its 40 employees. CNN reports, “No federal employees would investigate industrial chemical spills/accidents that happen during the shutdown.”

• **Taken a 16-day vacation from worrying about the IRS.**
  Everyone’s favorite government agency furloughed 90 percent of its 94,000+ employees. Few were sad to learn that audits would be put on hold for the duration of the shutdown. However, with that many employees absent, you might have also...

• **Gotten really angry at the IRS.**
  CNN reports other IRS activities inactive during the shutdown, such as providing “legal counsel” and “responding to taxpayer questions.”

• **Become convinced once and for all that SpaceX and Mars One are the way of the future.**
  The day the shutdown began, NASA tweeted that “all public NASA activities/events are postponed until further notice.” During the shutdown, only a few hundred of the agency’s 18,000 employees were allowed to work. For more info on private space exploration of the future, see page 15.
SHOULD YOU CARE FOR OBAMACARE?

It could be the future of a successful health care system. (Or it could be a failed reform digging a deeper split in the heart of the American public.)

By Morgan Knorn

ObamaCare, officially the Patient Protection and Affordable Care Act (PPACA), is a federal statute regarding healthcare reform that was signed into law by President Barack Obama on March 23, 2010. But who is actually aware of this reality? According to a health tracking poll conducted by the Kaiser Family Foundation, only 58 percent of Americans realize that the law is already being implemented, despite it being three years old. Per this same poll, only 25 percent are in favor of the PPACA, and 24 percent hold no opinion. With the imminent modifications that will occur in our healthcare system—the major changes that will affect all Americans—it is vital that the information regarding these changes be laid before us in plain view.

The fundamental goals of the PPACA are to achieve an increase in quality, availability, and affordability of private and public health insurance, to streamline the delivery of healthcare services, and to create a reduction in the overall costs of healthcare. However, laws formed to work towards these goals may not be reaching the desired outcome, and the reform as a whole has been widely controversial.
ObamaCare will ultimately change healthcare in the following ways:

- **It will implement an individual mandate** requiring all Americans to have health insurance or face a fine enforced by the IRS. But insurance will be made more available, as President Obama is including a provision that disallows anyone from being rejected for a pre-existing health condition; he will require that assistance be provided to low-income Americans, and that small businesses receive support in the form of tax credits.

- **A state-run health insurance exchange will be made available by 2014**, where those seeking healthcare will be able to “shop” through the Health Insurance Marketplace, thus allowing them to compare different plans (outlined below).

- **By 2022, Medicare will change as well**, with reductions in reimbursement to hospitals, insurers, and the Medicare Advantage Program. Seniors will be given a break on out-of-pocket payments for medications, but subsidies for higher-income earners will be reduced.

- **An exceedingly controversial change is the creation of an independent payment advisory board consisting of 15 unelected experts who will hold the power to cut Medicare spending and make other healthcare decisions. Implementation of this board may be congressionally and presidentially difficult; due to the enormous power the board members will hold, as well as the fact that they will not be elected, but appointed by the president and the Senate, this will lead to a great increase in government control over our healthcare system.**

**Which Metal Do You Deserve? (And Which Can you Afford?)**

- **Four types of Qualified Health Plans, referred to as “metal plans,” will be provided**, with the quality of insurance in correspondence with the value of the metal types. These plans include bronze (the cheapest plan, where 40 percent of covered expenses are paid out-of-pocket), silver (30 percent of expenses paid out-of-pocket), gold (higher cost but lower deductibles, expenses split 80-20), and the highest-quality plan, platinum (costs split 90-10; best fit for those who are sick and likely to use costly health services).

- **With such benevolent goals, this all sounds great in theory. But will ObamaCare actually be able to reach its targets in practice? The public perspective on this is divided, and the positive as well as negative aspects must be taken into account in order to form a well-educated opinion.**

**Some pros of the PPACA are as follow:**

- **In order to achieve improved quality of healthcare, the act will offer free preventive care and protection from healthcare fraud.**

- **The state-run marketplaces mark the least controversial aspect of ObamaCare, with conservatives in support of the competitive nature of the exchanges, and liberals in favor of the way this protects consumers.**

- **Under the Affordable Care Act, gender discrimination by insurance companies will be prevented, lifetime and annual limits will be extinguished, and costs will be subsidized.**

- **All non-grandfathered health insurance plans will be required to provide new consumer rights and protections, in order to comply with the “10 essential benefits” mandated by ObamaCare, which include aid with emergency services, hospitalizations, maternity care, and rehabilitation.**

- **ObamaCare will not replace private insurance, Medicare, or Medicaid. If you are happy with your current coverage, you can keep it.**

**Cons may include:**

- **Under the new employer mandate, the majority of companies will be required to provide and pay for costly government-determined health insurance for full-time employees in order to avoid a hefty federal fine. A main concern here is that smaller companies may begin to cut hours to designate employees as part-time workers so as not to have to provide them insurance.**

- **In theory, governmental control of decisions made by healthcare practitioners will help to attain superior care with the provided health plans. However, through enacting laws that govern the practice of medicine, we may be looking at a future shortage of medical professionals, with a loss of up to 91,500 doctors by the year 2020. A survey of 2,400 physicians found that, with the implementation of this law, 40% may retire from the clinical realm of healthcare, and many would seek work unrelated to healthcare altogether.**

- **Contradictory to the assurance of lower healthcare costs—specifically the promise that premiums would be $2,500 lower by this year—the average price has actually risen by $2,200 under the Obama administration.**

- **$575 billion in Medicare payment cuts may cause more physicians to stop seeing Medicare patients, creating more issues with accessibility.**

As with any political reform, the concept in theory may not perfectly describe the way in which these laws will play out in practice—there is always risk to be taken. What our healthcare system under the PPACA will look like in 2015 or 2022 will only be determined as the future unfolds. The well-meaning objectives are present, but the reform is off to a rocky start with widely divided views of the public and unintended outcomes of certain implementations, such as bug-ridden online exchanges. But, as Obama reminds us, “The Affordable Care Act is not just a website.”

What do you think? Will the aims of ObamaCare succeed in improving our healthcare system, or will it just create more unintended and potentially expensive outcomes?
While many of us were away for the summer, Oregon legislature voted unanimously to pass HB 3472, also known as the Pay It Forward bill, on July 1st. While Pay It Forward has received a plethora of not only local, but national coverage from the likes of The Wall Street Journal, The Nation, CBS News, and Time, none of these outlets have taken the time to actually address the inevitable naysayers and doubters. The Spectator had the chance to sit down and chop it up with three individuals who played an instrumental role in taking Pay It Forward from a great idea to a promising reality. Steve Hughes is the Director of the Oregon Working Families Party (WFP), an organization that helped propel the legislation with tireless grunt work. Sami Alloy is a 2011 graduate of PSU and the Campaign Manager of the Oregon WFP, and Barbara Dudley, professor at PSU, is the founder and Policy Advisor of the Oregon WFP.

Between Spring Term and Fall Term, the U.S. Congress allowed student loan interest rates to spike at 6.75%. Pay It Forward, a potential solution to the student debt crisis, is essentially Social Security in reverse: instead of taking out loans during school, students would be given the option to pay 3% of their post-graduation earnings back into a general fund which would be redistributed for future generations of students, with different percentages calibrated for those who only complete junior college or go on to graduate school.

Pay It Forward is an attempt to not only cut banks and Wall Street out of the picture, but to make higher education cheaper and more accessible for everybody in the long run. The question is, can it work? In the second installment of The Spectator’s two-part interview with Barbara, Steve, and Sami, we go in depth, getting down to the nitty gritty.

Photograph: Pay It Forward is signed by Governor Kitzhaber, accompanied by Working Families Party members and PSU students.

From PSU Classroom To Portland Legislature, The Scars Of Loan Debt May Heal For The Next Generation Of Higher Education

The Spectator sheds light on the new Pay It Forward idea, which could help the next generation of students find a way out of student loan debt…

By TJ Love
**The Spectator:** Barbara, can you tell us a little bit about Pay It Forward and PSU’s role in it?

**Barbara:** Sure. I taught a Senior Capstone called Student Debt, Economics, Policy, and Advocacy. I co-taught it with Mary King, who is an economics professor at Portland State, and the students studied, more or less, the economics and history of student debt, how we got into this mess, and how deep a mess we are in. And then they looked at some of the policy options that were floating around out there to deal with the student debt crisis. There was a lot of conversation going on in Congress, and with the Obama Administration, but we thought more likely that we could make progress on a state level.

**The Spectator:** So you looked at state policy options?

**Barbara:** We asked around about what state policy options were out there that anyone knew about, and I was referred to the Economic Opportunity Institute in Seattle, WA, and a man named John Burbank who had developed this Pay it Forward proposal. I don’t think it was unique to him—it had come up at various times in the past—but he had really developed it, evolved it, and run some numbers on it to see how it would work in Washington state.

**The Spectator:** Then you presented it to the students.

**Barbara:** We asked the Oregon Center for Public Policy, which is a sort of think tank here, to run the same kinds of numbers for us as Burbank did for Washington state. It included looking at the cost of tuition for students, the amount that they currently have to pay by going into debt, and what their average earnings are when they graduate, all to see how it would work on the other end. And the students looked at that, and they liked it a lot. They thought it was a far better alternative to taking out a loan. We had a variety of speakers come to the class, including John Burbank. One of them was Michael Dembrow, a legislator who is the chair of the House Higher Education Committee, and he liked the proposal and suggested we present to more legislators. At the end of the term last December we had a legislative panel at PSU.

**The Spectator:** With students?

**Barbara:** Our students presented to a panel of four legislators. So all the students from my class presented to the legislators and after that, Dembrow and I worked [the proposal] into actual draft legislative language, and he introduced it…and off we went.

**The Spectator:** Sami, talk about the burdens of the current system on students.

**Sami:** The cost of education is too high. It’s pricing students out of the ability to go to college who want to. For those that choose to go they are ending up $26,000 in debt on average. College is seen as the ticket to the middle class, the recipe for financial prosperity in this country. So students who already have their backs against the wall are choosing to take on unconscionable levels of debt that hamper their ability to function in the economy after college, or choosing not to go.

**The Spectator:** Let’s talk about what this would mean for access to college.

**Sami:** Last year enrollment at PSU flat lined for the first time in years. It’s been growing for, I think, ten years, and then it flat lined this past year. Which means they finally hit a tipping point. Tuition is so expensive that students are choosing not to go. Under Pay It Forward that psychological and financial burden of finding the money to enroll upfront would be lifted. That means it opens a door of access for students who wouldn’t otherwise be able to go, particularly students who are already deeply marginalized… LGBTQI students whose parents may have disowned them, and don’t benefit from the family money… Women whose parents don’t believe that sending a girl to college is a good investment… People whose parents make a little bit too much money to qualify for low income grants but not enough money to pay for college themselves. And student loan debt disproportionately affects women and people of color because of the wage gap that exists when you get out of college, [which means] you’re not making as much money because of institutionalized racism and sexism in society. So when you look at who already has access to college, Pay It Forward is turning that on its head.

**The Spectator:** Steve, there’s a prominent education organization that is against Pay it Forward because they feel it doesn’t go far enough. What’s your response?

**Steve:** Criticisms we are hearing about PIF have to do with the idea of “restructuring debt.” We have been hearing that PIF simply restructuring students’ debt and requires them to pay the money at a different time. However, all of these critiques miss the very fundamental point that PIF actually removes debt from the equation. Sure, you will owe money into a public fund, and you will pay into that fund based on your income upon graduation. In this sense you are paying a debt in the way we might say you are paying a debt to society. However, unlike income-based repayment plans, PIF is NOT a debt. In other words: it does not collect interest, it is not owed to a lending institution, and it does not impact your credit rating.

To break this down a bit more, if you graduate from school with a $50,000 education debt to your name, good luck trying to get a home loan or car loan—this kind of post-graduation impacts your ability to get credit for other priorities because it counts against your debt-to-income ratio. On the other hand, if you are a graduate paying into the PIF fund, you are not “paying off” a loan; you are paying into a social insurance fund to allow the next generation of students the opportunity to go to school. Nowhere in this transaction are you “paying off” a debt. And nowhere in this transaction are you dealing with a bank that is charging you interest on the money that helped fund your education.

In short, the folks who are criticizing PIF as simply “restructuring student debt” need to recognize that there is no interest-gaining debt and there are no banks anywhere in the equation. PIF differs from other plans such as income-based repayment in this very fundamental way. To defend income-based repayment as acceptable but to criticize PIF is to miss the very obvious fact that the former is actually the definition of “restructuring DEBT,” whereas PIF is aimed at restructuring the social systems that surround public higher education, in such a way as to extract the banks from the middleman role they currently play in making college accessible to students.
Government Craves E-Cigarette Regulation

Electronic cigarette sales have doubled each year since 2008. With sales estimates approaching $1.7 billion this year, taxation seems inevitable.

by Colin Staub
Photographed by Morgan Knorr

The electronic cigarette industry is about to see some changes. Both locally and nationally, lawmakers are working to figure out how to regulate the nicotine delivery devices, which have remained relatively regulation-free since they hit the market several years ago.

While anti-tobacco groups have long called for governmental oversight of electronic cigarettes, the issue has come to a head in recent weeks. In September, Oregon lawmakers discussed the possibility of taxing electronic cigarette products, the Associated Press reported. Currently, the only Oregon laws relating to electronic cigarettes, often known as “e-cigarettes,” prohibit their use in state agency buildings, according to the American Nonsmokers’ Rights Foundation.

The local debate over e-cigarette taxation comes as the Food and Drug Administration prepares to enact federal regulation that covers several aspects of the e-cigarette industry. E-cigarettes have spiked in popularity in the last five years—a September letter from the National Association of Attorneys General (NAAG) to the FDA estimates e-cigarette sales have doubled each year since 2008. Since a 2010 court ruling that determined e-cigarettes to be tobacco products rather than smoking cessation drugs, the FDA has been working to craft regulation that will cover several matters raised by e-cigarette sales.

In its letter to the FDA, the NAAG identifies three major issues that demand regulatory attention: the way e-cigarettes are advertised, the ingredients of the nicotine solutions they use, and the potential for minors to buy e-cigarette products. The letter mentions the FDA’s goal to enact regulation by the end of October and urges the agency to take a strict course of action on e-cigarettes, adding a reminder that every single State Attorney General sued the tobacco industry for the damaging health effects of cigarettes.

Essentially, the attorneys general want e-cigarettes to be treated exactly like real cigarettes, often called “analogs” among e-cigarette users. They want advertising oversight—the tobacco industry is among the most regulated advertising industries in the country. While normal cigarette ads have been banned from television since 1969, this year an e-cigarette company had a 30-second TV spot during the Super Bowl. Furthermore, the attorneys general want a limit on e-cigarette flavors. While flavored cigarette products have been banned since 2009, e-cigarette users can buy virtually any flavor of nicotine solution, including sweet fruity flavors. FDA oversight of these two facets of the industry would largely reduce the number of minors picking up e-cigarettes, the NAAG says.

However, regulation has proved to be somewhat difficult, in part because of the way e-cigarettes are used. Tobin Tanner, a Portland State student who switched from tobacco to e-cigarettes about six months ago, describes how e-cigarette use is different. “Weening myself off tobacco was definitely the initial idea,” he says, “but to be honest, I’m probably ‘vaping’ more than I ever smoked.” E-cigarettes differ from other traditional Nicotine Replacement Therapy products, such as Nicorette gum or nicotine patches, which are clearly marked as nicotine cessation aids, and are designed to be used specifically to stop nicotine addiction, first by replacement and then by cessation. E-cigarettes, on the other hand, are not marketed so pointedly.
For example, an early e-cigarette company was called “Smoking Everywhere,” a reference to the freedom to use an e-cigarette where smoking is banned. The FDA addressed this very issue in a report to congress, describing the “dual use” possibilities for e-cigarettes: they may be used in conjunction with tobacco, meaning they have the potential to increase nicotine intake and prolong nicotine addiction rather than end it. And even if the user quits smoking entirely, nicotine addiction is still ongoing. “It’s a different type of addiction—you know it’s healthier which makes you feel like you can do it much more often,” Tanner says. “I think of it more like a cup of coffee versus a cancer causing chemical, but the level of nicotine addiction has got to be higher than when I ever smoked.” Although the same prospects exist with other NRT products, it all comes down to what is marketed as the intended use.

Additionally, e-cigarette taxation may be complicated. Cigarettes are taxed per cigarette in a pack. Currently the Oregon cigarette tax is $1.18 per pack, and is the same for all cigarette brands. The nicotine liquids that are used with e-cigarettes vary widely, from flavor to nicotine content. Some liquids even contain no nicotine, and are just designed to simulate the act and appearance of smoking. Would these be taxed as well? Would the tax be per-milligram of nicotine, or would it be a flat tax across all nicotine liquids?

In an industry with 2013 sales estimates approaching $1.7 billion, taxation and regulation are inevitable. The trick in this case is to not regulate to such an extent that e-cigarette users end up returning to “analog” habits. Such a move would be counterproductive to the legislative goal of reducing tobacco use among the general public. For some former smokers, however, a tax might be the final push to get them off nicotine for good. Lacey Hudson, another Portlander who has switched over to e-cigarettes, says an e-cigarette tax would not make her return to tobacco, adding that “I’d pay the tax, I guess, or quit everything.”

E-cigarettes differ from other traditional Nicotine Replacement Therapy products, such as Nicorette gum or nicotine patches, which are clearly marked as nicotine cessation aids, and are designed to be used specifically to stop nicotine addiction, first by replacement and then by cessation. E-cigarettes, on the other hand, are not marketed so pointedly.

Say hello to the nicotine addiction of the future. E-cigs might not use tobacco, but with all their fruity flavors a sin tax seems inevitable.
How food carts of the west stay wild.

RUSH

BY COLIN STAUB

PHOTOGRAPHED BY NICK SHAREK

THE

GREAT

FOOD CART

R
How food carts of the West stay wild.

By Colin Staub
Photographed by Nick Sharek
Known for its gargantuan breakfast sandwiches and deliciously sloppy burgers, Brunch Box recently made the transition from foodcart to brick-and-mortar restaurant.
Our city has been the subject of glowing praise from many different outlets. New York Times articles, tourism blogs, even a travel piece by Fred Armisen have all tried to pinpoint what they feel makes Portland special, or “weird.” Some of the elements of Portland culture that draw outsider focus—lots of coffee shops, the feeling of neighborhoods, community art projects—can lead sheltered natives to wonder whether the rest of the country looks like one giant homogenized Beaverton+Hillsdale Highway. However, there is one facet of life in Portland that pops up in seemingly every review, and rightly so: food carts. The abundance of these mobile vendors has repeatedly branded Portland as the Food Cart Capital of the United States.

There were at least 750 carts operating in Portland at the end of 2012, and the number is rising. This stands in stark contrast with several other large US cities, largely due to Portland’s relatively lax food cart ordinances. In Portland, a food cart, or “mobile food unit,” must retain the ability to move, but is not required to as long as it meets several requirements which vary depending on the property the cart sits on. For public spaces, as long as the property is zoned for commercial business, the city issues permits for carts to operate for one calendar year in the same location.

This locational freedom sets Portland apart from some cities, such as San Francisco, where carts cannot operate “within a 75-foot radius of a restaurant.” Chicago takes its ordinance to the extreme—there is a limit of one food cart per block, on specifically approved blocks, not within 200 feet of a restaurant entrance, and each cart must move every two hours. In order to enforce these rules, all Chicago-area food carts must be equipped with a GPS tracking system that is “permanently installed in, or on, the vehicle,” broadcasts “GPS coordinates no less frequent than once every five [5] minutes,” functions “at all times when the [cart] is in operation, regardless of whether the engine is on or off,” and is “accurate no less than 95% of the time.”

Perhaps we are more relaxed out here.

Portland legislation is the reason food carts are allowed to operate here, but the real driving force behind their skyrocketing success might be the recession. The food cart boom spiked in Portland during and since the financial collapse of 2008...

According to “Food Cartology,” the history of food carts in this city goes back to the early 20th century. In 1912 Joseph Gatto, an immigrant from Italy, operated a produce cart, selling fruit in various parts of the city. As his business increased he opened a produce warehouse, eventually turning it into Gatto & Sons produce company, which continues to operate in southeast Portland to this day. The study acknowledges that food carts have historically functioned as “stepping-stones into storefront businesses.” And indeed, the study reports that 46% of food cart vendors mentioned the wish to open a restaurant as their reason for starting a cart. But with the current plethora of food carts in Portland, and the subsequent media attention that focuses on the carts themselves as an attraction, it has become unclear whether the dream of one day evolving from cart to restaurant is still the business plan for owners. That is, until recently.

In the past year or so, several of the most popular carts in Portland have taken the leap from mobile cart to grounded storefront. Lardo, which started as a food cart in southeast three years ago, opened a restaurant on Hawthorne in the summer of 2012, followed by a second location in southwest later in the fall. Brunch Box, a famed five-year-old food cart in southwest, entered the sit-down restaurant business this past spring. And El Cubo de Cuba, starting out as one food cart in 2010, added another in 2011, and has now opened the doors to its restaurant location on Hawthorne, in the building formerly housing Taco del Mar.

Of course, a bigger business also means more concerns and decisions to be made. El Cubo de Cuba kept its fans on Facebook posted in the process of transforming into a storefront restaurant. They mention major construction work on the building, more permits, and new laws and codes to conform to as steps in the transition. Additionally, El Cubo de Cuba decided to close the food cart side of the business and focus entirely on the restaurant. Brunch Box, on the other hand, decided to keep its cart operating after the restaurant opened. An employee there acknowledges that issues can arise from the two locations operating simultaneously, such as the potential for the business to compete against itself, putting restaurant against cart.

The headaches that come with expanding a business, mixed with the sensational media focus on the food cart industry in Portland, might be a few reasons that more food carts haven’t made the jump into larger ventures, but it also could have something to do with the kind of person who gets into the cart industry. The 2008 study found that 68% of surveyed food cart vendors entered the industry “because of a desire for independence.” And although they are subject to some regulations and permits, compared with vendors in cities like Chicago they have a great deal of freedom. Perhaps as saturation becomes more and more of a problem, more legalities will come into play, but until then it seems Portland will remain, and be widely known as, the Wild West of the food cart world.
I t seemed to happen out of nowhere—a quick manifestation of a dream that was conceived out of the minds of a young modern America. Incubated in the passive-aggressive atmosphere of the cold war, the young and dashing John F. Kennedy set this dream in motion during a speech at Rice University in 1962. He announced to the Texas stadium that the United States would become the first country to reach the moon, then return safely to Earth. A benchmark was set for 8 years—impressive, considering the technology needed for such a feat wasn’t even in existence yet. So we spent millions of yesterday’s dollars making up for the lack of resources and eventually we did exactly what we set out to do.

As the returning capsule descended into the sea, so did the government’s sudden thirst for space exploration. In 2011 NASA decommissioned the shuttle program due to a lack of U.S. government funding. However, the dream of “climbing the highest mountain” is still finding its way through different, private avenues…

Everything space-related is expensive, but that’s only part of the problem. What we’ve learned from having a space program is that sending an astronaut to space is a lot like giving your 21-year-old son the car and half your savings, and sending him off to Las Vegas. The chances of you seeing that money or your car again are slim. This is how a lot of investors in space exploration feel when they put money into a rocket—there’s no guaranteed profit return. We just don’t have the proper economy like we did during the 1960s. That’s where SpaceX and the Mars One programs come in.

SpaceX (or Space Exploration Technologies Corporation) is a privately owned business that contracts through government and private entities for any of your space-related needs. In fact, if you have any extra change lying around—say, a couple hundred thousand dollars worth—they would be more than happy to give you a two-way ticket to the International Space Station (ISS).

The purpose of the Mars One program is to raise funds and resources to eventually establish a permanent settlement on Mars in 2023. “Permanent” should be said with a bit of emphasis, because once these people get there, they ain’t coming back.

Former PayPal entrepreneur Elon Musk founded SpaceX in 2002. With up to 3,000 employees, SpaceX mainly develops transit systems needed for space travel. In 2008, after successful demonstrations of their Falcon 1 rocket, NASA awarded SpaceX a $1.6 billion contract to resupply the ISS. This made SpaceX the...
first privately owned organization to send a fueled rocket into Earth’s orbit. The next year they delivered a satellite into orbit for the Australian Transport Bureau.

Presently, SpaceX has been running multiple resupply missions for NASA’s ISS. The profit is being used to develop new technology—such as the “Falcon Heavy,” the world’s most powerful rocket—working toward the ultimate goal of continuing the echo of the space race, and sending humans to inhabit other planets. First stop: Mars.

Essentially three of the Falcon 1 rockets put together, the Falcon Heavy will deliver four million pounds of thrust at takeoff. The Falcon Heavy rocket, scheduled for its first launch next year, will be utilized in the most ambitious space program in human history: the Mars One mission.

Founded by a man of the name Bas Landsdorp (no, he’s not a Game of Thrones character), the purpose of the Mars One program is to raise funds and resources to eventually establish a permanent settlement on Mars in 2023. “Permanent” should be said with a bit of emphasis, because once these people get there, they ain’t coming back. Sounds like the FBI just got a new location for their witness protection program.

Mars One put out a global casting call for applicants about a year ago. A total of 202,586 people submitted a video followed up by a resume and an essay. The following are the percentages of the nationalities that have applied: 24 percent American, 10 percent Indian, 6 percent Chinese, 5 percent Brazilian, 4 percent from the UK, 4 percent Russian, 4 percent Mexican, 4 percent Canadian, 2 percent Filipino, 2 percent Spanish and 37 percent Other. Candidates are being picked based on relevant skills, mental stability, physical temperament, and spirit. All of the people that pass through round one then get assigned to one of 300 regional selection committees. After that, the selection process gets a little weird.

Because space travel, at the moment, is more expensive than it is lucrative, Landsdorp is going to televise the selection process. That’s right: Landsdorp’s main source of funding will be ad revenue from a global reality TV show. Audiences worldwide will observe candidates train, then vote for which ones they would like to see on the Red Planet. It seems unconventional, but it’s hard to see how else this project could get funding. NASA would love to organize a mission to Mars. However, NASA doesn’t have the budget to spare $6 billion—the amount needed for this mission.

If Mars One succeeds, they will launch equipment using SpaceX rockets, and set up habitat units by 2016. After the rovers have completed construction, the first four of the 20-30 trained astronauts will be blasted off. These first four will serve as a preliminary group that will be monitored. If these first four don’t wind up going insane with cabin fever and eating each other, or fending off territorial Martian tribes, then Houston, maybe we won’t have a problem.

The Mars One program combines people of all nationalities. It is creating a unified collective of earthlings to pioneer where no man has gone before. (Trekkies, you can officially start getting giddy.) NASA may have lost funding, but space exploration continues to progress—and now, it is no longer dictated by competing governments. 🌍

**MARS ONE GLOBAL CASTING CALL APPLICANTS**

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>American</td>
<td>24%</td>
</tr>
<tr>
<td>Indian</td>
<td>10%</td>
</tr>
<tr>
<td>Chinese</td>
<td>6%</td>
</tr>
<tr>
<td>Brazilian</td>
<td>5%</td>
</tr>
<tr>
<td>UK</td>
<td>4%</td>
</tr>
<tr>
<td>Russian</td>
<td>4%</td>
</tr>
<tr>
<td>Filipino</td>
<td>2%</td>
</tr>
<tr>
<td>Spanish</td>
<td>2%</td>
</tr>
<tr>
<td>Canadian</td>
<td>4%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>37%</td>
</tr>
</tbody>
</table>
The sum of all student fears: graduating college in an avalanche of student loan debt, and being unable to find a job. Inflated tuition costs make this terrifying nightmare all too real. The high cost of attendance, this reaper of student dreams, is enough to make most current students shiver at the thought—and forces some would-be students with a lack of financial backing to neglect higher education altogether. As a statement from the Oregon Student Association (OSA) explains, “In 2013, there are students who, during winter months, decide to sleep in 24-hour libraries rather than their homes because they cannot afford to turn on the heater.”

But on October 4, the beast of tuition was finally dealt a substantial blow. In a special session, Governor Kitzhaber and the Legislature agreed to “buy down” tuition by $40 million. This will cut the rise of tuition by 1.5 percent for the Winter and Spring 2014 terms, and starting Fall 2014, tuition costs will freeze. It’s a stalemate. The cost of attendance isn’t going down next year, but at least it’s not going up either.

Explained in a statement by Dr. Melody Rose, Oregon University System Interim Chancellor, this decision will help “thousands of Oregon undergraduate students attend, stay and succeed in our universities.” But just where exactly did the funds for this sudden $40 million relief come from?

Unfortunately, those millions were mostly pulled from retirement funds for public state employees. Which means state workers—already stuck with poor hours and less pay than seems right—just said goodbye to a small portion of their retirement.

As if the government shutdown wasn’t bad enough.

The OSA describes the tuition freeze as a “very impactful yet imperfect solution.” They recognize that the bill is more or less a “band aid,” a part of a bargain that will “hurt some of Oregon’s poorest workers.”

Nevertheless, students can relish in the fact that Oregon achieved a bittersweet victory in the long battle to keep higher education affordable. But how much further can we sustain ourselves with buydowns using public employee retirement reserves? The war against rising tuition costs seems far from over, and some are championing a system overhaul as the only way to keep higher education accessible.

Pay It (potentially) Forward

A new bill on the horizon, coined “Pay It Forward,” seeks to rid students of debt on the outset, with a plan to let us retroactively pay for education. Essentially, Pay It Forward would accumulate a pool of funds (hundreds of millions) with which students could attend college without a massive burden of debt due to tuition costs. After school, graduates would pay a certain amount back into the pool for the sake of their peers, determined by each graduate’s salary, like a small tax. (For a more detailed breakdown of Pay It Forward, see our Q and A with some of the bill’s proponents, pg. 7).

Steve Hughes, Director of the Oregon Working Families party, describes it as similar to social security. “What if we ALL pitched in a little bit for the next generation?” says Hughes, in an interview with the Spectator. “Social Security came about to take care of the older generation; Pay It Forward is a means to take care of the younger generation.”

According to Barbara Dudley, Professor of PSU’s College of Urban and Public Affairs, the bill allows students to get an education without worrying about a debt load. “It’s not a debt that you graduate with,” Dudley explains. “Your debt-to-credit ratio is not mucked up, and you can participate in the economy, which is a novel thought.”

But this very idea of attending college without taking loans or paying out-of-pocket upfront is what worries ASPSU President Harris Foster. “It has the potential to be fantastic,” admits Foster. His concern, however, is that there will “no longer be any tuition cap.” Foster explains his view: “If they don’t monitor tuition hikes, [the implementation of this new system] might allow for more money to be demanded of the Oregon population.” In other words, Foster believes this bill could be used by universities as an excuse to keep raising tuition. After all, students will no longer be leveled by debt during education, and by being taxed to sustain our generation’s successors (inevitably less fiscally cautious, without the weight of loans on their minds), students could end up paying more than if they’d taken loans individually up front.
Diane Saunders, Communications Director of the OUS, agrees. In Saunders’s opinion, Pay It Forward’s new system is basically the same function of borrowing disguised “in a different coat”—instead of borrowing before you graduate, you’re paying your dues afterward. “I think [Pay It Forward] has positives to it,” Saunders decides, “and it’s worth doing a pilot of this.” But her concern lies in the idea that Pay It Forward really is just another way to “borrow.” If the nature of having to borrow is in itself stopping students from walking through the door and entering college, this bill might not change much.

What If It Doesn’t Work?

When discussing Pay It Forward, whether it be Harris Foster or the Communications Director of the OUS, “potentially” seems to be the key word. Pay It Forward brings a lot of hopeful potential to the table, but this bill probably isn’t the silver bullet that kills the cost of attending college once and for all. What happens if you graduate and can’t find a job, thus unable to contribute into the pool for the next generation?

Perhaps, if students will ultimately be forced to “borrow” money one way or another to pay for higher education, Oregon should consider focused debt-counseling for students, and more need-based grant programs, in addition to avenues like Pay It Forward.

The tuition freeze decided by the Legislature for the 2014-15 academic year will be the first freeze in 13 years. Though that may strike some as an ominous sign of the perilous amount of student debt at the moment, it also shows that our government is truly attempting to do something about the problem. “This is a signal from the governor and Legislature that they know we are on the tipping point of higher education affordability,” explains Saunders. Thanks to the freeze, the average Oregon undergrad will save between $300-$400 dollars next year.

At the moment, we are locked in a standoff with nightmarish tuition costs for the next few years. But we also find ourselves at a pivotal time to decide the outcome of future generations of students. Will the mountain of debt keep piling higher after this brief ceasefire? Or can Oregon figure out a new system, be it Pay It Forward or a reform to state retirement funds?

According to Saunders, “There is hope.”
Between Iraq And A Hard Place

Syria may be the definition of a terrible situation. Are we doing the right thing—or is there even a “right thing” to do?

By: Derek Sun

The situation in Syria is something former president George W. Bush must be observing with aggravation. Long retired and residing once again as a private citizen in Texas, Bush might be asking himself, “Why couldn’t this have happened on my watch?” Meanwhile, thousands of miles away in the White House, President Barack Obama is dealing with the crises occurring in Syria and wondering, “Why did this have to happen on my watch?”

Under President Bashar al-Assad, Syria perfectly fits the definition of a rogue state. Reports from the United Nations weapons inspectors, the United States government, and every respectable political body in the world—with the exception of the Russian government—indicate with certainty that this small nation in the Middle East possesses prohibited chemical weapons that were used to kill revolting Syrian citizens. In addition to the countless people already killed by bullets, missiles and more conventional weapons, hundreds, if not thousands of Syrians have died because of sarin gas employed by Assad’s armies. Just recently in an interview with German magazine Der Spiegel, Assad refused on multiple occasions to admit that he had anything to do with authorizing chemical warfare. “Once again, I dare Obama to give a single piece of evidence, a single shred. The only thing he has is lies…What conclusions? When the inspectors came to Syria, we asked them to continue the investigation. We are hoping for an explanation of who is responsible for this act.”

Ten years ago it would have made sense for the United States to declare war on Syria and invade, sending the strongest response possible to stop further attacks on Syrian civilians and making sure that Assad lost his power immediately. Unlike Iraq, Syria is a country that really does possess the weapons of mass destruction that dominated discussions about why fighting the Iraq War was a worthy cause. Thus, many believed there was good reason for a military intervention in Syria, and at any rate, a military strike almost always delivers a faster message and provokes a clearer response than any UN resolution or government proclamation about the need for further moderation and dialogue.

Unlike Iraq, Syria is a country that really does possess the weapons of mass destruction that dominated discussions about why fighting the Iraq War was a worthy cause.
Unfortunately, it is 2013 and not 2003, and polls routinely demonstrate that most Americans and Europeans are fed up with intervening in foreign countries and sending soldiers to fight in wars that seem to have no real purpose or benefit within reach.

Obama understood how unpopular an option like attacking Syria is; for many, invading Syria would have cemented his image as a carbon copy of Bush. While Bush is saddled with his presidential image of a warmonger who cost America billions of dollars and thousands of lives by fighting in Iraq, Obama cannot afford to go to war, and therefore quietly relied on negotiating with Assad through the United Nations. Finally, an agreement was reached for Assad to gradually destroy all supplies of chemical weapons within nine months. Whether this will happen smoothly is doubtful, considering that Assad finds it difficult to admit his responsibility in orchestrating the chemical attacks.

The larger issue at work, however, is the inability for the United States, United Nations, European Union, G8, or any important group that has the nebulous role of policing the globe and keeping order, to agree on an action and carry it out. Assad has resisted attempts at intimidating him into surrendering, remains president and declares that his legitimacy is unquestionable, and the threats of Western nations to sufficiently and fairly punish him all appear laughable. The Syrian people, meanwhile, are suffering immensely under Assad’s rule and the ongoing civil war, but it remains questionable whether many are clamoring for America, France, Great Britain, or any country to arrive with its military, for fear of sparking an even bloodier conflict.

Over the past several months, while everyone agrees that the ongoing violence is deplorable, no one knows what must be done to solve the knotty issues at hand. Everyone is terrified of being perceived as an aggressor or accumulating further ire from the rest of the international community, and no one wants to increase the number of lives lost. It is even too dangerous to work with many of the rebels opposing the Syrian government, since many of these soldiers are unpredictable, affiliated with Islamic terrorists, and often as brutal as Assad’s troops.

Assad’s rule may be a disaster, but any alternative scenario or drastic change attempted by the international community might have ushered in far worse conditions. Increasing the scope of the civil war by involving a foreign nation might very well have led to more bloodshed and elevated chaos. We have seen what happened in Iraq after Saddam Hussein was ousted, and some Syrians, even those who have little love for Assad, strongly opposed allowing any foreign power to be involved in their country.
Data from the National Center for Education Statistics shows the average cost of tuition at four-year institutions of higher education has more than doubled since 1980. While some of this increased revenue goes directly into student education, it is also dispersed among student facilities, athletic budgets, and administrative salaries. As more of the budget slides to the non-educational side of the scale, economists have proposed plans to reform the way budget decisions are made, in order to refocus college priorities back to the most important component of a university’s existence: the quality of the education it provides.

Since many Americans view our higher education system as among the best in the world, and a huge contributor to the international competitiveness of the US economy, it goes without saying that we should try to keep it cost-effective. Also, as tuition-paying students, we have a vested interest in convincing schools to lower tuition, and also in showing that research suggests cost hikes are all the administration's fault.

In a seminar held at Portland State University last year, Robert E. Martin, Emeritus Bowles Professor of Economics at Center College in Danville, Kentucky, discussed his recent research on rising tuition costs in public universities. Martin's research looks at whether increasing costs come from external economic factors, or are internally induced from within universities. In a paper from 2012, Professor Martin and his co-author Professor R. Carter Hill of Louisiana State University identify two sound economic theories of where increased education costs have come from.

---

**Educators Over Administrators**

According to an economics study, involving more faculty in the bureaucratic process might limit facilities and athletics, but improve affordability of education.

By Matt Reynolds
Photographed by Morgan Knorr

---
One theory holds that tuition increases come from faculty wage increases, which are externally imposed on institutions from changes in the macro-economy. These represent cost increases that universities have little or no control over. Insiders in the education industry often cite this theory as the chief factor justifying the rise in tuition—they throw their hands in the air and say with a sigh, “I had no choice, because gradual productivity changes in the macro-economy made me do it.”

The other theory states that many costs are self-imposed by universities. Universities themselves are responsible for creating these costs, which are often not directly related to education. It is no surprise that university administrators and budget directors are more reluctant to mention self-imposed costs.

Both theories are sound economically, so the research of Martin and Hill is primarily concerned with the relative size of each cost. Using econometrics, the professors determined that, between 1987 and 2008, about 16 percent of cost increases came in the form of uncontrollable wage increases for faculty, while around 55 percent of cost increases were self-imposed.

The implications of skyrocketing tuition hikes, increases that do not help improve the quality of education, are dramatic. An accessible higher education system is crucial towards maintaining a society with upward social mobility. Education is the tool that people coming from lower socio-economic status can use to elevate themselves.

An accessible higher education system is crucial towards maintaining a society with upward social mobility. Education is the tool that people coming from lower socio-economic status can use to elevate themselves.

1987 and 2008, about 16 percent of cost increases came in the form of uncontrollable wage increases for faculty, while around 55 percent of cost increases were self-imposed.

The implications of skyrocketing tuition hikes, increases that do not help improve the quality of education, are dramatic. An accessible higher education system is crucial towards maintaining a society with upward social mobility. Education is the tool that people coming from lower socio-economic status can use to elevate themselves. Raising oneself from the bottom of the stack to the top is the American dream, and education is the ladder for making it happen. To remove that from reach unnecessarily is a terrible thing.

So what is the reasoning behind these self-imposed costs, and are there ways to limit them?

The Competition for Education

One problem is that universities compete with each other. It’s simple to see how one university’s football team competes with another on the field, but far more difficult to judge the quality of education. Education is what economists call an “experience good.” It’s very hard to judge the quality of an experience before trying it out. So one reason for increasing costs is bigger campuses, student facilities, and sports programs—all issues that arguably have more to do with the “college experience” than the quality of education. Universities have strong incentives to keep competing for students in this way.

Another factor that leads schools to impose costs on themselves is university bureaucracies having more control over budgets than educators. This leads to “agency problems,” or what might be easier to think of as conflicts of interest. There is a rather suspicious tendency for university bureaucracies to increase in size year after year. Martin and Hill identify an ideal ratio for education of three tenure track faculty members to one full-time administrator. According to their paper however, the current ratio is around one tenure track faculty to two full-time administrators. At a certain point one wonders what exactly extra administrators contribute to the quality of education.

According to data from collegecalculator.org, the cost of in-state tuition at PSU rose by almost 360 percent between 1987 and 2010. The increase for out-of-state tuition during that period was more than 400 percent. In real terms, the national average cost of a year’s tuition at a public four-year institution has risen by about 200 percent since 1980. The cost of higher education often leaves students in crippling debt, or worse, unable to attend at all.

Fortunately, there appear to be some approaches that might curb the dramatic increases in costs. In his seminar, Martin suggested the idea of shared governance. He views the rise of university bureaucracies as resulting from their interests being overly represented in the budgeting process, while the decline of faculty input results from their underrepresentation. Rising costs are therefore not the result of malicious administrators but rather the inevitable outcome of a poor incentive structure. His proposal for a solution is simple: involve faculty more in the budgeting and bureaucracy of universities and remove or at least limit agency concerns. Give more power to educators and remove some of the power of administrators. This plan might limit the number of new student facilities and athletic scholarships, but will improve the quality and affordability of education.

For other prospective solutions to student debt, such as the Pay It Forward bill and the 2014-15 tuition freeze, see pages 7 and 17.
Time is running out
Be Heard!

Submit to the Portland Spectator
Deadline: December 9th
pdxspectator@gmail.com