

Esquire

This Texas Town Went Full Libertarian and Hilarity Ensued

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LINCOLN, NEBRASKA—The shebeen has relocated for a few days to keep an eye on the hearings being conducted by this state's Public Service Commission into our old friend, the Keystone XL pipeline, the continent-spanning death funnel and conservative fetish object. At its roots, the fight over the pipeline is a fight over the limits of corporate deregulation as it affects ordinary citizens, and over the obligation of elected officials to enforce those limits. (The PSC here is an elected body.)

In that spirit, we should look at this sadly hilarious story from another state. *The Texas Observer* brings us the tale of a small place called Von Ormy, where the citizens voted themselves into a state of libertarian paralysis.

For the last few years, Von Ormy has been in near-constant turmoil over basic issues of governance: what form of municipal government to adopt, whether to tax its residents, and how to pay for services such as sewer, police, firefighters and animal control. Along the way, three City Council members were arrested for allegedly violating the Open Meetings Act, and the volunteer fire department collapsed for lack of funds. Nearly everyone in town has an opinion on who's to blame. But it's probably safe to say that the vision of the city's founder, a libertarian lawyer whose family traces its roots in Von Ormy back six generations, has curdled into something that is part comedy, part tragedy.

In 2006, fearing annexation by rapidly encroaching San Antonio, some in Von Ormy proposed incorporating as a town. But in government-averse rural Texas, incorporation can be a hard sell. Unincorporated areas are governed mainly by counties, which have few rules about what you can do on private property and tend to only lightly tax. There's no going back from what municipal government brings: taxes, ordinances, elections and tedious city council meetings. Still, the fear of being absorbed by San Antonio — with its big-city taxes and regulations — was too much for most Von Ormians.

Look out, Mother. It's *government!* Head for the root cellar!

Initially, the city would impose property and sales taxes, but the property tax would ratchet down to zero over time. The business-friendly environment would draw new economic activity to Von Ormy, and eventually the town would cruise along on sales

taxes alone. There would be no charge for building permits, which Martinez de Vara said would be hand-delivered by city staff. The nanny state would be kept at bay, too. Want to shoot off fireworks? Blast away. Want to smoke in a bar? Light up. Teens wandering around at night? No curfew, no problem.

Good morning, suckers.

Today, there is no city animal control program and stray dogs roam the streets. The Bexar County Sheriff's Office patrols the town instead of city police, and City Hall resides in a mobile home with one full-time staffer — though that's a step up from the dive bar where City Council met until the owner bounced them out. If you go to the city's website, you'll be informed that it's still under construction. If Von Ormy is a libertarian experiment with democracy, it's one that hasn't turned out as expected.

I would argue that, except perhaps for the dive bar part, the experiment has turned out exactly as expected, at least as expected by anyone not raised in a baby farm at the Cato Institute.

What ensued was a confusing series of boycotted meetings, obscure loopholes and eventually a possibly illegal hearing that landed the three women briefly in jail. In September 2014, Martinez de Vara had formally proposed zeroing out the property tax, but Goede, Hernandez and Aguilar voted it down 3-2 and, at least for five days, kept the property tax in place. However, to formally ratify the rate, per state law, at least four council members needed to hold another meeting to vote, but Sally Martinez and Debra Ivy refused to show up to any hearing with ratification on the agenda. The result: Martinez de Vara got his way and the property tax rate was eliminated.

The idea that you can run a self-governing republic with minimal government is one of the more pernicious (and persistent) lies of American history. (Ask Jefferson Davis how his experiment in that hypothesis turned out.) They're going to be playing out that same old drama here in Lincoln this week. I'm not sure, but I don't think we all want to live in a Von Ormy of the mind.