

In the city of Pflugerville, just North of Austin Texas, there is a neighborhood where residents are throwing a bit more than just the odd shade. The serious concern at the heart of this dispute that threatens to hue the neighborhood in half? The color of Emilio Rodriguez's house. Emilio's neighbors have filed suit against him because of his choice of a bright, eye-catching pink, claiming that his unusual choice has lowered the value of their homes. In doing so, they seek restitution for the lost value.

Is there a real injury here?

Unlike with pollution, there isn't anything about this case that prevents the other property owners from enjoying the full use of their own property. While the house may be an eyesore to some, they can still grill in their backyards, swim in their pools, and play football with their kids. The grass won't be dying from anything other than the Texas heat this summer, and the air they breath isn't being choked with smog. The only thing they are complaining about is that the house down the street is undeniably, unapologetically, obnoxiously pink.

Let's look at a few of the claims made in the thread in the We Are Libertarians facebook group that first brought this story to my attention. And as a quick aside, while I will be quoting a few commenters here, please don't take the fact that I am a host as some badge of authority, or that I am trying to swat down anybody. Their input is appreciated, even though I disagree with their conclusions. I will be leaving the quotes attributed, just so I don't direct a mob of dissenters their way.

"when you move into certain neighborhoods you agree to abide by their rules. Don't like them move to the country where you actually can do what you want."

This sounds an awful lot like "If you don't like it, move to Somalia" to me. It's the same philosophical argument as put forward under the guise of "The Social Contract", and is just as flawed. In this case there is no contract between Rodriguez and his neighbors that dictates the color the house should be painted, as there would be in a Home Owners Association. The fact that he chose to move into this neighborhood does not give the others homeowners power over him, especially in absence of an explicit contract to that effect. In this case, the lack of a prior covenant on the property, that would have been agreed to at will, should rightfully mean that Mr. Rodriguez can do whatever he wants to his property. To butcher a quote by Lysander Spooner, "No man can rightfully be required to tint, or stain, a varnishing whose pigmentation he does not desire."

"*intentionally lowering neighbors' property value is 100% an a*hole move and arguably a NAP violation*" "painting the whole house hot pink was intentional. It almost definitely (and predictably) has had a negative impact on the neighboring property value."

In some instances, lowering the value of another person's property is most definitely a violation of the non-aggression principle. Vandalism and the aforementioned pollution are violations of

somebody's right to their property. But these examples don't really fit because those are actions directed outward, affecting the property of others. In this instance, the only property that has had anything physically done to it is the home that has been painted pink. This will certainly affect the values of the other properties, but does that qualify as a violation of the NAP?

I don't believe it does. The color of Emilio Rodriguez's house is obnoxious, and obnoxious means that the market value of the other houses will undoubtedly be affected, of course. That's the unfortunate reality of realty, much of the value of your land is out of your direct control. The quality of schools in the area, the local economy, the condition of local infrastructure, and hundreds of other factors all play into the value of your property as much as its own square footage and upkeep.

There are some ways that manipulating the value of other's property can most certainly be criminal. In stock market exchanges misrepresenting facts about a company while trading in their stock can land a trader in a heap of trouble. Strategies like "pumping and dumping" or "shorting and distorting" are both practices that manipulate the perception of a stock's value so that the trader can leverage a larger margin on the investment that they have made. These practices rely on the fact that outside factors can and do impact the value of property, so what makes the effect they have different from a garrish paint job down the street?

With the case of the Pflugerville house, the comparison to stock market manipulations doesn't quite hold up. The first glaring difference is that unlike a short and distort job, Emilio isn't committing any level of fraud with his pink house. He isn't spreading rumors that the entire neighborhood is infested with fire ants, or stating that all of the neighbors are control freaks that you wouldn't want to live around. Though, I'm not sure that second one would really be fraudulent. Secondly, is the lack of profit motive. Emilio isn't depressing the value of his neighbor's property in order to buy it up for profit like some second rate Scooby Doo villain. He just has a different vision for his property than what the others in his neighborhood want him to maintain.

We should also consider the broader implications of what the neighbors are asking the court to enforce. Essentially, they are asking the government to enforce and insure the value of their property. Yes, in this case they are seeking to control just one factor, the color of a neighbor's house, but in principle what other factors could they feel justified in attempting to control? Building a new apartment building across town would lower demand for housing in the area, so would they be justified in blocking any new development in the city? Even outside of the realm of real estate, the principle that you should be able to control actions that negatively affect the value of your holdings opens the door to huge violations of other people's rights. Imagine a world in which the stockholders of Coke are able to sue Pepsi because the existence of a competitor lowers the value of their company. The underlying idea that you can control all the factors that determine the value of any property is one that opens the door to all manner of violations of individual property rights.

The lack of force or fraud is the issue that, to me, sets this lawsuit up as one that libertarians should naturally oppose. In filing suit against Emilio, his neighbors are the ones that have initiated force and are unquestionably seeking to control his actions through the court. There was no prior arrangement that he has broken, there is no direct harm to material goods, and there is no force or fraud that has been initiated by Emilio; the only force that exists in this situation has been summoned forth by his neighbors. The idea that your property may be less desirable because of the non-aggressive actions of your neighbor is one that many people don't like. I understand the impulse to want control over everything in your world, but that control has a price to it, and we shouldn't fall victim to our impulses

<https://cbsaustin.com/news/local/pflugerville-man-not-sure-why-people-dont-like-his-homes-paint-job?fbclid=IwAR1zk9cs2zrevkEdTGyBUOFCayTeJCSifkMd2NzGeXfA-K3a5myVQIH867k>

https://fox8.com/2019/03/02/neighbors-upset-with-texas-man-for-painting-entire-house-pink-file-lawsuit/?fbclid=IwAR2D8-crO6B9scg4yhi_RfNfcPGuCOPDXn1Yo58W8HegmfbVDOq628aHBCs

<https://www.investopedia.com/articles/analyst/030102.asp>