

Governing City-States in the 21st Century

By James M. Brasfield

(CONTENTS)

- I. Introductory Thoughts
- II. American Urban Governance
- III. Role of Public Administrators
- IV. Final Thoughts

【Abstract】

Each generation tends to believe its circumstances are unique and more challenging than the past. In the last decade of the 20th Century the end of the cold war and the advent of the Internet revolution stimulated a sense of the beginning of a unique historical period. "Globalization will transform the 21st Century" characterizes this perspective. Some argue these city-states will be the Venice of the century dominating the global economy.

This paper begins by exploring conceptual models of the governance of large urban areas. There is a brief overview of the historic role of cities in global commerce with a discussion of the role of large urban areas in the emerging 21st century global economy. Particular attention is paid to the American experience.

The first section of the paper is an overview description and evaluation of the patterns of governance found in American large urban areas. A primary focus is on the common pattern of multiple jurisdictions within an urban area. The typical American metropolitan region features a multiplicity of units of government. This paper suggests such fragmentation of jurisdiction does not necessarily inhibit effective governance. It is possible to separate the production and delivery of urban services from regional governance. Such separation may actually be a

positive benefit for the citizens of the region.

The second section of the paper explores the role of public administrators, elected and appointed, in 21st century American urban areas. These public officials must be simultaneously concerned about the financing and equitable delivery of quality urban public services to citizens of the region while attending to the economic development function essential for continued growth and vitality.

The paper concludes with a reflection on the challenge for urban public administrators who must try to strike an appropriate balance of the service provision and economic development in the governance of large urban areas. Their success in this endeavor may shape the nature of life in the 21st century for the citizens of these metropolitan city-states.

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I. Introductory Thoughts

In his book on the Italian Renaissance J.H. Plumb writes:

By 1400 Venice had proved herself invincible; indeed, she had become the center of a seaborne empire...Crete and many Aegean islands belonged to her absolutely; trading communities, enjoying extraterritorial privileges, had been established in Constantinople, Acre, Tyre, Sidon, Alexandria. Venetian merchants were as familiar with the Black Sea as the Adriatic; her ambassadors were to bound in Isfahan and in Cairo; her travelers, simulated by the stories of Marco Polo, reached Sumatra and Ceylon long before eVasco da Gama rounded the Cape. (Plumb, 102)

In a fascinating article in the NY Times magazine Nicholas Kristof wrote:

Between 1405 and 1433, Zheng He led seven major expeditions, commanding the largest armada the world would see for the next five centuries. Not until World War I did the West amount anything comparable. Zheng He's fleet included 28,000 sailors on 300 ships, the longest of which were 400 feet. By comparison, Columbus in 1492 had 90 sailors on three ships, the biggest of which was 85 feet long. Zheng He's ships also had advanced design elements that would not be introduced in Europe for another 350 years, including balanced rudders and watertight bulwark compartments...

China had been wealthier, more advanced and more cosmopolitan than any place in Europe for several thousand years. Hangzhou, for example, had a

population in excess of a million during the time it was China's capital (in the 12th century), and records suggest that as early as the 7th century, the city of Guangzhou had 200,000 foreign residents: Arabs, Persians, Malays, Indians, Africans and Turks. By contrast, the largest city in Europe in 1400 was probably Paris, with a total population of slightly more than 100,000.(Kristof)

Finally, Jeffrey Frankel notes:

The globalization that took place in the nineteenth century was at least as impressive as the current episode..The most revolutionary breakthroughs in transportation and communication had already happened by 1900—for example, the railroad, steamship, telegraph and refrigeration. Freight rates had fallen sharply throughout the century. An environment of political stability was provided by Pax Britannica, and an environment of monetary stability was provided by the gold standard.(Frankel, 47)

He further comments:

By one basic measure of trade, exports or imports of merchandise as a fraction of total output, it took more than twenty-five years after the end of World War II before the United States around 1970 reached the same level of globalization that it had experienced on the eve of World War I. (Frankel, 48)

These quotes are not intended to debunk the current fascination with globalization and large cities as centerpieces of the new world economy. Rather, I simply wish to begin this essay on urban public administration with a sense of historical perspective. Neil Pierce, an American journalist who has written extensively on American cities, has suggested that the central political-geographic institution of the future is the city-state.(Pierce)

Major cities have always been at the center of world trade. Venice was a city-states and world trading center several centuries ago. There is no reason to think this will change in the 21st century. At the beginning of the 20th century New York, Chicago and Philadelphia were on a list of the ten largest cities in the world. A century later only London, New York and Tokyo are still on the list. London is the only city that has been on the list since 1500.(Kunzmann, 38)

For centuries there has been world commerce, although even the 20th century illustrates that the growth of international trade is not a history of constant expansion. In America and throughout the world the city dwelling population is growing as people leave rural areas for the greater economic

opportunities available in cities. The largest cities of the world are much larger and spread over a wider geographic area than was the case a century or several centuries ago.

Whether or not Neil Pierce is correct about the coming dominance of city-states, it is clear that the successful governance of large urban areas is topic worthy of study and reflection. What I will attempt to do in the following pages is focus on the governance of large urban areas in the United States. The first section begins with an overview of the structural characteristics and conceptual models of American urban government.

The second section explores the challenges faced by public administrators in 21st century American urban regions. There is a presumption here that the success or failure of an urban area is in a significant way dependent on the ability of public administrators to meet the challenges of urban governance.

II. American Urban Governance

For its entire history the American government has conducted a national census at the beginning of each decade. In the past two hundred years the population has shifted from living in rural areas and small towns to a predominately urban dwellers. The 1920 census was the first to record a majority living in urban places. The most recent count in 2000 showed 80% of the 281 million people in the United States living in metropolitan areas. Almost a third of the population lives in urban areas of 5 million people or more. Ten states contain a majority (54%) of the population.¹⁾(Perry, 5)

The census bureau has created the category for metropolitan area to define a socially and economically integrated urban area. There are 280 such metropolitan areas, and they are illustrated on the map (omitted).

However, only the top fifty metropolitan areas have populations that exceed one million, and only the top twenty-three exceed two million. Those at the top of the list far exceed the others in total population. New York and Los Angeles are the largest with 21 and 16 million people. Chicago is a distant third with 9 million.

1) The ten are: California, Texas, New York, Florida, Illinois, Pennsylvania, Ohio, Michigan, New Jersey and Georgia.

Actual city boundaries are much smaller. New York City with its 8 million people is two and half times larger than number two Los Angeles. Chicago is just under 3 million. The table below shows the metropolitan area and central city populations.

**Table 1 Metropolitan Areas and Central Cities—
2000 Population and Growth Rate from 1990**

Metro Region	PopRegion	PopCity	City%region	Region%grow	City%grow
New York	21,199,865	8,008,278	38%	8.4	9.4
LA	16,373,645	3,694,820	23%	12.7	6
Chicago	9,157,540	2,896,016	32%	11.1	4
Washington DC	7,608,070	572,059	8%	13.3	-5.7
San Francisco	7,039,362	776,733	11%	12.6	7.3
Philadelphia	6,188,463	1,517,550	25%	5	-4.3
Boston	5,819,100	589,141	10%	6.7	2.6
Detroit	5,456,428	951,270	17%	5.2	-7.5
Dallas	5,221,801	1,188,580	23%	29.3	18
Houston	4,669,571	1,953,631	42%	25.2	19.8
Atlanta	4,112,198	416,474	10%	38.9	5.7
Miami	3,876,380	362,470	9%	21.4	1.1
Seattle	3,554,760	563,374	16%	19.7	9.1
Phoenix	3,251,876	1,321,045	41%	45.3	34.3
Minneapolis/St. Paul	2,968,806	669,769	23%	16.9	3.9
Cleveland	2,945,831	478,403	16%	3	-5.4
San Diego	2,813,833	1,223,400	43%	12.6	10.2
St. Louis	2,603,607	348,189	13%	4.5	-12.2
Denver	2,581,506	554,636	21%	30.4	18.6
San Juan	2,450,292	421,958	17%	7.9	-1.1
Tampa	2,395,997	303,447	13%	15.9	8.4
Pittsburgh	2,358,695	334,563	14%	-1.5	-9.5
Portland	2,265,223	529,121	23%	26.3	21
Cincinnati	1,979,202	331,285	17%	8.9	-9
Sacramento	1,796,857	407,018	23%	21.3	10.2

The 2000 census shows that metropolitan areas grew slightly more than non-metropolitan areas, and those areas between 2 and 5 million grew at 20% compared to 11% for those over 5 million in the past decade. (Perry)

A trend that has been perhaps under recognized in the past three decades is the steady growth of the foreign born population in both absolute number and as a percent of the total population. In 1900 there were 10 million foreign born individuals in the United States and this represented 14% of the total population. For most of the 20th century the foreign born population declined as a percent of the total population, reaching a low of 4.7% in 1970 with 9.6 million people. The estimate for 2000 shows this to be 30.5 million, which is 11.2% of the total population. This is more individuals than at any time in the past century, and three times the 1970 number, and a greater proportion than at any time since 1930. (Singer)

The new immigrants are more Latin and Asian than a century ago, when Europeans predominated. They are more likely to be found in the higher growth metropolitan areas of the South and West. Indeed, more detailed analysis may well demonstrate that a significant cause of greater growth in these urban areas is because of the influx of immigrants. In the 19th and early 20th century rapid growth of the major urban centers of the midwest and northeast was fueled by European immigration. When the history of the late 20th and early 21st century is written the growth of the urban areas of the southern and western US may be similarly attributed to the immigrants who settled there.

Preliminary results from the 2000 census also indicate that the newer immigrants often live in suburban areas rather than central cities. (Singer, 11) Again this is a departure from the earlier pattern of a hundred years ago.

This demographic data is cited here as more than just an interesting footnote to the larger question of urban public administration. Rather, it suggests that one of the challenges of the early 21st century for urban public administrators will be the delivery of essential urban services in a political and social setting that is rapidly becoming more ethnically and racially diverse.

Federalism

One cannot understand local government and public administration in the United States without appreciating the significance of federalism. The constitutionally based federalist separation of responsibilities between the national government and the fifty states means that primary responsibility for organizing and financing the government of urban areas rests with the states.

For a brief time in the 1960s and early 70s the national government used fiscal incentives in the form of federal grants to assist metropolitan areas and especially central cities. These grants were employed to assist in various forms of redevelopment and transportation enhancement. But many of those grant programs have now disappeared.

It has been a principle of law for over one hundred years that cities are legal creatures of the state government. From a constitutional standpoint all structures, responsibilities, and financing systems of local government are established by the state legislature. There are similar patterns across the country, but not a single national model or set of operating rules local history and preference have individually determined the local government design in each state.

We can draw some generalizations about type and structure of local government. The most common types of units are:

The County-This was historically a rural unit of government with each state's entire territory divided into counties. The primary function of these governments was to be a localized unit of state government, although its major officials were directly elected. The county typically had primary jurisdiction court system, had a sheriff for minimal law enforcement, conducted elections, maintained major roads, and maintained official records of births/deaths, real estate property ownership, and other such ministerial functions.

The City-When a county could no longer provide the intensity of urban serviced demanded by city residents, they were allowed to incorporate as a municipality or city. At first, cities were granted specific charters by state legislatures, but that proved impractical and subsequently states established general charters for cities by population category. The largest cities in a state usually had a classification that fit only them, and were thus likely to be regulated fairly stringently by the state government. For example, not too many years ago New York City still had to get permission from state legislature to raise the fee for a dog license.

A city typically will provide police, fire, emergency medical, street maintenance, water-sewer, and park services. Cities also typically control local land use through the zoning of property uses. They also issue development

permits and do construction inspections.

Local Special Districts—These are special purpose governments that usually administer a single governmental function. In most parts of the United States local school districts are created with locally elected boards to run the elementary and secondary school system. It is not unusual in a major metropolitan region to have a significant number of local special districts. With some districts the boundaries are the same as the boundaries of the city, and other times they overlap multiple cities.

Regional Special Districts—For functions with regional impact such as water supply, sewer services, or mass transit administration a regional special district might be created. These entities typically overlap multiple cities and even counties in an urban region.

I will use the St. Louis metropolitan area as an example to illustrate this pattern. The St. Louis urban region is further complicated by the fact that only 75% of the metropolitan area population live in the state of Missouri. The rest reside on the eastern bank of the Mississippi River, which is in Illinois.

Note that 1.3 million of the metropolitans area's total of 2.5 million people live in St. Louis City (which is a city and a county), and St. Louis County. The fringe countries on the edges are small and still rather rural. St. Charles county has been growing rapidly in the past two decades and is a major destination for population sprawl. The map below shows the areas of population gain and loss in the region with black dots indicating gain and red dots loss. The losses are concentrated in the north part of the City of St. Louis, and the eastern part of St. Clair County Illinois. The heavy gains in western St. Louis County and in central St. Charles County.

POPULATION CHANGE 1990-2000

지도삼입!!

Patterns of development and expansion

The American population has spread across the continent over the past two hundred years. New York was a major urban center long before Los Angeles reached that status. But whether the growth spurt occurred in the 19th or 20th century, there is a common developmental pattern. In the early period of growth the boundaries of the city expand to keep pace with residential and commercial expansion. Then legal or popular resistance develops to city boundary expansion.

Annexation is the common legal action taken by cities to expand their boundaries. In the 19th century the rapidly expanding cities of the northeast and midwest were usually able to bring developing fringe areas in to the city by a simple act of the city council. Early in the 20th century many state legislatures made it more difficult to annex adjoining territory. New rules often required majority votes in both the city and the area to be annexed. The ability of a group of residents to incorporate or create a new suburban city was made easier. By the middle of the 20th century many older cities were surrounded by smaller fringe cities. Annexation was rendered impossible. Today a number of the fast growing southern and western cities are still able to annex adjoining land.

Early in the 20th century cities were often able to compel annexation because they controlled the water and sewer facilities necessary for fringe development. Los Angeles compelled the annexation of the San Fernando Valley in 1915 because of their control of water. Now the valley is attempting to succeed from Los Angeles and create the 6th largest city in the country. The valley represents about 40% of the population of Los Angeles.(Bernstein)

The functions of urban government

In American urban regions of the early 21st century there are two major functions expected of local government. The first is provision of basic urban services, and the other is leadership in promoting economic development.

Service delivery

In American federal system redistributive and income support policy is primarily the responsibility of the federal and state governments. It is the system of local governments that are primarily responsible for the actual delivery of urban services. These include: police and fire protection, maintenance and construction of local streets and roadways, operation of local

park and recreation services, provision of water and sewer lines, land use planning/regulation, building permits and inspections, and the administration of elementary and secondary public education.

In the complex system of financing American local government partial financing of some of these functions come from state and federal governments in the form of grants or tax sharing. But primary responsibility for delivery and financing rests with the local governments. Money for these services is mostly derived from property taxes, local sales taxes, and user fees. A few, but not most, local governments impose a local wage tax to supplement other revenue sources.

The history of American cities is a tale of growth. The waves of European immigrants who began coming to America in the first half of the 19th century mostly settled in cities. This trend has continued. The ancestors of the 19th and early 20th century immigrants have now been completely absorbed into the society. In the second and third quarters of the 20th century immigration diminished after the enactment of more restrictive national legislation. But, the movement of young people from rural communities to the cities continued at a rapid pace. At mid-century this was especially true of the migration of African-Americans from the rural south to the urban and industrialized north and midwest.

Population movements to the west and south characterized the latter part of the 20th century. Southern cities such as Atlanta, Raleigh-Durham, Orlando and Miami grew rapidly with the influx of middle class northerners who followed corporate relocations or sought better employment opportunities in the growing urban south. California symbolizes the western growth as millions moved to the land of permanent sunshine, but other western and southwestern areas such as Dallas, Denver, Phoenix and Seattle experienced substantial growth.

From an urban service perspective each generation of local public administrators had to constantly expand the core urban services to accommodate the arrival of new citizens. In the early part of the 20th century urban service workers were often patronage appointees who were part of political machines. However, over the last half century the establishment of civil service rules and later the unionization of rank and file municipal workers has significantly diminished the role of political patronage in the management of urban services. Labor costs remain the major expense of city governments. It is not unusual for more than two out of three dollars spent by cities to be for personnel costs.

The second important function of local government is the promotion of economic development. State governments have also historically promoted economic growth, and there are many cases in recent years of the controversial use of tax incentives to entice corporations to create new jobs in the state. Local governments have also sought to foster economic development in their urban areas.

The typical logic of the argument runs something like this:

We (the local government) need to create conditions and incentives to bring new business to the area to provide better jobs and a climate of economic growth to our area for the economic prosperity of existing residents and to attract new residents as well as keeping young people from migrating to other regions of the country.

In addition to the enhancement of employment, new economic development provides tax revenue growth to finance urban services.

The economic development function is both "boosterism" in the form of promotion of the benefits of life in the community as well as the use of tax incentives and land acquisition tools to encourage expansion and retention of existing businesses and the attracting of new economic enterprises to the urban area.

How to organize for the achievement o these two functions

For most of the past century scholars, community activists, and public administrators have grappled with the question of how to best organize local government in major urban areas to best achieve effective and efficient service delivery and promote economic development.

As we noted above, by the early 20th century the growth of urban areas was exceeding the territorial boundaries of major cities. Across urban America, especially in the midwest and northeast, small cities were established just across the boundaries of major cities and the existence of these suburban entities legally and politically precluded further territorial growth of cities.

The table illustrates from the 2000 census the population difference between major cities and metropolitan areas they are a part of (omitted). It is instructive to note that New York as the country's largest city represents less than 40% of the population of the region. New York is today two and half times larger than its nearest competitor because a hundred years ago the state legislature merged the city of New York with its surrounding counties and cities. The city of Brooklyn was at the time one of the largest in the country, but was merged into New York. This was a unique consolidation move.

My urban area of St. Louis is more typical of the evolution of government structure. The current boundaries of the City of St. Louis were fixed in the state constitution of 1876 as the city withdrew from St. Louis County and became a city-county. At the time the boundaries exceeded the extent of urban development, but in less than fifty years there were calls by various civic leaders to expand the boundaries of city to match urban development, which had spilled over into St. Louis County and the neighboring cities that had grown up on the border with the city. Thus, the "reform" of 1876 had become within fifty years a barrier to city growth. (For a map of the St. Louis region see above.)

Two attempts at consolidation or merger were made in the 1920s and two more in the 1950s and early 60s. By this time St. Louis County government had become more professional, and an urban service provider for the growing urban population in that part of the county that had never become part of a municipal government. In the late 1980s another attempt was made to consolidate local government within St. Louis County (but merger with the city was not part of the plan). However, the US Supreme Court declared the

mechanism for merger unconstitutional, and the effort died.²⁾

In the textbooks on urban public administration St Louis is often cited on both sides of the argument over the best way to organize local government. Because the St. Louis metropolitan region has more local governments per 100,000 people than any major urban area except Pittsburgh, it is frequently cited by those from the region and elsewhere as an example of what is wrong with American urban government. The many failed attempts at consolidation and reform are seen as symptoms of the fundamental problem of urban governance.

Reformer Chester Maxey in the 1920s wrote:

One gain about which there can be little doubt is the amelioration of civic conditions subsequent to the political unification of metropolitan communities. Elaborate public improvements, better articulation of thoroughfares, extended and improved public utility services, more comprehensive and careful city planning, more adequate educational and eleemosynary institutions, and better government services—these are reported as invariable results of political unification.

Twenty years later Victor Jones added economic development to the rationale for metropolitan government:

The realization of the objectives of urban development and redevelopment depends on the kind of local government we have in metropolitan areas—Only a government with community-wide jurisdiction can plan and provide the services, physical facilities, guidance, and controls necessary to relate functional plans with area plans. (Stephens, 33-42)

Finally, journalist-reformer Meal Pierce in the early 1990s found fragmentation of local government jurisdictions to be a hindrance for what he called American city-states in their competition in the emerging global economy. (Pierce)

Recent reformers have usually recognized that a New York city type consolidation on the metropolitan scale today is likely impossible in major urban areas, which often spill over state boundaries and embrace millions of people. However, the city of New York with its population of 8 million people is larger than every metropolitan area with the exception of the top three

2) An excellent account of the development of local governments in St. Louis is found in : Terrence Jones, Framented by Design: Why St. Louis has so Many Governments(St. Louis : Palmerston and Reed, 2000)

(New York, Los Angeles and Chicago). The political barriers to the creation of any new megacities in the fashion of New York are so formidable as to be likely insurmountable.

In recent decades a competing intellectual model of local government organization has grown up that celebrates fragmentation of local government. The public choice model regards small service providing units of local government as players in a regional marketplace. This perspective developed and articulated by Thiebolt and Ostrom argues that citizens can make choices about where to live within a metropolitan region based on their valuation of the service/tax mix of local governments. It does not matter that the range and depth of local services is not equal in the region because citizens can choose to live in the community that provides the package of services that best match their preference. The urban community is a market and local communities are services providers competing for residents.³⁾

According to the public choice model, the fragmentation of local government service providers is both more efficient and more responsive to citizen preferences. They argue that labor intensive public services are not particularly sensitive to economies of scale (contradicting the metropolitan reformers), and better account for individual service preferences. For example, a local community with an extensive park and recreation service system will attract citizens with preference for those services.

Smaller units of government can also pursue service delivery efficiency by contracting for service with other units of government (other cities of the county government), or by contracting with private entities. In the St. Louis area some cities contract with the County police department to provide services, other contract with a neighboring larger city for police and fire service, and contract arrangements with private trash haulers is almost universal. (Advisory Commission)

Those with a public choice perspective usually support and encourage cooperative regional governance as an alternative to regional government. They would argue that civic, business, and political leaders could develop cooperative approaches and institution based on principles of voluntary cooperation. In this fashion the metropolitan region can promote economic

3) An excellent review of the public choice literature is found in: Ross Stephens and Nelson Wikstrom, Metropolitan Government Governance, (New York: Oxford U Press, 2000), Chapter 6.

development activities. City and county officials as well as public administrators of regional cooperative entities have incentives to cooperate in common economic development efforts.

Those favoring a unitary or metropolitan area government approach make two additional counter arguments. First, there are obvious fiscal disparities in the availability of resources to local governments in a fragmented region. Both central cities and older suburbs tend to have a declining tax base with an aging infrastructure and housing stock. This can and does often lead to a need for a higher level of service with fewer resources available.

The development of urban areas in the past half-century has usually resulted in economic and racial/ethnic segregation. Some parts of the region are both newer and home to upper middle and high-income groups. Others have become the only choice of residence for those who are poor. Reformers argue that with unitary government a single public entity responsible for the entire region is better able to have the fiscal capacity to provide necessary services to poorer subcommunities. However, this does assume that a city government that encompasses the entire region will have the political will to redistribute taxes collected from more affluent areas to other parts of the city in the form of enhanced public services.

The essential tension in this proposition is illustrated by the recent story in the LA Times about the attempt of those living in the San Fernando Valley of Los Angeles to succeed from the city and become the 6th largest city in the county. This suburban part of the Los Angeles urban area was annexed in the 1920s as a condition for receiving water and sewer services essential for development. For many years some residents of this community have believed that they pay more in taxes to the city government than they receive back in the form of public services. (Bernstein)

Los Angeles has for many years been metropolitan area with the kind of government fragmentation typical of most of the United States. The 2000 census showed the city of Los Angeles to have less than a quarter of the region's population living within its boundaries. If the Valley withdraws to create its own city, that share will drop below 15%. Under the state constitutional rules for such a withdrawal both a majority in the area to leave as well as a majority in the city as a whole must support such action in a popular vote. The article indicated that perhaps African-Americans in Los Angeles might be happy to see the predominantly Hispanic and white

population in the Valley area leave the city because it would enhance the political power of those remaining in the city.

It will be interesting to see how the "Valley" debate plays out in the coming months. It may be a very good electoral test case for both sides of the argument over the best form of local government organization in large urban areas. Do the citizens of a metropolitan region believe a single local government for the entire socially and economically integrated urban place best serves them or do they prefer smaller units of local government?

In Los Angeles the argument will probably turn on questions of taxes and service provision. But, will a Los Angeles urban area that has struggled economically in recent years as the structure of the local economy has changed be further disadvantaged by a further fragmentation of local government?

These are interesting questions that have no clear answers today.

III. Role of Public Administrators

Public administrators face significant challenges as they try to manage the problems of urban areas in a global era. It should be noted that by public administrators I am referring to both elected and appointed officials. The major categories of challenges faced are:

1. To provide high quality urban services in an environment of scarce resources and rapid economic change.

As we have described above, American metropolitan areas are at best understood as networked systems of governance rather than government bureaucracies with authority over service delivery in the entire region. It often appears to be easier to administer the delivery of urban services with a hierarchical organization arrangement. In a networked system cooperation and joint action must be the product of negotiation and agreement. Public choice theorists argue this is a better arrangement for the citizens, but whether they are correct or not the reality of American metropolitan government is the absence of a single hierarchy.

As we noted above, New York City perhaps comes closer to the single government ideal than any other major American City. The New York City

population is 38% of the region, and only Phoenix was higher at 41%. However, the New York City population grew by 9%, which is a full percent higher than the region as a whole. The rate of population growth in the Phoenix region was 25% more than the city of Phoenix in the last decade.

In the historic merger of several existing local governments to create the current Cit of New York in 1898 a basically single local government was created for what then was about 90% of the population of the region. A recent study of local government in the New York region today points out that almost immediately after the consolidation forces favoring decentralization were successful in creating five Boroughs (or governmental subunits) within the City of New York. The original four counties within the area were retained and a fifth county was created for symmetry between the counties and the boroughs. In the early 20th century the boroughs were local governments with autonomous powers in the delivery of some services. In the 60s and 70s there were several efforts to decentralize some service provision in the name of responsiveness to local neighborhoods in New York City.(Benjamin and Nathan)

A half century ago a study of local government in the New York region was critical of the 1400 local governments in the New York metropolitan area. This number included entities in the New Jersey and Connecticut portions of the region as well.(Wood) Today that number stands at 2179.(Benjamin and Nathan) There could be an endless argument about whether or not the creation of the city of New York in 1898 left the urban region better or worse off a hundred years later. What cannot be denied is that the most significant governmental consolidation in the history of the United States has created what is by far the largest city in the country, but its population is barely more than a third of the population of the urban region today. The boundaries of the City of New York are the same today as a century ago, but the urban region of New York extends far beyond those boundaries and into two neighboring states.

No American living today in an urban region should expect in their lifetime to have a single municipal government that encompasses the entire metropolitan region. American urban public administrators will always practice their profession in a system of loosely networked local entities.⁴⁾

4) The province government recently moved initiated legislation to consolidate local government the Toronto region. Recent commentary on it includes: Mary Rowe

Learning to function effectively in a networked system of urban service delivery means that continual attention must be paid to maintenance of the system. Regional cooperative institutions must be built and maintained. This requires effort and patience. One needs the negotiating skill of the diplomat, not a general's powers of command. In a system of networked governance public administrators must learn to develop and sustain temporary and permanent regional and subregional institutions. It is through these institutions that trust and working relationships are developed. Joint efforts on regional matters flow from such institutions.

In a region with local entities of various sizes there will be fiscal disparities. In a networked system all such disparities cannot be resolved. Differences are part of the system. Revenue redistribution by a larger entity, such as state government can assist ameliorating some of the most significant disparities. For example, most state governments support local school districts by use of a formula for distributing state tax money for use in local schools. But, in the delivery of other urban services it is not typical for the state government to engage redistribution policies. The relative commercial wealth of individual communities is usually the key to resources available for urban public services.

The Minneapolis-St. Paul region has developed a system for redistributing across the region some of the growth of property tax revenue derived from new development. (Orfield 1997, Ch. 6) In St. Louis County the local sales tax is a principle source of local government revenue. In the early 90s a plan for sharing some sales tax revenue high to low sales tax cities was developed and implemented.

Thus, one finds three different perspectives for the improvement of service delivery

1. Consolidated bureaucracy

This argument contends that large bureaucracies can utilize economies of scale in the delivery of services and draw fiscal resources from a regional tax base. Equity of service delivery will be assured as long as professional bureaucratic standards are used to make allocative decisions related to service delivery rather than responses to neighborhood special pleading.

(ed) Toronto Considering Self-Government. (Owen Sound :Ginger Press, 2000), and Andrew Sancton, Merger Mania : the Assault on Local Government(McGill-Queen's University Press, 2000)

2. Neighborhood government

This argument, often but not exclusively from the public choice perspective, contends that the many of the most significant urban services are inherently local, and are best performed by units of government politically responsive to neighborhood and small area constituencies. They usually concede that some functions are best regionalized. Mass transit-highway planning and sewage disposal facilities are easy examples of regional functions. But smaller units, which are more politically responsive to people living in neighborhoods, best perform most local government services. Proponents contend that costs will actually be less, and equity does not require that every citizen in an urban region receive exactly the same bundle of services.

3. Privatization

This argument contends that the private sector is inherently more efficient than government, and that many, but not all, services now performed by public sector bureaucracies could be better rendered by private entities. For many years some smaller local governments have contracted with private companies haul trash and fix streets. More recently some school boards have hired outside companies to take over and run schools, and there has been limited use of a private company to private fire service.

Neither of these three are mutually exclusive, but each represents a way of thinking about and approaching the delivery of urban services. Public administrators today and tomorrow need to be clear in their own minds about a conceptual approach to organizing service delivery because each of the three approaches have their public proponents.

In the world of multiple urban governments part of the networked arrangements relate to the relationship between local service provider entities, and regional governments that are usually single service providers (transit, water, etc.). Typically the regional units do not have independent governmental powers. For example, often they do not have the power to levy taxes. But, for governance to function effectively urban public administrators must ultimately create a network of personal cooperation that resembles a computer database system that relies on a distributive set of servers rather than a single huge mainframe.

The challenge for public administrators in a networked system local

governance is to maintain and enhance the network, and to be open and engaged with others in the process of mutual governance. Each local entity may be large or small relative to the whole region. Each may have general governmental powers or narrow ones. But, the efficient and effective delivery of urban services to their constituents is a primary responsibility. Service delivery is usually labor intensive and requires effective management of a functionally organized set of service bureaucracies. At the working level the local government employees providing the service are frequently what Michael Lipsky has called "street level bureaucrats", namely individuals like police officers who can exercise considerable discretion in the application of rules to problems they encounter. (Lipsky) The American urban public administrator strives to find and deploy resources to efficiently deliver essential services within their jurisdiction. This is never an easy task.

2. To position the urban area to be economically competitive in a rapidly changing global economy

In an earlier era, economic competition was a slower and less demanding game. A factory or a corporate headquarters usually stayed in place for a long time once it arrived in the community. Entry in the community involved substantial long-term costs on the part of the business. There was a sense of permanence about the decision to locate. Now a computer software or financial services company might move from one place to another with some frequency. As one business entity is purchased by another jobs are moved from one part of the country (or the world) to another. The history of business is filled with examples of growth and decline as one key product replaces another in the cycle. Today the pace with which a company (or a key product) may move through the process of growth to decline has been accelerated.

For public administrators this means the process of economic development and redevelopment is one that never ends. They are unlikely to be able to sit back and rest on their laurels after a successful development project. The era of the global economy means that more and more businesses are not regional or even nation players, but participants in the global economy. Manufacturing facilities may be easily moved to lower wage locations around the globe because international transportation and finance facilitates it. Corporate headquarters and offices may move to places with more desirable climate or other regional

competitive advantages.

Those who championed a consolidated New York City government a century ago made economic competitiveness one of their arguments. (Benjamin and Nathan) In the various debates between “consolidators” and “decentralizers” of municipal government across the country in recent decades the advantages of broad regional government in the competition for economic development is always a point of contention

21st century public administrators understand the importance of economic development in the global era. Good jobs for their constituents depend on a vibrant local economy. Tax revenues to provide the essential urban services are ultimately derived from the local economy. The local police chief may not have economic development as a daily imperative, but it is for the Mayor and City Manager. Even short conversations with these local public administrators reveal that economic development activities consume a high share of their daily time and effort.

What is less clear is how one achieves long run economic development for an urban community. Export base theory (for cities or nations) contended that the capture for the region of businesses that sold goods and services to other regions was the key to long term development. Successful efforts to secure such businesses were seen as the key to economic development. But, in the history of the New York region it was the basic underlying service sector that was the long run strategic advantage. Manufacturing firms often began in New York because the agglomeration of services and skilled works made it a good place to start a business.

Later in the life cycle of the business lower wages, cheaper available land for expansion, and better transportation in the hinterland made a move out of New York City inevitable. The ultimate economic success of New York City depended on the vitality of the permanent service sector. Thompson argued as well that the diversity and richness of economic activity in a large urban area virtually assures its continued economic vitality irrespective of the coming and going of specific firms. The population base of large areas will itself be an attraction. (Thompson)

Economists have since World War II produced a wide and varied theoretical literature on economic development, especially regional development.⁵⁾

5) A useful recent book on the subject is : Richard Bingham and Robert Mier(ed), Theories of Local Economic Development: Perspectives from Across the Disciplines, (Newbury Park : Sage, 1993).

But, for the urban public administrator the conceptually oriented economics literature does not offer much in the way of concrete advice.

The public administrator wants to know, "What should I do?" There are a few communities in the United States where citizen opposition to further growth renders economic development a disputed issue, but there is typically a community consensus in favor of the principle of economic development. Particular projects may be controversial, if they appear to impose lifestyle changes on current residents. A new factory built near a residential neighborhood is an example.

The array of policy tools and administrative actions available to the urban public administrator tend to be limited in scope and uncertain in impact. Some of the tools include:

Marketing/Advertising efforts

This effort attempts to make others around the country or the world aware of the assets of location in a particular community.

Land assembly

Many potential new businesses are leaving their previous location because of an inability to expand at their existing location. Land assembly for redevelopment often means using public power of condemnation to assemble sites large enough to accommodate the new business. The process may also assemble the land for purchase by the new developer at a price less than would have been necessary in the market without government intervention.

Regulatory improvement

Most cities have a variety of building, environmental, safety, and zoning regulations. In a large city there may be several different bureaucracies that each administer a part of these regulations. A business, especially one in a hurry to move along with relocation, may find the process of regulatory approval very time consuming and costly. Administrative action to allow businesses to move quickly through the regulatory process can be a competitive advantage.

Cooperative partnerships

Most urban areas have a Chamber of Commerce type organization responsible for recruiting and assisting new business to the community. Labor union umbrella organizations are also typically advocates of business expansion that will create new jobs for their members. When these private organizations combine in a partnership arrangement with public administrators, this can be a useful tool for joint action on new business recruitment.

Tax incentives

The most widely discussed economic development tool today is tax incentives. These can be general (low tax rate or absence of certain business type taxes), or project specific. The latter include:⁶⁾

- Tax abatement
- Industrial development bonds
- Tax increment financing
- Enterprise zones
- Loans
- Worker training assistance

Most local and state governments seeking to promote economic development have legally available an array of these tools for public subsidy of new economic development. There has been skepticism about the effectiveness of these tools in producing new development that would not have otherwise occurred.(Schwartz, Cohen) But, it is very difficult for an urban public administrator to reject the use of such incentives, when other competing jurisdictions are making these subsidies available.

State, regional, and local governments may each have potential incentives. A major new job producing business might be the beneficiary of a variety of tax incentives if they relocate to a new region.

Worker training and educational programs

For businesses that require skilled labor the availability of an educated work force as well as training programs can be an important locational incentive.

6) A good treatment of the range of policies for government to finance economic development is found in Richard Bingham, Edward Hill, and Sammis White (ed)Financing Economic Development: An Institutional Response. (Newbury Park: Sage Publications, 1990).

This may involve both long-term investments in local education as well as specific training subsidy programs. (Cohen)

Schwartz and Ellen offer three lessons for urban areas attempting to use various tools and incentives to enhance economic development: (Schwartz-Ellen)

Potential benefits of these strategies tend to be exaggerated in the popular press

The Conditions that make economic development strategies successful are complex

Policymakers should look beyond potential impacts on economic growth to consider the benefits of economic development policies and projects on the broader well being of their citizenry

They conclude by saying:

"Changing the direction of a city's economy is difficult, and the factors that drive economic growth are frequently outside the scope of a mayor's ability to affect them."

Pack in a recently released book that was more comprehensive in its scope of analysis concluded the following about local cooperation to achieve regional economic development: (Pack, 29)

If Buffalo New York and its suburbs-with its topography, education, unemployment and skill levels of 1960-had been scooped up by a giant moving device and deposited in Florida or Arizona, the city and suburbs would have done much better than they did in New York even had they enacted ideal cooperative arrangements.

This view contends that long term regional development trends, location, lifestyle amenities may be much more significant than actions by public administrators, such as tax incentives or marketing plans. Buffalo has cold weather and more snow than most other parts of the country for five or six months a year. The advent of relatively cheap and available air conditioning has made the heat of Phoenix or Orlando seem more amenable than the cold and snow of Buffalo to many with locational choices to make.

The difficulty of the economic development task should not be a reason for public administrators in a urban region to give up or fail to pursue appropriate strategies. They must take the lead in developing a regional strategy for economic development that is fashioned to maximize the competitive advantages of the urban region.

Again while it might appear that all of this happens fore readily with a single leader such as a powerful mayor of a city that embraces the entire region, this is not the reality of American urban places. Since private as well as public entities must cooperate for local economic development, it is perhaps appropriate that the city leadership of a community must learn to lead by forging cooperative coalitions of key individuals within the community rather with authoritative commands.

3. To provide equality of opportunity for constituents and citizens of the urban region

The final challenge for urban public administration is to achieve quality service delivery and economic development within the context of equality of opportunity for all parts of the community. An urban region with a permanent class of individuals who are unable to fully participate in the prosperity of the community is laying the groundwork for future decline. In the American context those "left behind" have often been racial and ethnic minorities that have not been fully integrated into the larger society.

Open educational opportunities for all have always been a key to ultimate inclusion of various minorities. As the United States becomes again a land of urban immigrants, as it was a century ago, it is becoming increasingly recognized that without real educational opportunities the prosperity of economic development will not be shared by all. This will plant the seeds of future unrest and decline.

Government tends to be better at collecting money than changing behavior. In most recent public opinion polls citizens express concern about the state of education and a willingness to use public resources to improve this important function. School officials are public administrators with specific responsibilities for education, but others must help provide the resources and community support for this effort.

At the end of the education process the local economy must provide good jobs with wages adequate to sustain a family. Economic development thus becomes a critical factor in sustaining equality of opportunity.

Much of the current geographic and political structure of American urban areas has been shaped over the past fifty years since the end of World War II. All the trends were in place a century or more ago, but the postwar world has

seen inter-metropolitan population shifts on a dramatic scale creating winners and losers in the game of economic growth. Likewise there has been an intra-metropolitan sprawl outward beyond the urban core. National financing of freeways and federally subsidized home loan policies contributing to the population sprawl that is characteristic of most urban areas. As the automobile replaced mass transit as the primary means of transportation, it was feasible for individuals to move to the fringes of the urban area and live in housing on larger tracts of land. The urban areas left behind often contain a high proportion of individuals who are poor and without good prospects for improvement.

Drweier, Mollenkopf and Swanstrom in the conclusion to their recent book said: (Drweier, 260)

In a metropolitan landscape characterized by economic segregation and sprawl, a rising tide does not lift all boats. In what is arguably the most prosperous economy ever on the face of the earth, many places (and people who live in them) are being left behind. Not only are the places becoming economically isolated from the mainstream; they are being politically cut off as well. The flight to the suburban fringe does not just sever social relations; it also severs political relations.

Urban public administrators today need to simultaneously foster economic prosperity and its consequent life-style amenities in their own communities, and be address the continuing structural problems of significant economic disparities. Equality of opportunity and the avoidance of major social and economic inequality are a challenge for urban public administrators. Many of the root causes of lack of opportunity are beyond the ability of urban public administrators to address, but they are on the front line in fighting the problems that are generated by inequality.

The three challenges

By themselves each of these three challenges would be daunting. Together they constitute formidable barriers for public administration as they attempt to carry out their responsibilities. The dedication and skill they bring to these tasks will do much to shape the future of their communities. The global world of the 21st century is a world that is moving more quickly and with few signs to offer guides about the road ahead. Because of these challenges the daily life

of the urban public administrator is never dull.

IV. Final Thoughts

This essay began with some reflections on globalization in a historical perspective. In closing I wish to place this discussion of American urban government in a broader context. Peter Hall recently wrote:

In the past 40 years, deconcentration, first of residences and latterly also of employment has become a universal phenomenon in the world's metropolitan areas. Once unique to the Anglo-American-Australian group of cities, it has now become characteristic of the whole of Western Europe and of Japan. And in the larges of these areas, the global cities, it has become extremely complex, extending over very wide areas of territory in a dynamic process that results in a highly polycentric metropolitan system. (Hall, 27)

It is this decentralization of urban areas into a polycentric system of communities that is at the heart of the American discussion of urban governance in the 21st century. For much of the 20th century there was a debate between those who favored a consolidated single system of government for large urban areas. Others argued that decentralization of many, but not all, urban administrative functions was both inevitable and preferable.

I am arguing here that the later view has prevailed. Not because the consolidationists have conceded the argument, but because the possibility of a unitary local government for an entire metropolitan region grows less likely with each passing year as residents and economic activity sprawl across the countryside.

If decentralization continues (I prefer this decentralization to fragmentation), the three challenges I outlined above will make life interesting for urban public administrators. They must at the same time find ways to deliver high quality public services in a world of scarce resources, stimulated economic development, and do so in an environment in which no significant segment of the population is left behind in poverty and social isolation.

There are no magic solutions for these challenges. Successful strategies and tactics in one urban area may not work in as well in another. The common denominator for success is likely to be the political and managerial skills and dedication of the urban public administrator rather than a single "one size fits all" strategy.

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